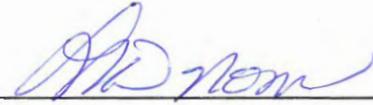


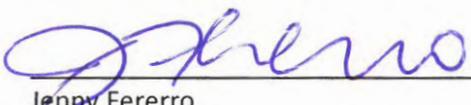
December 13, 2017

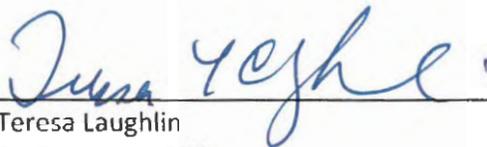
**MEMORANDUM OF UNDERSTANDING**  
**BETWEEN THE PALOMAR COMMUNITY COLLEGE DISTRICT**  
**AND THE PALOMAR FACULTY FEDERATION**

This Memorandum of Understanding ("MOU") is entered by and between the PALOMAR COMMUNITY COLLEGE DISTRICT ("District") and the PALOMAR FACULTY FEDERATION ("PFF") and is with respect to Article 9: Leaves.

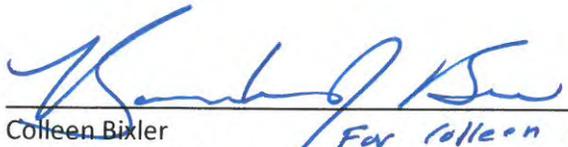
The Child Development Department will be hiring a new full-time faculty member during the Spring 2018 semester (position to start Fall 2018). The CHDV Department has only four full-time faculty members, who work cohesively together to manage the multiple programs, CTE and industry partnerships, and state initiatives relevant to their discipline and field. The department also does not get to hire full-time faculty on a regular basis. In order to maintain optimal departmental collaboration, all four full-time faculty members are needed to serve on the hiring committee for the new position. Dr. Laurel Anderson will be on sabbatical during the Spring 2018 semester, but would like to volunteer her time to serve on the hiring committee for the full-time CHDV faculty search. It is understood by all parties that Dr. Anderson's participation on the committee is voluntary and will not interfere with her sabbatical activities and work, and that her time spent on the hiring committee is without compensation. It is also understood by all parties that this MOU does not set a precedent or alter the expectation that faculty on sabbatical leave are not expected to participate in District service during their leave.

Dated: 12/13/17 \_\_\_\_\_  
  
Lisa M. Norman  
Assistant Superintendent/Vice President, Human  
Resource Services

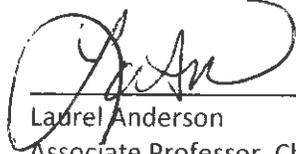
Dated: 12/13/17 \_\_\_\_\_  
  
Jenny Fererro  
Lead Negotiator, PFF

Dated: 12/13/17 \_\_\_\_\_  
  
Teresa Laughlin  
Co-President, PFF

Dated: 12/13/17

  
Colleen Bixler  
Co-President, PFF  
*For Colleen Bixler*

Dated: 12/13/17

  
Laurel Anderson  
Associate Professor, Child Development



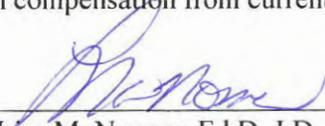
**MEMORANDUM OF UNDERSTANDING**  
**BY AND BETWEEN**  
**PALOMAR COMMUNITY COLLEGE DISTRICT**  
**AND THE**  
**PALOMAR FACULTY FEDERATION, CFT/AFT**

This Memorandum of Understanding (MOU) is made and entered into this December 13, 2017, between the Palomar Community College District (“District”) and the Palomar Faculty Federation, CFT/AFT (“PFF”), collectively (“the parties”).

In response to PFF’s side letter dated October 4, 2017, the parties have agreed upon the following regarding a classification and compensation study for Athletic Coaches Stipends.

1. A classification study will be done on the Athletics program, focusing on coaching faculty compensation in comparison with other districts of similar size and/or athletic programs. This study must be completed by July 1, 2018, unless otherwise specified by the selected consultant. It is understood the time frame shall be within a reasonable amount of time and should not exceed one (1) year.
2. The District will pay for the classification study.
3. The parties will mutually agree upon the chosen consultant for the study.
4. The study will entail a review of comparable colleges in size and scope in relation to the athletic programs reviewed. In addition, the study will assess and take into consideration the input from the affected faculty in both women and men’s sports relative to compensation.
5. Upon completion of the study, both parties will review, discuss and negotiate based on the findings.
6. Both parties agree there will be no reduction in compensation from current levels.

Dated: 12/13/17

  
\_\_\_\_\_  
Lisa M. Norman Ed.D., J.D.  
Assistant Superintendent/Vice President, HR  
District Chief Negotiator

Dated: 12/13/17

Jenny Fererro  
Jenny Fererro  
Lead Negotiator, PFF

Dated: 12/13/17

Teresa Laughlin  
Teresa Laughlin  
Co-President, PFF

Dated: 12/13/17

Colleen Bixler For Colleen Bixler  
Colleen Bixler  
Co-President, PFF

---

**PALOMAR COMMUNITY COLLEGE DISTRICT  
SENIOR EDUCATIONAL ADMINISTRATOR  
EMPLOYMENT CONTRACT 2018-2020**

---

This employment contract (hereinafter referred to as the "Agreement") is made and entered into this ninth day of January, 2018 of by and between the Governing Board of the Palomar Community College District (hereinafter referred to as the "Board" and "District") and **Pearl Ly** (hereinafter referred to as the "Employee").

**WHEREAS** it is the desire of the Board to employ Employee in the Position of **Dean, Instructional, Social and Behavioral Sciences** (hereinafter referred to as "Position").

**NOW, THEREFORE**, the parties mutually agree as follows:

- 1. EMPLOYMENT.** The Board hereby offers to employ Employee in the above identified Position on the conditions contained in this Agreement. Employee is a member of the Administrative Association as described in the Administrative Association Handbook adopted by the Board, an academic employee as defined by Education Code section 87001(a), an educational administrator as defined in Education Code section 87002(b), and a management employee as defined by Government Code section 3540.1(g). The Employee and the Board agree that this Agreement is not binding or enforceable unless it is ratified by the Board in open session at a regular meeting of the Board.
- 2. STATUTORY AUTHORIZATION AND EXTENSION.** This Agreement is a contract of employment entered into pursuant to Education Code section 72411(a). Employee understands upon Employee's execution of this Agreement and its adoption by the Board, this Agreement will automatically renew upon its expiration, and Employee will automatically be reemployed for one (1) additional year upon the expiration of this Agreement, unless the Governing Board provides written notice to Employee on or before March 15, 2019, of its intention not to reemploy Employee in Position for one additional academic year. If the Governing Board provides such written notice to Employee, Employee's employment in Position and this Agreement will terminate effective January 9, 2020, without further action by the Board, subject to the provisions of paragraph 3.
- 3. RETREAT/RETURN RIGHTS.** If the Governing Board provides notice to Employee of non-renewal of this Agreement, and Employee has seniority in another administrator or non-administrator education position in the District, such Employee may have the right to return to such position upon the expiration of this Agreement provided that Employee is not termination for cause.
- 4. TERM.** The term of this Agreement shall begin on **January 10, 2018**, and continue through and including **January 9, 2020** or unless extended pursuant to paragraph 2.

Employee shall be required to render full time and regular service to the District during the period covered by this Agreement. This Agreement shall be renewable or extended only by mutual, written agreement of the parties as set forth in paragraph 2 above. In no event shall this Agreement be interpreted in any way to authorize the renewal or extension of this Agreement for a term of more than twenty-nine (29) months. It is expressly understood, however, that if the position referred to in this Agreement is funded by a grant, categorical program, or other monies not in the District's unrestricted general fund, and if funding is discontinued, the Agreement will terminate on June 30 of the fiscal year in which the funding was discontinued, provided further that the District has given Employee written notice before May 15<sup>th</sup> of the year in which the funding is not received.

5. **SALARY.** Employee shall be compensated in accordance with the Administrative Salary Schedule as established, approved and revised from time to time by the Board, at salary grade **75/5** from January 10, 2018 through June 30, 2018; at salary grade **75/6** from July 1, 2018 through June 30, 2019; and at salary grade **75/7** from July 1, 2019 through January 9, 2020, **plus a \$117.66 monthly doctoral stipend.** The Board reserves the right to increase or decrease the schedule including across the board salary reduction or furloughs on the same basis and for the same time as faculty bargaining unit reductions. Any actions to modify the salary schedule shall not be interpreted as a new Agreement for employment or renewal or extension of this Agreement. The Board reserves the right to increase the Employee's salary. However, any action to increase the salary of the Employee shall not be interpreted as a new Agreement for employment or a renewal or extension of this Agreement.
6. **DUTIES.** Employee will perform the duties of the above Position as set forth in any Position description adopted by the Board, and all other duties as shall be assigned or required by the Superintendent/President, or designee, provided that such additional duties shall be consistent with Employee's Position. The Board may adopt or amend the Position description for the Employee's Position at any time as long as the modifications are not inconsistent with the terms of the Agreement. The Board reserves the right to reassign the Employee at any time during the term of this Agreement to another educational or student services administrative Position within the District. Reassignment during the term of this Agreement solely for discretionary reasons will not result in a reduction of the Employee's compensation during the term of this Agreement. Reassignment will be made in compliance with the California Education Code and the Administrative Association Handbook.
7. **EXCLUSION FROM OVERTIME PROVISIONS.** Employee shall be exempt from the minimum wage and overtime provisions of the Fair Labor Standards Act and the California Education Code, and shall not be entitled to compensatory time off.
8. **VACATION AND SICK LEAVE.** Employee is entitled to accrue twenty-four (24) working days of vacation annually in accordance with section 5 – Vacation set forth in the Administrative Association Handbook as adopted by the Board. Vacation days are

exclusive of holidays otherwise granted to twelve (12) month regular administrative employees of the District. Employee is entitled to accrue twelve (12) days of paid sick leave for illness or injury. Employee is eligible for any leaves authorized by law or provided in the Administrative Association Handbook as adopted by the Board

9. **FRINGE BENEFITS.** Employee shall be afforded all fringe benefits of employment which are provided to the District's regular educational and student services administrators for which they are eligible under the terms of the Administrative Association Handbook.
10. **TRAVEL.** Necessary transportation and travel expenses will be provided in accordance with policies duly adopted by the Board.
11. **SERVICE CLUBS AND COMMUNITY ORGANIZATIONS.** The Board authorizes payment of dues and meals for meetings of one service or community organization. Funds shall be allocated to the appropriate expense accounts in the annual budget approved by the Board.
12. **APPLICABLE LAW.** This Agreement is subject to all applicable laws of the State of California, the rules and regulations of the State Board of Governors, and the rules, regulations, and policies of the Board, all of which are made a part of the terms and conditions of this Agreement as though set forth herein, to the extent that such terms are not inconsistent with the lawful terms of this Agreement.
13. **MAXIMUM CASH SETTLEMENT UPON TERMINATION OF THIS AGREEMENT WITHOUT CAUSE.** Regardless of the term of this Agreement, the Board may terminate this Agreement at any time prior to the date on which the term of this Agreement would have otherwise expired, without cause. In such an event, the maximum cash settlement that the Employee shall receive will be an amount equal to the monthly base salary of the Employee multiplied by the number of months remaining on the unexpired term of this Agreement, or eighteen (18) months, whichever is less, minus any amount(s) that could have been earned if the Employee has retreat rights, and an instructional Position is offered for the balance of the term of this Agreement. Any cash settlement shall not include any other noncash items except health benefits, which may be continued for the same duration of time as covered in the settlement, or until Employee finds other employment, whichever occurs first. The intent of this provision is to satisfy the requirements of Government Code sections 53260-53264, and this provision shall be interpreted in a manner consistent with those statutes.

The District agrees to pay Employee the lump sum cash payment ("Severance Pay"), less legally required for authorized deductions except contributions to CalSTRS, within fifteen (15) days of the effective date of termination.

In exchange for and as a condition to receipt of the Severance Pay, Employee shall execute a release and waiver, in a form acceptable to the legal counsel for the District,

releasing the District, and all of its elected officers, employees, agents, representations, and attorneys, from any claim associated with the termination.

**14. TERMINATION OF THIS AGREEMENT DURING ITS TERM WITH CAUSE.** The Board may terminate this Agreement during its term and discharge Employee if Employee commits a material and substantial breach of this Agreement and/or for cause. Such breach of Agreement and discharge shall nullify the terms of this Agreement and Employee shall cease to receive any form of compensation upon the effective date of termination. The term “cause” is defined as those actions, omissions, or behaviors which are detrimental to the operations of the District and/or its major instructional, student and administrative divisions, or which impair the District’s mission, purpose, or objectives. Conduct which constitutes a breach of contract and cause for discharge, includes, but is not limited to: unsatisfactory work performance, dishonesty, misconduct, unprofessional conduct, or insubordination. Disciplinary actions, up to and including discharge from employment, shall be carried out in compliance with the disciplinary provisions applicable to administrative employees as set forth in the Administrative Team Handbook as adopted by the Board.

**15. PROVISIONS OF GOVERNMENT CODE SECTIONS 53243.3-53243.4.**

- (a) In the event that the District provides paid leave to Employee pending an investigation of a crime involving abuse of his office or position covered by Government Code section 53243.4, and should that investigation lead to a conviction, the Employee shall fully reimburse District for any salary provided for that purpose.
- (b) In the event that the District provides funds for the legal criminal defense of Employee pending an investigation of a crime involving an abuse of his office or position covered by Government Code section 53243.4, and should that investigation lead to a conviction, the Employee shall fully reimburse the District for any funds provided for that purpose.
- (c) In the event that the District provides a cash settlement related to the termination of Employee as defined in the terms of this Agreement and Employee subsequently is convicted of a crime involving abuse of office or position covered by Government Code section 53243.4, Employee shall fully reimburse the District for any funds provided for that purpose.
- (d) “Abuse of office or position” is defined in Government Code section 53243.4 to mean either of the following:
  - (i) An abuse of public authority, including, but not limited to, waste, fraud, and violation of the law under color of authority.

- (ii) A crime against public justice, including, but not limited to, a crime described in Title 5 (commencing with Section 67), Title 6 (commencing with Section 85) or Title 7 (commencing with Section 92) of Part 1 of the Penal Code.

- 16. MODIFICATION OF CONTRACT.** This Agreement may be modified by mutual consent of the parties provided, however, that the party seeking such change shall give not less than 45 (forty-five) calendar days, written notice to the other party of the requested modification.
- 17. RESIGNATION.** Employee may resign from employment at any time during the term of this Agreement upon ninety (90) days prior written notice to the Board or upon a shorter period of time if approved by the Board.
- 18. SAVINGS CLAUSE.** If any provision of this Agreement is held to be contrary to law by a court of competent jurisdiction, such provision shall not be deemed valid or binding except to the extent permitted by law, but all other provisions shall continue to remain in full force and effect.
- 19. ENTIRE AGREEMENT.** This Agreement contains and expresses the entire and final agreement of the parties with respect to the matters covered herein, and supersedes all negotiations, prior discussions, prior agreements and preliminary agreements between the parties. No promises or representations, express or implied, concerning this Agreement have been made by the parties other than those contained in this Agreement concerning the offer and acceptance of employment described herein.
- 20. NO CONTINUING WAIVER.** No waiver of any term or condition of this Agreement by either party shall be deemed a continuing waiver of such term and condition.
- 21. GOVERNING LAW.** This Agreement is delivered in the State of California, concerns employment in the State of California, and the rights and obligations of the parties hereto shall be construed and enforced in accordance with the laws of the State of California.
- 22. MISCELLANEOUS PROVISIONS.** This Agreement and applicable provisions of the Administrative Association Handbook contain the entire agreement and understanding between the parties. There are no oral understandings, or terms and conditions not contained or referenced in this Agreement. This Agreement cannot be changed orally. It may be modified in writing by mutual agreement of the parties as set forth above. This Agreement supersedes all Board Policies, rules, regulations, handbooks or practices which are inconsistent with or in conflict with this Agreement.

**ACCEPTANCE OF SENIOR EDUCATIONAL ADMINISTRATOR  
EMPLOYMENT CONTRACT**

I have reviewed this Senior Educational Administrator Employment Contract, and I accept this Agreement and the terms and conditions of employment it contains. I have not agreed to employment and/or contracted for employment with the governing board of any other school, university, college, or community college district which will in any way conflict with the satisfactory performance of all of the duties of the Position for which employed.

Please return signed contract to Human Resource Services as soon as possible.

Date: \_\_\_\_\_

\_\_\_\_\_  
Employee Signature

Approved by the Governing Board of Palomar Community College District in open session at regular Board meeting.

Date: \_\_\_\_\_

\_\_\_\_\_  
Dr. Joi Blake, Secretary to the Governing Board

Copy: Employee

---

**PALOMAR COMMUNITY COLLEGE DISTRICT  
SENIOR EDUCATIONAL ADMINISTRATOR  
EMPLOYMENT CONTRACT 2018-2019**

---

This employment contract (hereinafter referred to as the "Agreement") is made and entered into this ninth day of January, 2018 of by and between the Governing Board of the Palomar Community College District (hereinafter referred to as the "Board" and "District") and **Justin Smiley** (hereinafter referred to as the "Employee").

**WHEREAS** it is the desire of the Board to employ Employee in the Position of **Dean, Instructional, Arts, Media and Business Administration** (hereinafter referred to as "Position").

**NOW, THEREFORE**, the parties mutually agree as follows:

- 1. EMPLOYMENT.** The Board hereby offers to employ Employee in the above identified Position on the conditions contained in this Agreement. Employee is a member of the Administrative Association as described in the Administrative Association Handbook adopted by the Board, an academic employee as defined by Education Code section 87001(a), an educational administrator as defined in Education Code section 87002(b), and a management employee as defined by Government Code section 3540.1(g). The Employee and the Board agree that this Agreement is not binding or enforceable unless it is ratified by the Board in open session at a regular meeting of the Board.
- 2. STATUTORY AUTHORIZATION AND EXTENSION.** This Agreement is a contract of employment entered into pursuant to Education Code section 72411(a). Employee understands upon Employee's execution of this Agreement and its adoption by the Board, this Agreement will automatically renew upon its expiration, and Employee will automatically be reemployed for one (1) additional year upon the expiration of this Agreement, unless the Governing Board provides written notice to Employee on or before March 15, 2018, of its intention not to reemploy Employee in Position for one additional academic year. If the Governing Board provides such written notice to Employee, Employee's employment in Position and this Agreement will terminate effective January 9, 2019, without further action by the Board, subject to the provisions of paragraph 3.
- 3. RETREAT/RETURN RIGHTS.** If the Governing Board provides notice to Employee of non-renewal of this Agreement, and Employee has seniority in another administrator or non-administrator education position in the District, such Employee may have the right to return to such position upon the expiration of this Agreement provided that Employee is not termination for cause.

4. **TERM.** The term of this Agreement shall begin on **January 10, 2018**, and continue through and including **January 9, 2019** or unless extended pursuant to paragraph 2. Employee shall be required to render full time and regular service to the District during the period covered by this Agreement. This Agreement shall be renewable or extended only by mutual, written agreement of the parties as set forth in paragraph 2 above. In no event shall this Agreement be interpreted in any way to authorize the renewal or extension of this Agreement for a term of more than twenty-nine (29) months. It is expressly understood, however, that if the position referred to in this Agreement is funded by a grant, categorical program, or other monies not in the District's unrestricted general fund, and if funding is discontinued, the Agreement will terminate on June 30 of the fiscal year in which the funding was discontinued, provided further that the District has given Employee written notice before May 15<sup>th</sup> of the year in which the funding is not received.
5. **SALARY.** Employee shall be compensated in accordance with the Administrative Salary Schedule as established, approved and revised from time to time by the Board, at salary grade **75/1** from January 10, 2018 through June 30, 2018 and at salary grade **75/2** from July 1, 2018 through January 9, 2019. The Board reserves the right to increase or decrease the schedule including across the board salary reduction or furloughs on the same basis and for the same time as faculty bargaining unit reductions. Any actions to modify the salary schedule shall not be interpreted as a new Agreement for employment or renewal or extension of this Agreement. The Board reserves the right to increase the Employee's salary. However, any action to increase the salary of the Employee shall not be interpreted as a new Agreement for employment or a renewal or extension of this Agreement.
6. **DUTIES.** Employee will perform the duties of the above Position as set forth in any Position description adopted by the Board, and all other duties as shall be assigned or required by the Superintendent/President, or designee, provided that such additional duties shall be consistent with Employee's Position. The Board may adopt or amend the Position description for the Employee's Position at any time as long as the modifications are not inconsistent with the terms of the Agreement. The Board reserves the right to reassign the Employee at any time during the term of this Agreement to another educational or student services administrative Position within the District. Reassignment during the term of this Agreement solely for discretionary reasons will not result in a reduction of the Employee's compensation during the term of this Agreement. Reassignment will be made in compliance with the California Education Code and the Administrative Association Handbook.
7. **EXCLUSION FROM OVERTIME PROVISIONS.** Employee shall be exempt from the minimum wage and overtime provisions of the Fair Labor Standards Act and the California Education Code, and shall not be entitled to compensatory time off.
8. **VACATION AND SICK LEAVE.** Employee is entitled to accrue twenty-four (24) working days of vacation annually in accordance with section 5 – Vacation set forth in the

Administrative Association Handbook as adopted by the Board. Vacation days are exclusive of holidays otherwise granted to twelve (12) month regular administrative employees of the District. Employee is entitled to accrue twelve (12) days of paid sick leave for illness or injury. Employee is eligible for any leaves authorized by law or provided in the Administrative Association Handbook as adopted by the Board

9. **FRINGE BENEFITS.** Employee shall be afforded all fringe benefits of employment which are provided to the District's regular educational and student services administrators for which they are eligible under the terms of the Administrative Association Handbook.
10. **TRAVEL.** Necessary transportation and travel expenses will be provided in accordance with policies duly adopted by the Board.
11. **SERVICE CLUBS AND COMMUNITY ORGANIZATIONS.** The Board authorizes payment of dues and meals for meetings of one service or community organization. Funds shall be allocated to the appropriate expense accounts in the annual budget approved by the Board.
12. **APPLICABLE LAW.** This Agreement is subject to all applicable laws of the State of California, the rules and regulations of the State Board of Governors, and the rules, regulations, and policies of the Board, all of which are made a part of the terms and conditions of this Agreement as though set forth herein, to the extent that such terms are not inconsistent with the lawful terms of this Agreement.
13. **MAXIMUM CASH SETTLEMENT UPON TERMINATION OF THIS AGREEMENT WITHOUT CAUSE.** Regardless of the term of this Agreement, the Board may terminate this Agreement at any time prior to the date on which the term of this Agreement would have otherwise expired, without cause. In such an event, the maximum cash settlement that the Employee shall receive will be an amount equal to the monthly base salary of the Employee multiplied by the number of months remaining on the unexpired term of this Agreement, or eighteen (18) months, whichever is less, minus any amount(s) that could have been earned if the Employee has retreat rights, and an instructional Position is offered for the balance of the term of this Agreement. Any cash settlement shall not include any other noncash items except health benefits, which may be continued for the same duration of time as covered in the settlement, or until Employee finds other employment, whichever occurs first. The intent of this provision is to satisfy the requirements of Government Code sections 53260-53264, and this provision shall be interpreted in a manner consistent with those statutes.

The District agrees to pay Employee the lump sum cash payment ("Severance Pay"), less legally required for authorized deductions except contributions to CalSTRS, within fifteen (15) days of the effective date of termination.

In exchange for and as a condition to receipt of the Severance Pay, Employee shall execute a release and waiver, in a form acceptable to the legal counsel for the District, releasing the District, and all of its elected officers, employees, agents, representations, and attorneys, from any claim associated with the termination.

**14. TERMINATION OF THIS AGREEMENT DURING ITS TERM WITH CAUSE.** The Board may terminate this Agreement during its term and discharge Employee if Employee commits a material and substantial breach of this Agreement and/or for cause. Such breach of Agreement and discharge shall nullify the terms of this Agreement and Employee shall cease to receive any form of compensation upon the effective date of termination. The term “cause” is defined as those actions, omissions, or behaviors which are detrimental to the operations of the District and/or its major instructional, student and administrative divisions, or which impair the District’s mission, purpose, or objectives. Conduct which constitutes a breach of contract and cause for discharge, includes, but is not limited to: unsatisfactory work performance, dishonesty, misconduct, unprofessional conduct, or insubordination. Disciplinary actions, up to and including discharge from employment, shall be carried out in compliance with the disciplinary provisions applicable to administrative employees as set forth in the Administrative Team Handbook as adopted by the Board.

**15. PROVISIONS OF GOVERNMENT CODE SECTIONS 53243.3-53243.4.**

- (a) In the event that the District provides paid leave to Employee pending an investigation of a crime involving abuse of his office or position covered by Government Code section 53243.4, and should that investigation lead to a conviction, the Employee shall fully reimburse District for any salary provided for that purpose.
- (b) In the event that the District provides funds for the legal criminal defense of Employee pending an investigation of a crime involving an abuse of his office or position covered by Government Code section 53243.4, and should that investigation lead to a conviction, the Employee shall fully reimburse the District for any funds provided for that purpose.
- (c) In the event that the District provides a cash settlement related to the termination of Employee as defined in the terms of this Agreement and Employee subsequently is convicted of a crime involving abuse of office or position covered by Government Code section 53243.4, Employee shall fully reimburse the District for any funds provided for that purpose.
- (d) “Abuse of office or position” is defined in Government Code section 53243.4 to mean either of the following:
  - (i) An abuse of public authority, including, but not limited to, waste, fraud, and violation of the law under color of authority.

- (ii) A crime against public justice, including, but not limited to, a crime described in Title 5 (commencing with Section 67), Title 6 (commencing with Section 85) or Title 7 (commencing with Section 92) of Part 1 of the Penal Code.

- 16. MODIFICATION OF CONTRACT.** This Agreement may be modified by mutual consent of the parties provided, however, that the party seeking such change shall give not less than 45 (forty-five) calendar days, written notice to the other party of the requested modification.
- 17. RESIGNATION.** Employee may resign from employment at any time during the term of this Agreement upon ninety (90) days prior written notice to the Board or upon a shorter period of time if approved by the Board.
- 18. SAVINGS CLAUSE.** If any provision of this Agreement is held to be contrary to law by a court of competent jurisdiction, such provision shall not be deemed valid or binding except to the extent permitted by law, but all other provisions shall continue to remain in full force and effect.
- 19. ENTIRE AGREEMENT.** This Agreement contains and expresses the entire and final agreement of the parties with respect to the matters covered herein, and supersedes all negotiations, prior discussions, prior agreements and preliminary agreements between the parties. No promises or representations, express or implied, concerning this Agreement have been made by the parties other than those contained in this Agreement concerning the offer and acceptance of employment described herein.
- 20. NO CONTINUING WAIVER.** No waiver of any term or condition of this Agreement by either party shall be deemed a continuing waiver of such term and condition.
- 21. GOVERNING LAW.** This Agreement is delivered in the State of California, concerns employment in the State of California, and the rights and obligations of the parties hereto shall be construed and enforced in accordance with the laws of the State of California.
- 22. MISCELLANEOUS PROVISIONS.** This Agreement and applicable provisions of the Administrative Association Handbook contain the entire agreement and understanding between the parties. There are no oral understandings, or terms and conditions not contained or referenced in this Agreement. This Agreement cannot be changed orally. It may be modified in writing by mutual agreement of the parties as set forth above. This Agreement supersedes all Board Policies, rules, regulations, handbooks or practices which are inconsistent with or in conflict with this Agreement.

**ACCEPTANCE OF SENIOR EDUCATIONAL ADMINISTRATOR  
EMPLOYMENT CONTRACT**

I have reviewed this Senior Educational Administrator Employment Contract, and I accept this Agreement and the terms and conditions of employment it contains. I have not agreed to employment and/or contracted for employment with the governing board of any other school, university, college, or community college district which will in any way conflict with the satisfactory performance of all of the duties of the Position for which employed.

Please return signed contract to Human Resource Services as soon as possible.

Date: \_\_\_\_\_

\_\_\_\_\_  
Employee Signature

Approved by the Governing Board of Palomar Community College District in open session at regular Board meeting.

Date: \_\_\_\_\_

\_\_\_\_\_  
Dr. Joi Blake, Secretary to the Governing Board

Copy: Employee

---

**PALOMAR COMMUNITY COLLEGE DISTRICT  
CLASSIFIED ADMINISTRATOR  
EMPLOYMENT CONTRACT 2018-2020**

---

This employment contract (hereinafter referred to as the "Agreement") is made and entered into this ninth day of January, 2018 by and between the Governing Board of the Palomar Community College District (hereinafter referred to as the "Board" and "District") and **Sheri Wenzel** (hereinafter referred to as the "Employee").

**WHEREAS** it is the desire of the Board to employ Employee in the Position of **Manager, Accounting** (hereinafter referred to as "Position").

**NOW, THEREFORE**, the parties mutually agree as follows:

1. **EMPLOYMENT.** The Board hereby offers to employ Employee in the above identified Position on the conditions contained in this Agreement. Employee is classified administrator as defined by Education Code section 87002(a) and (c), and a management employee as defined by Government Code section 3540.1(g). Employee and the Board agree that this Agreement is not binding or enforceable unless it is ratified by the Board in open session at a regular meeting of the Board.
2. **STATUTORY AUTHORIZATION AND EXTENSION.** This Agreement is a contract of employment entered into pursuant to Education Code sections 72411(a) and 72411(b). Employee understands upon Employee's execution of this Agreement and its adoption by the Board, this Agreement will automatically renew upon its expiration by mutual agreement, and Employee will automatically be reemployed for one (1) additional year upon the expiration of this Agreement, unless the Governing Board provides written notice to Employee on or before March 15, 2019, of its intention not to reemploy Employee in Position for one additional academic year. If the Governing Board provides such written notice to Employee, Employee's employment in Position and this Agreement will terminate effective January 9, 2020, without further action by the Board. If the Governing Board provides notice to Employee of non-renewal of this Agreement, and Employee has seniority in another non-administrative classified position in the District, such Employee has the right to return to such position upon the expiration of this Agreement, provided that Employee is not terminated for cause.
3. **TERM.** The term of this Agreement shall begin on **January 10, 2018**, and continue through and including **January 9, 2020** or unless extended pursuant to paragraph 2. Employee shall be required to render full time and regular service to the District during the period covered by this Agreement. This Agreement shall be renewable or extended only by mutual written agreement of the parties as set forth in paragraph 2 above. In no event shall this Agreement be interpreted in any way to authorize a renewal or extension

of this Agreement for a term of more than twenty-four (24) months. It is expressly understood, however, that if the position referred to in this Agreement is funded by a grant, categorical program or other monies not in the District's unrestricted general fund, and if funding is discontinued, this Agreement will terminate on June 30 of the fiscal year in which the funding was discontinued, provided further that the District has given Employee written notice before May 15 of the year in which the funding is not received.

4. **SALARY.** Employee shall be compensated in accordance with the Administrative Salary Schedule as established, approved and revised from time to time by the Board, at salary grade **64/2** from January 10, 2018 through June 30, 2018; at salary grade **64/3** from July 1, 2018 through June 30, 2019; and at salary grade **64/4** from July 1, 2019 through January 9, 2020. The Board reserves the right to increase or decrease the schedule including across the board salary reduction or furloughs on the same basis and for the same time as faculty bargaining unit reductions. Any actions to modify the salary schedule shall not be interpreted as a new Agreement for employment or renewal or extension of this Agreement. The Board reserves the right to increase the Employee's salary. However, any action to increase the salary of the Employee shall not be interpreted as a new Agreement for employment or a renewal or extension of this Agreement.
5. **DUTIES.** Employee will perform the duties of the above Position as set forth in any Position description adopted by the Board, and all other duties as shall be assigned or required by the Superintendent/President, or designee, provided that such additional duties shall be consistent with Employee's Position. The Board may adopt or amend the Position description for the Employee's Position at any time as long as the modifications are not inconsistent with the terms of the Agreement.
6. **EXCLUSION FROM OVERTIME PROVISIONS.** Employee shall be exempt from the minimum wage and overtime provisions of the Fair Labor Standards Act and the California Education Code, and shall not be entitled to compensatory time off.
7. **VACATION AND SICK LEAVE.** Employee is entitled to accrue twenty-four (24) working days of vacation annually in accordance with Section 5 – Vacation set forth in the Administrative Association Handbook as adopted by the Board. Vacation days are exclusive of holidays otherwise granted to twelve (12) month regular administrative employees of the District. Employee is entitled to accrue twelve (12) days of paid sick leave for illness or injury. Employee is eligible for any leaves authorized by law or provided in the Administrative Association Handbook as adopted by the Board.
8. **FRINGE BENEFITS.** Employee shall be afforded all fringe benefits of employment which are provided to the District's regular classified administrators for which they are eligible under the terms of the Administrative Association Handbook.
9. **APPLICABLE LAW.** This Agreement is subject to all applicable laws of the State of California, the rules and regulations of the State Board of Governors, and the rules,

regulations, and policies of the Board, all of which are made a part of the terms and conditions of this Agreement as though set forth herein, to the extent that such terms are not inconsistent with the lawful terms of this Agreement.

10. **TERMINATION OF THIS AGREEMENT DURING ITS TERM WITH CAUSE.** The Board may terminate this Agreement during its term and discharge Employee if Employee commits a material and substantial breach of this Agreement and/or for cause. Such breach of Agreement and discharge shall nullify the terms of this Agreement and Employee shall cease to receive any form of compensation upon the effective date of termination. The term "cause" is defined as those actions, omissions, or behaviors which are detrimental to the operations of the District and/or its major instructional, student and administrative divisions, or which impair the District's mission, purpose, or objectives. Conduct which constitutes a breach of contract and cause for discharge, includes, but is not limited to: unsatisfactory work performance, dishonesty, misconduct, unprofessional conduct, or insubordination. Disciplinary actions, up to and including discharge from employment, shall be carried out in compliance with the disciplinary provisions applicable to administrative employees as set forth in the Administrative Association Handbook as adopted by the Board.
11. **TRAVEL.** Necessary transportation and travel expenses will be provided in accordance with policies duly adopted by the Board.
12. **SERVICE CLUBS AND COMMUNITY ORGANIZATIONS.** The Board authorizes payment of dues and meals for meetings of one service or community organization. Funds shall be allocated to the appropriate expense accounts in the annual budget approved by the Governing Board.
13. **PROVISIONS OF GOVERNMENT CODE SECTIONS 53243.3-53243.4.**
  - (a) In the event that the District provides paid leave to Employee pending an investigation of a crime involving abuse of his office or position covered by Government Code section 53243.4, and should that investigation lead to a conviction, the Employee shall fully reimburse District for any salary provided for that purpose.
  - (b) In the event that the District provides funds for the legal criminal defense of Employee pending an investigation of a crime involving an abuse of his office or position covered by Government Code section 53243.4, and should that investigation lead to a conviction, the Employee shall fully reimburse the District for any funds provided for that purpose.
  - (c) In the event that the District provides a cash settlement related to the termination of Employee as defined in the terms of this Agreement and Employee subsequently is convicted of a crime involving abuse of office or position covered

by Government Code section 53243.4, Employee shall fully reimburse the District for any funds provided for that purpose.

- (d) "Abuse of office or position" is defined in Government Code section 53243.4 to mean either of the following:
  - (i) An abuse of public authority, including, but not limited to, waste, fraud, and violation of the law under color of authority.
  - (ii) A crime against public justice, including, but not limited to, a crime described in Title 5 (commencing with Section 67), Title 6 (commencing with Section 85) or Title 7 (commencing with Section 92) of Part 1 of the Penal Code.

**14. MAXIMUM CASH SETTLEMENT UPON TERMINATION OF THIS AGREEMENT WITHOUT CAUSE.** Regardless of the term of this Agreement, the Board may terminate this Agreement at any time prior to the date on which the term of this Agreement would have otherwise expired, without cause. In such an event, the maximum cash settlement that the Employee shall receive will be an amount equal to the monthly base salary of the Employee multiplied by the number of months remaining on the unexpired term of this Agreement, or eighteen (18) months, whichever is less, minus any amount(s) that could have been earned if the Employee has retreat rights, and an instructional Position is offered for the balance of the term of this Agreement. Any cash settlement shall not include any other noncash items except health benefits, which may be continued for the same duration of time as covered in the settlement, or until Employee finds other employment, whichever occurs first. The intent of this provision is to satisfy the requirements of Government Code sections 53260-53264, and this provision shall be interpreted in a manner consistent with those statutes.

The District agrees to pay Employee the lump sum cash payment ("Severance Pay"), less legally required for authorized deductions except contributions to CalPERS, within fifteen (15) days of the effective date of termination.

In exchange for and as a condition to receipt of the Severance Pay, Employee shall execute a release and waiver, in a form acceptable to the legal counsel for the District, releasing the District, and all of its elected officers, employees, agents, representations, and attorneys, from any claim associated with the termination.

**15. MODIFICATION OF CONTRACT.** This Agreement may be modified by mutual consent of the parties provided, however, that the party seeking such change shall give not less than 45 (forty-five) calendar days, written notice to the other party of the requested modification.

16. **RESIGNATION.** Employee may resign from employment at any time during the term of this Agreement upon ninety (90) days prior written notice to the Board or upon a shorter period of time if approved by the Board.
17. **SAVINGS CLAUSE.** If any provision of this Agreement is held to be contrary to law by a court of competent jurisdiction, such provision shall not be deemed valid or binding except to the extent permitted by law, but all other provisions shall continue to remain in full force and effect.
18. **ENTIRE AGREEMENT.** This Agreement contains and expresses the entire and final agreement of the parties with respect to the matters covered herein, and supersedes all negotiations, prior discussions, prior agreements and preliminary agreements between the parties. No promises or representations, express or implied, concerning this Agreement have been made by the parties other than those contained in this Agreement concerning the offer and acceptance of employment described herein.
19. **NO CONTINUING WAIVER.** No waiver of any term or condition of this Agreement by either party shall be deemed a continuing waiver of such term and condition.
20. **GOVERNING LAW.** This Agreement is delivered in the State of California, concerns employment in the State of California, and the rights and obligations of the parties hereto shall be construed and enforced in accordance with the laws of the State of California.
21. **MISCELLANEOUS PROVISIONS.** This Agreement and applicable provisions of the Administrative Association Handbook contain the entire agreement and understanding between the parties. There are no oral understandings, or terms and conditions not contained or referenced in this Agreement. This Agreement cannot be changed orally. It may be modified in writing by mutual agreement of the parties as set forth above. This Agreement supersedes all Board Policies, rules, regulations, handbooks or practices which are inconsistent with or in conflict with this Agreement.

**ACCEPTANCE OF CLASSIFIED ADMINISTRATOR  
EMPLOYMENT CONTRCACT**

I have reviewed this Classified Administrator Employment Contract, and I accept this Agreement and the terms and conditions of employment it contains. I have not agreed to employment and/or contracted for employment with the governing board of any other school, university, college, or community college district which will in any way conflict with the satisfactory performance of all of the duties of the Position for which employed.

Please return signed contract to Human Resource Services as soon as possible.

Date: \_\_\_\_\_

\_\_\_\_\_  
Employee Signature

Approved by the Governing Board of Palomar Community College District in open session at regular Board meeting.

Date: \_\_\_\_\_

\_\_\_\_\_  
Dr. Joi Blake, Secretary to the Governing Board

Copy: Employee

---

**PALOMAR COMMUNITY COLLEGE DISTRICT  
CLASSIFIED ADMINISTRATOR  
EMPLOYMENT CONTRACT 2018-2020**

---

This employment contract (hereinafter referred to as the "Agreement") is made and entered into this ninth day of January, 2018 by and between the Governing Board of the Palomar Community College District (hereinafter referred to as the "Board" and "District") and **Michael D. Large** (hereinafter referred to as the "Employee").

**WHEREAS** it is the desire of the Board to employ Employee in the Position of **Principal Institutional Research Analyst** (hereinafter referred to as "Position").

**NOW, THEREFORE**, the parties mutually agree as follows:

1. **EMPLOYMENT.** The Board hereby offers to employ Employee in the above identified Position on the conditions contained in this Agreement. Employee is classified administrator as defined by Education Code section 87002(a) and (c), and a management employee as defined by Government Code section 3540.1(g). Employee and the Board agree that this Agreement is not binding or enforceable unless it is ratified by the Board in open session at a regular meeting of the Board.
2. **STATUTORY AUTHORIZATION AND EXTENSION.** This Agreement is a contract of employment entered into pursuant to Education Code sections 72411(a) and 72411(b). Employee understands upon Employee's execution of this Agreement and its adoption by the Board, this Agreement will automatically renew upon its expiration by mutual agreement, and Employee will automatically be reemployed for one (1) additional year upon the expiration of this Agreement, unless the Governing Board provides written notice to Employee on or before March 15, 2019, of its intention not to reemploy Employee in Position for one additional academic year. If the Governing Board provides such written notice to Employee, Employee's employment in Position and this Agreement will terminate effective January 9, 2020, without further action by the Board. If the Governing Board provides notice to Employee of non-renewal of this Agreement, and Employee has seniority in another non-administrative classified position in the District, such Employee has the right to return to such position upon the expiration of this Agreement, provided that Employee is not terminated for cause.
3. **TERM.** The term of this Agreement shall begin on **January 10, 2018**, and continue through and including **January 9, 2020** or unless extended pursuant to paragraph 2. Employee shall be required to render full time and regular service to the District during the period covered by this Agreement. This Agreement shall be renewable or extended only by mutual written agreement of the parties as set forth in paragraph 2 above. In no event shall this Agreement be interpreted in any way to authorize a renewal or extension

of this Agreement for a term of more than twenty-four (24) months. It is expressly understood, however, that if the position referred to in this Agreement is funded by a grant, categorical program or other monies not in the District's unrestricted general fund, and if funding is discontinued, this Agreement will terminate on June 30 of the fiscal year in which the funding was discontinued, provided further that the District has given Employee written notice before May 15 of the year in which the funding is not received.

4. **SALARY.** Employee shall be compensated in accordance with the Administrative Salary Schedule as established, approved and revised from time to time by the Board, at salary grade **60/5** from January 10, 2018 through June 30, 2018; at salary grade **60/6** from July 1, 2018 through June 30, 2019; and at salary grade **60/7** from July 1, 2019 through January 9, 2020, **plus a \$117.66 monthly doctoral stipend.** The Board reserves the right to increase or decrease the schedule including across the board salary reduction or furloughs on the same basis and for the same time as faculty bargaining unit reductions. Any actions to modify the salary schedule shall not be interpreted as a new Agreement for employment or renewal or extension of this Agreement. The Board reserves the right to increase the Employee's salary. However, any action to increase the salary of the Employee shall not be interpreted as a new Agreement for employment or a renewal or extension of this Agreement.
5. **DUTIES.** Employee will perform the duties of the above Position as set forth in any Position description adopted by the Board, and all other duties as shall be assigned or required by the Superintendent/President, or designee, provided that such additional duties shall be consistent with Employee's Position. The Board may adopt or amend the Position description for the Employee's Position at any time as long as the modifications are not inconsistent with the terms of the Agreement.
6. **EXCLUSION FROM OVERTIME PROVISIONS.** Employee shall be exempt from the minimum wage and overtime provisions of the Fair Labor Standards Act and the California Education Code, and shall not be entitled to compensatory time off.
7. **VACATION AND SICK LEAVE.** Employee is entitled to accrue twenty-four (24) working days of vacation annually in accordance with Section 5 – Vacation set forth in the Administrative Association Handbook as adopted by the Board. Vacation days are exclusive of holidays otherwise granted to twelve (12) month regular administrative employees of the District. Employee is entitled to accrue twelve (12) days of paid sick leave for illness or injury. Employee is eligible for any leaves authorized by law or provided in the Administrative Association Handbook as adopted by the Board.
8. **FRINGE BENEFITS.** Employee shall be afforded all fringe benefits of employment which are provided to the District's regular classified administrators for which they are eligible under the terms of the Administrative Association Handbook.
9. **APPLICABLE LAW.** This Agreement is subject to all applicable laws of the State of California, the rules and regulations of the State Board of Governors, and the rules,

regulations, and policies of the Board, all of which are made a part of the terms and conditions of this Agreement as though set forth herein, to the extent that such terms are not inconsistent with the lawful terms of this Agreement.

- 10. TERMINATION OF THIS AGREEMENT DURING ITS TERM WITH CAUSE.** The Board may terminate this Agreement during its term and discharge Employee if Employee commits a material and substantial breach of this Agreement and/or for cause. Such breach of Agreement and discharge shall nullify the terms of this Agreement and Employee shall cease to receive any form of compensation upon the effective date of termination. The term “cause” is defined as those actions, omissions, or behaviors which are detrimental to the operations of the District and/or its major instructional, student and administrative divisions, or which impair the District’s mission, purpose, or objectives. Conduct which constitutes a breach of contract and cause for discharge, includes, but is not limited to: unsatisfactory work performance, dishonesty, misconduct, unprofessional conduct, or insubordination. Disciplinary actions, up to and including discharge from employment, shall be carried out in compliance with the disciplinary provisions applicable to administrative employees as set forth in the Administrative Association Handbook as adopted by the Board.
- 11. TRAVEL.** Necessary transportation and travel expenses will be provided in accordance with policies duly adopted by the Board.
- 12. SERVICE CLUBS AND COMMUNITY ORGANIZATIONS.** The Board authorizes payment of dues and meals for meetings of one service or community organization. Funds shall be allocated to the appropriate expense accounts in the annual budget approved by the Governing Board.
- 13. PROVISIONS OF GOVERNMENT CODE SECTIONS 53243.3-53243.4.**

  - (a) In the event that the District provides paid leave to Employee pending an investigation of a crime involving abuse of his office or position covered by Government Code section 53243.4, and should that investigation lead to a conviction, the Employee shall fully reimburse District for any salary provided for that purpose.
  - (b) In the event that the District provides funds for the legal criminal defense of Employee pending an investigation of a crime involving an abuse of his office or position covered by Government Code section 53243.4, and should that investigation lead to a conviction, the Employee shall fully reimburse the District for any funds provided for that purpose.
  - (c) In the event that the District provides a cash settlement related to the termination of Employee as defined in the terms of this Agreement and Employee subsequently is convicted of a crime involving abuse of office or position covered

by Government Code section 53243.4, Employee shall fully reimburse the District for any funds provided for that purpose.

- (d) "Abuse of office or position" is defined in Government Code section 53243.4 to mean either of the following:
  - (i) An abuse of public authority, including, but not limited to, waste, fraud, and violation of the law under color of authority.
  - (ii) A crime against public justice, including, but not limited to, a crime described in Title 5 (commencing with Section 67), Title 6 (commencing with Section 85) or Title 7 (commencing with Section 92) of Part 1 of the Penal Code.

**14. MAXIMUM CASH SETTLEMENT UPON TERMINATION OF THIS AGREEMENT WITHOUT CAUSE.** Regardless of the term of this Agreement, the Board may terminate this Agreement at any time prior to the date on which the term of this Agreement would have otherwise expired, without cause. In such an event, the maximum cash settlement that the Employee shall receive will be an amount equal to the monthly base salary of the Employee multiplied by the number of months remaining on the unexpired term of this Agreement, or eighteen (18) months, whichever is less, minus any amount(s) that could have been earned if the Employee has retreat rights, and an instructional Position is offered for the balance of the term of this Agreement. Any cash settlement shall not include any other noncash items except health benefits, which may be continued for the same duration of time as covered in the settlement, or until Employee finds other employment, whichever occurs first. The intent of this provision is to satisfy the requirements of Government Code sections 53260-53264, and this provision shall be interpreted in a manner consistent with those statutes.

The District agrees to pay Employee the lump sum cash payment ("Severance Pay"), less legally required for authorized deductions except contributions to CalPERS, within fifteen (15) days of the effective date of termination.

In exchange for and as a condition to receipt of the Severance Pay, Employee shall execute a release and waiver, in a form acceptable to the legal counsel for the District, releasing the District, and all of its elected officers, employees, agents, representations, and attorneys, from any claim associated with the termination.

**15. MODIFICATION OF CONTRACT.** This Agreement may be modified by mutual consent of the parties provided, however, that the party seeking such change shall give not less than 45 (forty-five) calendar days, written notice to the other party of the requested modification.

16. **RESIGNATION.** Employee may resign from employment at any time during the term of this Agreement upon ninety (90) days prior written notice to the Board or upon a shorter period of time if approved by the Board.
17. **SAVINGS CLAUSE.** If any provision of this Agreement is held to be contrary to law by a court of competent jurisdiction, such provision shall not be deemed valid or binding except to the extent permitted by law, but all other provisions shall continue to remain in full force and effect.
18. **ENTIRE AGREEMENT.** This Agreement contains and expresses the entire and final agreement of the parties with respect to the matters covered herein, and supersedes all negotiations, prior discussions, prior agreements and preliminary agreements between the parties. No promises or representations, express or implied, concerning this Agreement have been made by the parties other than those contained in this Agreement concerning the offer and acceptance of employment described herein.
19. **NO CONTINUING WAIVER.** No waiver of any term or condition of this Agreement by either party shall be deemed a continuing waiver of such term and condition.
20. **GOVERNING LAW.** This Agreement is delivered in the State of California, concerns employment in the State of California, and the rights and obligations of the parties hereto shall be construed and enforced in accordance with the laws of the State of California.
21. **MISCELLANEOUS PROVISIONS.** This Agreement and applicable provisions of the Administrative Association Handbook contain the entire agreement and understanding between the parties. There are no oral understandings, or terms and conditions not contained or referenced in this Agreement. This Agreement cannot be changed orally. It may be modified in writing by mutual agreement of the parties as set forth above. This Agreement supersedes all Board Policies, rules, regulations, handbooks or practices which are inconsistent with or in conflict with this Agreement.

**ACCEPTANCE OF CLASSIFIED ADMINISTRATOR  
EMPLOYMENT CONTRCACT**

I have reviewed this Classified Administrator Employment Contract, and I accept this Agreement and the terms and conditions of employment it contains. I have not agreed to employment and/or contracted for employment with the governing board of any other school, university, college, or community college district which will in any way conflict with the satisfactory performance of all of the duties of the Position for which employed.

Please return signed contract to Human Resource Services as soon as possible.

Date: \_\_\_\_\_

\_\_\_\_\_  
Employee Signature

Approved by the Governing Board of Palomar Community College District in open session at regular Board meeting.

Date: \_\_\_\_\_

\_\_\_\_\_  
Dr. Joi Blake, Secretary to the Governing Board

Copy: Employee

---

**PALOMAR COMMUNITY COLLEGE DISTRICT  
EDUCATIONAL ADMINISTRATOR  
EMPLOYMENT CONTRACT 2018-2020**

---

This employment contract (hereinafter referred to as the "Agreement") is made and entered into this ninth day of January, 2018 by and between the Governing Board of the Palomar Community College District (hereinafter referred to as the "Board" and "District") and **Thomas R. Medel** (hereinafter referred to as the "Employee").

**WHEREAS** it is the desire of the Board to employ Employee in the Position of **Director, Education Center** (hereinafter referred to as "Position").

**NOW, THEREFORE**, the parties mutually agree as follows:

1. **EMPLOYMENT.** The Board hereby offers to employ Employee in the above identified Position on the conditions contained in this Agreement. Employee is a member of the Administrative Association as described in the Administrative Association Handbook adopted by the Board, an academic employee as defined by Education Code section 87001(a), an educational administrator as defined in Education Code section 87002(b), and a management employee as defined by Government Code section 3540.1(g). The Employee and the Board agree that this Agreement is not binding or enforceable unless it is ratified by the Board in open session at a regular meeting of the Board.
2. **STATUTORY AUTHORIZATION AND EXTENSION.** This Agreement is a contract of employment entered into pursuant to Education Code section 72411(a). Employee understands upon Employee's execution of this Agreement and its adoption by the Board, this Agreement will automatically renew upon its expiration, and Employee will automatically be reemployed for one (1) additional year upon the expiration of this Agreement, unless the Governing Board provides written notice to Employee on or before March 15, 2019, of its intention not to reemploy Employee in Position for one additional academic year. If the Governing Board provides such written notice to Employee, Employee's employment in Position and this Agreement will terminate effective January 9, 2020, without further action by the Board, subject to the provisions of paragraph 3.
3. **RETREAT/RETURN RIGHTS.** If the Governing Board provides notice to Employee of non-renewal of this Agreement, and Employee has seniority in another administrator or non-administrator education position in the District, such Employee may have the right to return to such position upon the expiration of this Agreement provided that Employee is not terminated for cause.

4. **TERM.** The term of this Agreement shall begin on **January 10, 2018**, and continue through and including **January 9, 2020** or unless extended pursuant to paragraph 2. Employee shall be required to render full time and regular service to the District during the period covered by this Agreement. This Agreement shall be renewable or extended only by mutual, written agreement of the parties as set forth in paragraph 2 above. In no event shall this Agreement be interpreted in any way to authorize the renewal or extension of this Agreement for a term of more than twenty-four (24) months. It is expressly understood, however, that if the position referred to in this Agreement is funded by a grant, categorical program, or other monies not in the District's unrestricted general fund, and if funding is discontinued, the Agreement will terminate on June 30 of the fiscal year in which the funding was discontinued, provided further that the District has given Employee written notice before May 15<sup>th</sup> of the year in which the funding is not received.
5. **SALARY.** Employee shall be compensated in accordance with the Administrative Salary Schedule as established, approved and revised from time to time by the Board, at salary Grade **70/3** from January 10, 2018 through June 30, 2018; at salary grade **70/4** from July 1, 2018 through June 30, 2019; and at salary grade **70/5** from July 1, 2019 through January 9, 2020, **plus a \$50.00 monthly administrative cell phone stipend.** The Board reserves the right to increase or decrease the schedule including across the board salary reduction or furloughs on the same basis and for the same time as faculty bargaining unit reductions. Any actions to modify the salary schedule shall not be interpreted as a new Agreement for employment or renewal or extension of this Agreement. The Board reserves the right to increase the Employee's salary. However, any action to increase the salary of the Employee shall not be interpreted as a new Agreement for employment or a renewal or extension of this Agreement.
6. **DUTIES.** Employee will perform the duties of the above Position as set forth in any Position description adopted by the Board, and all other duties as shall be assigned or required by the Superintendent/President, or designee, provided that such additional duties shall be consistent with Employee's Position. The Board may adopt or amend the Position description for the Employee's Position at any time as long as the modifications are not inconsistent with the terms of the Agreement. The Board reserves the right to reassign the Employee at any time during the term of this Agreement to another educational or student services administrative Position within the District. Reassignment during the term of this Agreement solely for discretionary reasons will not result in a reduction of the Employee's compensation during the term of this Agreement. Reassignment will be made in compliance with the California Education Code and the Administrative Handbook.
7. **EXCLUSION FROM OVERTIME PROVISIONS.** Employee shall be exempt from the minimum wage and overtime provisions of the Fair Labor Standards Act and the California Education Code, and shall not be entitled to compensatory time off.

8. **VACATION AND SICK LEAVE.** Employee is entitled to accrue twenty-four (24) working days of vacation annually in accordance with Section 5 – Vacation set forth in the Administrative Association Handbook as adopted by the Board. Vacation days are exclusive of holidays otherwise granted to twelve (12) month regular administrative employees of the District. Employee is entitled to accrue twelve (12) days of paid sick leave for illness or injury. Employee is eligible for any leaves authorized by law or provided in the Administrative Association Handbook as adopted by the Board
9. **FRINGE BENEFITS.** Employee shall be afforded all fringe benefits of employment which are provided to the District's regular educational and student services administrators for which they are eligible under the terms of the Administrative Association Handbook.
10. **TRAVEL.** Necessary transportation and travel expenses will be provided in accordance with policies duly adopted by the Board.
11. **SERVICE CLUBS AND COMMUNITY ORGANIZATIONS.** The Board authorizes payment of dues and meals for meetings of one service or community organization. Funds shall be allocated to the appropriate expense accounts in the annual budget approved by the Governing Board.
12. **APPLICABLE LAW.** This Agreement is subject to all applicable laws of the State of California, the rules and regulations of the State Board of Governors, and the rules, regulations, and policies of the Board, all of which are made a part of the terms and conditions of this Agreement as though set forth herein, to the extent that such terms are not inconsistent with the lawful terms of this Agreement.
13. **MAXIMUM CASH SETTLEMENT UPON TERMINATION OF THIS AGREEMENT WITHOUT CAUSE.** Regardless of the term of this Agreement, the Board may terminate this Agreement at any time prior to the date on which the term of this Agreement would have otherwise expired, without cause. In such an event, the maximum cash settlement that the Employee shall receive will be an amount equal to the monthly base salary of the Employee multiplied by the number of months remaining on the unexpired term of this Agreement, or eighteen (18) months, whichever is less, minus any amount(s) that could have been earned if the Employee has retreat rights, and an instructional Position is offered for the balance of the term of this Agreement. Any cash settlement shall not include any other noncash items except health benefits, which may be continued for the same duration of time as covered in the settlement, or until Employee finds other employment, whichever occurs first. The intent of this provision is to satisfy the requirements of Government Code sections 53260-53264, and this provision shall be interpreted in a manner consistent with those statutes.

The District agrees to pay Employee the lump sum cash payment ("Severance Pay"), less legally required for authorized deductions except contributions to CalPERS, within fifteen (15) days of the effective date of termination.

In exchange for and as a condition to receipt of the Severance Pay, Employee shall execute a release and waiver, in a form acceptable to the legal counsel for the District, releasing the District, and all of its elected officers, employees, agents, representations, and attorneys, from any claim associated with the termination.

**14. TERMINATION OF THIS AGREEMENT DURING ITS TERM WITH CAUSE.** The Board may terminate this Agreement during its term and discharge Employee if Employee commits a material and substantial breach of this Agreement and/or for cause. Such breach of Agreement and discharge shall nullify the terms of this Agreement and Employee shall cease to receive any form of compensation upon the effective date of termination. The term “cause” is defined as those actions, omissions, or behaviors which are detrimental to the operations of the District and/or its major instructional, student and administrative divisions, or which impair the District’s mission, purpose, or objectives. Conduct which constitutes a breach of contract and cause for discharge, includes, but is not limited to: unsatisfactory work performance, dishonesty, misconduct, unprofessional conduct, or insubordination. Disciplinary actions, up to and including discharge from employment, shall be carried out in compliance with the disciplinary provisions applicable to administrative employees as set forth in the Administrative Association Handbook as adopted by the Board.

**15. PROVISIONS OF GOVERNMENT CODE SECTIONS 53243.3-53243.4.**

- (a) In the event that the District provides paid leave to Employee pending an investigation of a crime involving abuse of his office or position covered by Government Code section 53243.4, and should that investigation lead to a conviction, the Employee shall fully reimburse District for any salary provided for that purpose.
- (b) In the event that the District provides funds for the legal criminal defense of Employee pending an investigation of a crime involving an abuse of his office or position covered by Government Code section 53243.4, and should that investigation lead to a conviction, the Employee shall fully reimburse the District for any funds provided for that purpose.
- (c) In the event that the District provides a cash settlement related to the termination of Employee as defined in the terms of this Agreement and Employee subsequently is convicted of a crime involving abuse of office or position covered by Government Code section 53243.4, Employee shall fully reimburse the District for any funds provided for that purpose.
- (d) “Abuse of office or position” is defined in Government Code section 53243.4 to mean either of the following:
  - (i) An abuse of public authority, including, but not limited to, waste, fraud, and violation of the law under color of authority.

- (ii) A crime against public justice, including, but not limited to, a crime described in Title 5 (commencing with Section 67), Title 6 (commencing with Section 85) or Title 7 (commencing with Section 92) of Part 1 of the Penal Code.

- 16. **MODIFICATION OF CONTRACT.** This Agreement may be modified by mutual consent of the parties provided, however, that the party seeking such change shall give not less than 45 (forty-five) calendar days, written notice to the other party of the requested modification.
- 17. **RESIGNATION.** Employee may resign from employment at any time during the term of this Agreement upon ninety (90) days prior written notice to the Board or upon a shorter period of time if approved by the Board.
- 18. **SAVINGS CLAUSE.** If any provision of this Agreement is held to be contrary to law by a court of competent jurisdiction, such provision shall not be deemed valid or binding except to the extent permitted by law, but all other provisions shall continue to remain in full force and effect.
- 19. **ENTIRE AGREEMENT.** This Agreement contains and expresses the entire and final agreement of the parties with respect to the matters covered herein, and supersedes all negotiations, prior discussions, prior agreements and preliminary agreements between the parties. No promises or representations, express or implied, concerning this Agreement have been made by the parties other than those contained in this Agreement concerning the offer and acceptance of employment described herein.
- 20. **NO CONTINUING WAIVER.** No waiver of any term or condition of this Agreement by either party shall be deemed a continuing waiver of such term and condition.
- 21. **GOVERNING LAW.** This Agreement is delivered in the State of California, concerns employment in the State of California, and the rights and obligations of the parties hereto shall be construed and enforced in accordance with the laws of the State of California.
- 22. **MISCELLANEOUS PROVISIONS.** This Agreement and applicable provisions of the Administrative Association Handbook contain the entire agreement and understanding between the parties. There are no oral understandings, or terms and conditions not contained or referenced in this Agreement. This Agreement cannot be changed orally. It may be modified in writing by mutual agreement of the parties as set forth above. This Agreement supersedes all Board Policies, rules, regulations, handbooks or practices which are inconsistent with or in conflict with this Agreement.

**ACCEPTANCE OF EDUCATIONAL ADMINISTRATOR  
EMPLOYMENT CONTRACT**

I have reviewed this Educational Administrator Employment Contract, and I accept this Agreement and the terms and conditions of employment it contains. I have not agreed to employment and/or contracted for employment with the governing board of any other school, university, college, or community college district which will in any way conflict with the satisfactory performance of all of the duties of the Position for which employed.

Please return signed contract to Human Resource Services as soon as possible.

Date: \_\_\_\_\_

\_\_\_\_\_  
Employee Signature

Approved by the Governing Board of Palomar Community College District in open session at regular Board meeting.

Date: \_\_\_\_\_

\_\_\_\_\_  
Dr. Joi Lin Blake, Secretary to the Governing Board

Copy: Employee

---

**PALOMAR COMMUNITY COLLEGE DISTRICT  
CLASSIFIED ADMINISTRATOR  
EMPLOYMENT CONTRACT 2018-2020**

---

This employment contract (hereinafter referred to as the "Agreement") is made and entered into this ninth day of January, 2018 by and between the Governing Board of the Palomar Community College District (hereinafter referred to as the "Board" and "District") and **Chris F. Miller** (hereinafter referred to as the "Employee").

**WHEREAS** it is the desire of the Board to employ Employee in the Position of **Director, Facilities** (hereinafter referred to as "Position").

**NOW, THEREFORE**, the parties mutually agree as follows:

1. **EMPLOYMENT.** The Board hereby offers to employ Employee in the above identified Position on the conditions contained in this Agreement. Employee is classified administrator as defined by Education Code section 87002(a) and (c), and a management employee as defined by Government Code section 3540.1(g). Employee and the Board agree that this Agreement is not binding or enforceable unless it is ratified by the Board in open session at a regular meeting of the Board.
2. **STATUTORY AUTHORIZATION AND EXTENSION.** This Agreement is a contract of employment entered into pursuant to Education Code sections 72411(a) and 72411(b). Employee understands upon Employee's execution of this Agreement and its adoption by the Board, this Agreement will automatically renew upon its expiration by mutual agreement, and Employee will automatically be reemployed for one (1) additional year upon the expiration of this Agreement, unless the Governing Board provides written notice to Employee on or before March 15, 2019, of its intention not to reemploy Employee in Position for one additional academic year. If the Governing Board provides such written notice to Employee, Employee's employment in Position and this Agreement will terminate effective January 9, 2020, without further action by the Board. If the Governing Board provides notice to Employee of non-renewal of this Agreement, and Employee has seniority in another non-administrative classified position in the District, such Employee has the right to return to such position upon the expiration of this Agreement, provided that Employee is not terminated for cause.
3. **TERM.** The term of this Agreement shall begin on **January 10, 2018**, and continue through and including **January 9, 2020** or unless extended pursuant to paragraph 2. Employee shall be required to render full time and regular service to the District during the period covered by this Agreement. This Agreement shall be renewable or extended only by mutual written agreement of the parties as set forth in paragraph 2 above. In no event shall this Agreement be interpreted in any way to authorize a renewal or extension

of this Agreement for a term of more than twenty-four (24) months. It is expressly understood, however, that if the position referred to in this Agreement is funded by a grant, categorical program or other monies not in the District's unrestricted general fund, and if funding is discontinued, this Agreement will terminate on June 30 of the fiscal year in which the funding was discontinued, provided further that the District has given Employee written notice before May 15 of the year in which the funding is not received.

4. **SALARY.** Employee shall be compensated in accordance with the Administrative Salary Schedule as established, approved and revised from time to time by the Board, at salary grade **75/4** from January 10, 2018 through June 30, 2018; at salary grade **75/5** from July 1, 2018 through June 30, 2019; and at salary grade **75/6** from July 1, 2019 through January 9, 2020, **plus a \$50.00 monthly administrative cell phone stipend.** The Board reserves the right to increase or decrease the schedule including across the board salary reduction or furloughs on the same basis and for the same time as faculty bargaining unit reductions. Any actions to modify the salary schedule shall not be interpreted as a new Agreement for employment or renewal or extension of this Agreement. The Board reserves the right to increase the Employee's salary. However, any action to increase the salary of the Employee shall not be interpreted as a new Agreement for employment or a renewal or extension of this Agreement.
5. **DUTIES.** Employee will perform the duties of the above Position as set forth in any Position description adopted by the Board, and all other duties as shall be assigned or required by the Superintendent/President, or designee, provided that such additional duties shall be consistent with Employee's Position. The Board may adopt or amend the Position description for the Employee's Position at any time as long as the modifications are not inconsistent with the terms of the Agreement.
6. **EXCLUSION FROM OVERTIME PROVISIONS.** Employee shall be exempt from the minimum wage and overtime provisions of the Fair Labor Standards Act and the California Education Code, and shall not be entitled to compensatory time off.
7. **VACATION AND SICK LEAVE.** Employee is entitled to accrue twenty-four (24) working days of vacation annually in accordance with Section 5 – Vacation set forth in the Administrative Association Handbook as adopted by the Board. Vacation days are exclusive of holidays otherwise granted to twelve (12) month regular administrative employees of the District. Employee is entitled to accrue twelve (12) days of paid sick leave for illness or injury. Employee is eligible for any leaves authorized by law or provided in the Administrative Association Handbook as adopted by the Board.
8. **FRINGE BENEFITS.** Employee shall be afforded all fringe benefits of employment which are provided to the District's regular classified administrators for which they are eligible under the terms of the Administrative Association Handbook.
9. **APPLICABLE LAW.** This Agreement is subject to all applicable laws of the State of California, the rules and regulations of the State Board of Governors, and the rules,

regulations, and policies of the Board, all of which are made a part of the terms and conditions of this Agreement as though set forth herein, to the extent that such terms are not inconsistent with the lawful terms of this Agreement.

10. **TERMINATION OF THIS AGREEMENT DURING ITS TERM WITH CAUSE.** The Board may terminate this Agreement during its term and discharge Employee if Employee commits a material and substantial breach of this Agreement and/or for cause. Such breach of Agreement and discharge shall nullify the terms of this Agreement and Employee shall cease to receive any form of compensation upon the effective date of termination. The term "cause" is defined as those actions, omissions, or behaviors which are detrimental to the operations of the District and/or its major instructional, student and administrative divisions, or which impair the District's mission, purpose, or objectives. Conduct which constitutes a breach of contract and cause for discharge, includes, but is not limited to: unsatisfactory work performance, dishonesty, misconduct, unprofessional conduct, or insubordination. Disciplinary actions, up to and including discharge from employment, shall be carried out in compliance with the disciplinary provisions applicable to administrative employees as set forth in the Administrative Association Handbook as adopted by the Board.
11. **TRAVEL.** Necessary transportation and travel expenses will be provided in accordance with policies duly adopted by the Board.
12. **SERVICE CLUBS AND COMMUNITY ORGANIZATIONS.** The Board authorizes payment of dues and meals for meetings of one service or community organization. Funds shall be allocated to the appropriate expense accounts in the annual budget approved by the Governing Board.
13. **PROVISIONS OF GOVERNMENT CODE SECTIONS 53243.3-53243.4.**
  - (a) In the event that the District provides paid leave to Employee pending an investigation of a crime involving abuse of his office or position covered by Government Code section 53243.4, and should that investigation lead to a conviction, the Employee shall fully reimburse District for any salary provided for that purpose.
  - (b) In the event that the District provides funds for the legal criminal defense of Employee pending an investigation of a crime involving an abuse of his office or position covered by Government Code section 53243.4, and should that investigation lead to a conviction, the Employee shall fully reimburse the District for any funds provided for that purpose.
  - (c) In the event that the District provides a cash settlement related to the termination of Employee as defined in the terms of this Agreement and Employee subsequently is convicted of a crime involving abuse of office or position covered

by Government Code section 53243.4, Employee shall fully reimburse the District for any funds provided for that purpose.

- (d) "Abuse of office or position" is defined in Government Code section 53243.4 to mean either of the following:
  - (i) An abuse of public authority, including, but not limited to, waste, fraud, and violation of the law under color of authority.
  - (ii) A crime against public justice, including, but not limited to, a crime described in Title 5 (commencing with Section 67), Title 6 (commencing with Section 85) or Title 7 (commencing with Section 92) of Part 1 of the Penal Code.

**14. MAXIMUM CASH SETTLEMENT UPON TERMINATION OF THIS AGREEMENT WITHOUT CAUSE.** Regardless of the term of this Agreement, the Board may terminate this Agreement at any time prior to the date on which the term of this Agreement would have otherwise expired, without cause. In such an event, the maximum cash settlement that the Employee shall receive will be an amount equal to the monthly base salary of the Employee multiplied by the number of months remaining on the unexpired term of this Agreement, or eighteen (18) months, whichever is less, minus any amount(s) that could have been earned if the Employee has retreat rights, and an instructional Position is offered for the balance of the term of this Agreement. Any cash settlement shall not include any other noncash items except health benefits, which may be continued for the same duration of time as covered in the settlement, or until Employee finds other employment, whichever occurs first. The intent of this provision is to satisfy the requirements of Government Code sections 53260-53264, and this provision shall be interpreted in a manner consistent with those statutes.

The District agrees to pay Employee the lump sum cash payment ("Severance Pay"), less legally required for authorized deductions except contributions to CalPERS, within fifteen (15) days of the effective date of termination.

In exchange for and as a condition to receipt of the Severance Pay, Employee shall execute a release and waiver, in a form acceptable to the legal counsel for the District, releasing the District, and all of its elected officers, employees, agents, representations, and attorneys, from any claim associated with the termination.

**15. MODIFICATION OF CONTRACT.** This Agreement may be modified by mutual consent of the parties provided, however, that the party seeking such change shall give not less than 45 (forty-five) calendar days, written notice to the other party of the requested modification.

16. **RESIGNATION.** Employee may resign from employment at any time during the term of this Agreement upon ninety (90) days prior written notice to the Board or upon a shorter period of time if approved by the Board.
17. **SAVINGS CLAUSE.** If any provision of this Agreement is held to be contrary to law by a court of competent jurisdiction, such provision shall not be deemed valid or binding except to the extent permitted by law, but all other provisions shall continue to remain in full force and effect.
18. **ENTIRE AGREEMENT.** This Agreement contains and expresses the entire and final agreement of the parties with respect to the matters covered herein, and supersedes all negotiations, prior discussions, prior agreements and preliminary agreements between the parties. No promises or representations, express or implied, concerning this Agreement have been made by the parties other than those contained in this Agreement concerning the offer and acceptance of employment described herein.
19. **NO CONTINUING WAIVER.** No waiver of any term or condition of this Agreement by either party shall be deemed a continuing waiver of such term and condition.
20. **GOVERNING LAW.** This Agreement is delivered in the State of California, concerns employment in the State of California, and the rights and obligations of the parties hereto shall be construed and enforced in accordance with the laws of the State of California.
21. **MISCELLANEOUS PROVISIONS.** This Agreement and applicable provisions of the Administrative Association Handbook contain the entire agreement and understanding between the parties. There are no oral understandings, or terms and conditions not contained or referenced in this Agreement. This Agreement cannot be changed orally. It may be modified in writing by mutual agreement of the parties as set forth above. This Agreement supersedes all Board Policies, rules, regulations, handbooks or practices which are inconsistent with or in conflict with this Agreement.

**ACCEPTANCE OF CLASSIFIED ADMINISTRATOR  
EMPLOYMENT CONTRCACT**

I have reviewed this Classified Administrator Employment Contract, and I accept this Agreement and the terms and conditions of employment it contains. I have not agreed to employment and/or contracted for employment with the governing board of any other school, university, college, or community college district which will in any way conflict with the satisfactory performance of all of the duties of the Position for which employed.

Please return signed contract to Human Resource Services as soon as possible.

Date: \_\_\_\_\_

\_\_\_\_\_  
Employee Signature

Approved by the Governing Board of Palomar Community College District in open session at regular Board meeting.

Date: \_\_\_\_\_

\_\_\_\_\_  
Dr. Joi Blake, Secretary to the Governing Board

Copy: Employee

---

**PALOMAR COMMUNITY COLLEGE DISTRICT  
CLASSIFIED ADMINISTRATOR  
EMPLOYMENT CONTRACT 2018-2020**

---

This employment contract (hereinafter referred to as the "Agreement") is made and entered into this ninth day of January, 2018 by and between the Governing Board of the Palomar Community College District (hereinafter referred to as the "Board" and "District") and **Carmencita M. Coniglio**, (hereinafter referred to as the "Employee").

**WHEREAS** it is the desire of the Board to employ Employee in the Position of **Director, Fiscal Services** (hereinafter referred to as "Position").

**NOW, THEREFORE**, the parties mutually agree as follows:

1. **EMPLOYMENT.** The Board hereby offers to employ Employee in the above identified Position on the conditions contained in this Agreement. Employee is classified administrator as defined by Education Code section 87002(a) and (c), and a management employee as defined by Government Code section 3540.1(g). Employee and the Board agree that this Agreement is not binding or enforceable unless it is ratified by the Board in open session at a regular meeting of the Board.
2. **STATUTORY AUTHORIZATION AND EXTENSION.** This Agreement is a contract of employment entered into pursuant to Education Code sections 72411(a) and 72411(b). Employee understands upon Employee's execution of this Agreement and its adoption by the Board, this Agreement will automatically renew upon its expiration by mutual agreement, and Employee will automatically be reemployed for one (1) additional year upon the expiration of this Agreement, unless the Governing Board provides written notice to Employee on or before March 15, 2019, of its intention not to reemploy Employee in Position for one additional academic year. If the Governing Board provides such written notice to Employee, Employee's employment in Position and this Agreement will terminate effective January 9, 2020, without further action by the Board. If the Governing Board provides notice to Employee of non-renewal of this Agreement, and Employee has seniority in another non-administrative classified position in the District, such Employee has the right to return to such position upon the expiration of this Agreement, provided that Employee is not terminated for cause.
3. **TERM.** The term of this Agreement shall begin on **January 10, 2018**, and continue through and including **January 9, 2020** or unless extended pursuant to paragraph 2. Employee shall be required to render full time and regular service to the District during the period covered by this Agreement. This Agreement shall be renewable or extended only by mutual written agreement of the parties as set forth in paragraph 2 above. In no event shall this Agreement be interpreted in any way to authorize a renewal or extension

of this Agreement for a term of more than twenty-four (24) months. It is expressly understood, however, that if the position referred to in this Agreement is funded by a grant, categorical program or other monies not in the District's unrestricted general fund, and if funding is discontinued, this Agreement will terminate on June 30 of the fiscal year in which the funding was discontinued, provided further that the District has given Employee written notice before May 15<sup>th</sup> of the year in which the funding is not received.

4. **SALARY.** Employee shall be compensated in accordance with the Administrative Salary Schedule as established, approved and revised from time to time by the Board, at salary grade **75/4** from January 10, 2018 through June 30, 2018; at salary grade **75/5** from July 1, 2018 through June 30, 2019; and at salary grade **75/6** from July 1, 2019 through January 9, 2020. The Board reserves the right to increase or decrease the schedule including across the board salary reduction or furloughs on the same basis and for the same time as faculty bargaining unit reductions. Any actions to modify the salary schedule shall not be interpreted as a new Agreement for employment or renewal or extension of this Agreement. The Board reserves the right to increase the Employee's salary. However, any action to increase the salary of the Employee shall not be interpreted as a new Agreement for employment or a renewal or extension of this Agreement.
5. **DUTIES.** Employee will perform the duties of the above Position as set forth in any Position description adopted by the Board, and all other duties as shall be assigned or required by the Superintendent/President, or designee, provided that such additional duties shall be consistent with Employee's Position. The Board may adopt or amend the Position description for the Employee's Position at any time as long as the modifications are not inconsistent with the terms of the Agreement.
6. **EXCLUSION FROM OVERTIME PROVISIONS.** Employee shall be exempt from the minimum wage and overtime provisions of the Fair Labor Standards Act and the California Education Code, and shall not be entitled to compensatory time off.
7. **VACATION AND SICK LEAVE.** Employee is entitled to accrue twenty-four (24) working days of vacation annually in accordance with Section 5 – Vacation set forth in the Administrative Association Handbook as adopted by the Board. Vacation days are exclusive of holidays otherwise granted to twelve (12) month regular administrative employees of the District. Employee is entitled to accrue twelve (12) days of paid sick leave for illness or injury. Employee is eligible for any leaves authorized by law or provided in the Administrative Association Handbook as adopted by the Board.
8. **FRINGE BENEFITS.** Employee shall be afforded all fringe benefits of employment which are provided to the District's regular classified administrators for which they are eligible under the terms of the Administrative Association Handbook. The District shall also provide Employee with a \$50.00 monthly cell phone stipend.

9. **APPLICABLE LAW.** This Agreement is subject to all applicable laws of the State of California, the rules and regulations of the State Board of Governors, and the rules, regulations, and policies of the Board, all of which are made a part of the terms and conditions of this Agreement as though set forth herein, to the extent that such terms are not inconsistent with the lawful terms of this Agreement.
10. **TERMINATION OF THIS AGREEMENT DURING ITS TERM WITH CAUSE.** The Board may terminate this Agreement during its term and discharge Employee if Employee commits a material and substantial breach of this Agreement and/or for cause. Such breach of Agreement and discharge shall nullify the terms of this Agreement and Employee shall cease to receive any form of compensation upon the effective date of termination. The term "cause" is defined as those actions, omissions, or behaviors which are detrimental to the operations of the District and/or its major instructional, student and administrative divisions, or which impair the District's mission, purpose, or objectives. Conduct which constitutes a breach of contract and cause for discharge, includes, but is not limited to: unsatisfactory work performance, dishonesty, misconduct, unprofessional conduct, or insubordination. Disciplinary actions, up to and including discharge from employment, shall be carried out in compliance with the disciplinary provisions applicable to administrative employees as set forth in the Administrative Association Handbook as adopted by the Board. In the event of a termination of Agreement for cause, the provisions of Section 14 of Agreement shall not apply.
11. **TRAVEL.** Necessary transportation and travel expenses will be provided in accordance with policies duly adopted by the Board.
12. **SERVICE CLUBS AND COMMUNITY ORGANIZATIONS.** The Board authorizes payment of dues and meals for meetings of one service or community organization. Funds shall be allocated to the appropriate expense accounts in the annual budget approved by the Governing Board.
13. **PROVISIONS OF GOVERNMENT CODE SECTIONS 53243.3-53243.4.**
- (a) In the event that the District provides paid leave to Employee pending an investigation of a crime involving abuse of his office or position covered by Government Code section 53243.4, and should that investigation lead to a conviction, the Employee shall fully reimburse District for any salary provided for that purpose.
  - (b) In the event that the District provides funds for the legal criminal defense of Employee pending an investigation of a crime involving an abuse of his office or position covered by Government Code section 53243.4, and should that investigation lead to a conviction, the Employee shall fully reimburse the District for any funds provided for that purpose.

- (c) In the event that the District provides a cash settlement related to the termination of Employee as defined in the terms of this Agreement and Employee subsequently is convicted of a crime involving abuse of office or position covered by Government Code section 53243.4, Employee shall fully reimburse the District for any funds provided for that purpose.
- (d) "Abuse of office or position" is defined in Government Code section 53243.4 to mean either of the following:
  - (i) An abuse of public authority, including, but not limited to, waste, fraud, and violation of the law under color of authority.
  - (ii) A crime against public justice, including, but not limited to, a crime described in Title 5 (commencing with Section 67), Title 6 (commencing with Section 85) or Title 7 (commencing with Section 92) of Part 1 of the Penal Code.

**14. MAXIMUM CASH SETTLEMENT UPON TERMINATION OF THIS AGREEMENT.**

Regardless of the term of this Agreement, the Board may terminate this Agreement at any time prior to the date on which the term of this Agreement would have otherwise expired. In such an event, the maximum cash settlement that the Employee shall receive will be an amount equal to the monthly base salary of the Employee multiplied by the number of months remaining on the unexpired term of this Agreement, or eighteen (18) months, whichever is less, minus any amount(s) that could have been earned if the Employee has retreat rights, and an instructional Position is offered for the balance of the term of this Agreement. Any cash settlement shall not include any other noncash items except health benefits, which may be continued for the same duration of time as covered in the settlement, or until Employee finds other employment, whichever occurs first. The intent of this provision is to satisfy the requirements of Government Code sections 53260-53264, and this provision shall be interpreted in a manner consistent with those statutes.

The District agrees to pay Employee the lump sum cash payment ("Severance Pay"), less legally required for authorized deductions except contributions to CalPERS, within fifteen (15) days of the effective date of termination.

In exchange for and as a condition to receipt of the Severance Pay, Employee shall execute a release and waiver, in a form acceptable to the legal counsel for the District, releasing the District, and all of its elected officers, employees, agents, representations, and attorneys, from any claim associated with the termination.

**15. MODIFICATION OF CONTRACT.** This Agreement may be modified by mutual consent of the parties provided, however, that the party seeking such change shall give not less than 45 (forty-five) calendar days, written notice to the other party of the requested modification.

16. **RESIGNATION.** Employee may resign from employment at any time during the term of this Agreement upon ninety (90) days prior written notice to the Board or upon a shorter period of time if approved by the Board.
17. **SAVINGS CLAUSE.** If any provision of this Agreement is held to be contrary to law by a court of competent jurisdiction, such provision shall not be deemed valid or binding except to the extent permitted by law, but all other provisions shall continue to remain in full force and effect.
18. **ENTIRE AGREEMENT.** This Agreement contains and expresses the entire and final agreement of the parties with respect to the matters covered herein, and supersedes all negotiations, prior discussions, prior agreements and preliminary agreements between the parties. No promises or representations, express or implied, concerning this Agreement have been made by the parties other than those contained in this Agreement concerning the offer and acceptance of employment described herein.
19. **NO CONTINUING WAIVER.** No waiver of any term or condition of this Agreement by either party shall be deemed a continuing waiver of such term and condition.
20. **GOVERNING LAW.** This Agreement is delivered in the State of California, concerns employment in the State of California, and the rights and obligations of the parties hereto shall be construed and enforced in accordance with the laws of the State of California.
21. **MISCELLANEOUS PROVISIONS.** This Agreement and applicable provisions of the Administrative Association Handbook contain the entire agreement and understanding between the parties. There are no oral understandings, or terms and conditions not contained or referenced in this Agreement. This Agreement cannot be changed orally. It may be modified in writing by mutual agreement of the parties as set forth above. This Agreement supersedes all Board Policies, rules, regulations, handbooks or practices which are inconsistent with or in conflict with this Agreement.

**ACCEPTANCE OF CLASSIFIED ADMINISTRATOR  
EMPLOYMENT CONTRCACT**

I have reviewed this Classified Administrator Employment Contract, and I accept this Agreement and the terms and conditions of employment it contains. I have not agreed to employment and/or contracted for employment with the governing board of any other school, university, college, or community college district which will in any way conflict with the satisfactory performance of all of the duties of the Position for which employed.

Please return signed contract to Human Resource Services as soon as possible.

Date: \_\_\_\_\_

\_\_\_\_\_  
Employee Signature

Approved by the Governing Board of Palomar Community College District in open session at regular Board meeting.

Date: \_\_\_\_\_

\_\_\_\_\_  
Joi Blake, Ed.D., Secretary to the Governing Board

Copy: Employee

---

**PALOMAR COMMUNITY COLLEGE DISTRICT  
CLASSIFIED ADMINISTRATOR  
EMPLOYMENT CONTRACT 2018-2020**

---

This employment contract (hereinafter referred to as the "Agreement") is made and entered into this ninth day of January, 2018 by and between the Governing Board of the Palomar Community College District (hereinafter referred to as the "Board" and "District") and **Derrick Johnson** (hereinafter referred to as the "Employee").

**WHEREAS** it is the desire of the Board to employ Employee in the Position of **Manager, Environmental Health and Safety** (hereinafter referred to as "Position").

**NOW, THEREFORE**, the parties mutually agree as follows:

1. **EMPLOYMENT.** The Board hereby offers to employ Employee in the above identified Position on the conditions contained in this Agreement. Employee is classified administrator as defined by Education Code section 87002(a) and (c), and a management employee as defined by Government Code section 3540.1(g). Employee and the Board agree that this Agreement is not binding or enforceable unless it is ratified by the Board in open session at a regular meeting of the Board.
2. **STATUTORY AUTHORIZATION AND EXTENSION.** This Agreement is a contract of employment entered into pursuant to Education Code sections 72411(a) and 72411(b). Employee understands upon Employee's execution of this Agreement and its adoption by the Board, this Agreement will automatically renew upon its expiration by mutual agreement, and Employee will automatically be reemployed for one (1) additional year upon the expiration of this Agreement, unless the Governing Board provides written notice to Employee on or before March 15, 2019, of its intention not to reemploy Employee in Position for one additional academic year. If the Governing Board provides such written notice to Employee, Employee's employment in Position and this Agreement will terminate effective January 9, 2020, without further action by the Board. If the Governing Board provides notice to Employee of non-renewal of this Agreement, and Employee has seniority in another non-administrative classified position in the District, such Employee has the right to return to such position upon the expiration of this Agreement, provided that Employee is not terminated for cause.
3. **TERM.** The term of this Agreement shall begin on **January 10, 2018**, and continue through and including **January 9, 2020** or unless extended pursuant to paragraph 2. Employee shall be required to render full time and regular service to the District during the period covered by this Agreement. This Agreement shall be renewable or extended only by mutual written agreement of the parties as set forth in paragraph 2 above. In no event shall this Agreement be interpreted in any way to authorize a renewal or extension

of this Agreement for a term of more than twenty-four (24) months. It is expressly understood, however, that if the position referred to in this Agreement is funded by a grant, categorical program or other monies not in the District's unrestricted general fund, and if funding is discontinued, this Agreement will terminate on June 30 of the fiscal year in which the funding was discontinued, provided further that the District has given Employee written notice before May 15 of the year in which the funding is not received.

4. **SALARY.** Employee shall be compensated in accordance with the Administrative Salary Schedule as established, approved and revised from time to time by the Board, at salary grade **56/5** from January 10, 2018 through June 30, 2018; at salary grade **56/6** from July 1, 2018 through June 30, 2019; and at salary grade **56/7** from July 1, 2019 through January 9, 2020. The Board reserves the right to increase or decrease the schedule including across the board salary reduction or furloughs on the same basis and for the same time as faculty bargaining unit reductions. Any actions to modify the salary schedule shall not be interpreted as a new Agreement for employment or renewal or extension of this Agreement. The Board reserves the right to increase the Employee's salary. However, any action to increase the salary of the Employee shall not be interpreted as a new Agreement for employment or a renewal or extension of this Agreement.
5. **DUTIES.** Employee will perform the duties of the above Position as set forth in any Position description adopted by the Board, and all other duties as shall be assigned or required by the Superintendent/President, or designee, provided that such additional duties shall be consistent with Employee's Position. The Board may adopt or amend the Position description for the Employee's Position at any time as long as the modifications are not inconsistent with the terms of the Agreement.
6. **EXCLUSION FROM OVERTIME PROVISIONS.** Employee shall be exempt from the minimum wage and overtime provisions of the Fair Labor Standards Act and the California Education Code, and shall not be entitled to compensatory time off.
7. **VACATION AND SICK LEAVE.** Employee is entitled to accrue twenty-four (24) working days of vacation annually in accordance with Section 5 – Vacation set forth in the Administrative Association Handbook as adopted by the Board. Vacation days are exclusive of holidays otherwise granted to twelve (12) month regular administrative employees of the District. Employee is entitled to accrue twelve (12) days of paid sick leave for illness or injury. Employee is eligible for any leaves authorized by law or provided in the Administrative Association Handbook as adopted by the Board.
8. **FRINGE BENEFITS.** Employee shall be afforded all fringe benefits of employment which are provided to the District's regular classified administrators for which they are eligible under the terms of the Administrative Association Handbook.
9. **APPLICABLE LAW.** This Agreement is subject to all applicable laws of the State of California, the rules and regulations of the State Board of Governors, and the rules,

regulations, and policies of the Board, all of which are made a part of the terms and conditions of this Agreement as though set forth herein, to the extent that such terms are not inconsistent with the lawful terms of this Agreement.

- 10. TERMINATION OF THIS AGREEMENT DURING ITS TERM WITH CAUSE.** The Board may terminate this Agreement during its term and discharge Employee if Employee commits a material and substantial breach of this Agreement and/or for cause. Such breach of Agreement and discharge shall nullify the terms of this Agreement and Employee shall cease to receive any form of compensation upon the effective date of termination. The term “cause” is defined as those actions, omissions, or behaviors which are detrimental to the operations of the District and/or its major instructional, student and administrative divisions, or which impair the District’s mission, purpose, or objectives. Conduct which constitutes a breach of contract and cause for discharge, includes, but is not limited to: unsatisfactory work performance, dishonesty, misconduct, unprofessional conduct, or insubordination. Disciplinary actions, up to and including discharge from employment, shall be carried out in compliance with the disciplinary provisions applicable to administrative employees as set forth in the Administrative Association Handbook as adopted by the Board.
- 11. TRAVEL.** Necessary transportation and travel expenses will be provided in accordance with policies duly adopted by the Board.
- 12. SERVICE CLUBS AND COMMUNITY ORGANIZATIONS.** The Board authorizes payment of dues and meals for meetings of one service or community organization. Funds shall be allocated to the appropriate expense accounts in the annual budget approved by the Governing Board.
- 13. PROVISIONS OF GOVERNMENT CODE SECTIONS 53243.3-53243.4.**

  - (a) In the event that the District provides paid leave to Employee pending an investigation of a crime involving abuse of his office or position covered by Government Code section 53243.4, and should that investigation lead to a conviction, the Employee shall fully reimburse District for any salary provided for that purpose.
  - (b) In the event that the District provides funds for the legal criminal defense of Employee pending an investigation of a crime involving an abuse of his office or position covered by Government Code section 53243.4, and should that investigation lead to a conviction, the Employee shall fully reimburse the District for any funds provided for that purpose.
  - (c) In the event that the District provides a cash settlement related to the termination of Employee as defined in the terms of this Agreement and Employee subsequently is convicted of a crime involving abuse of office or position covered

by Government Code section 53243.4, Employee shall fully reimburse the District for any funds provided for that purpose.

- (d) "Abuse of office or position" is defined in Government Code section 53243.4 to mean either of the following:
  - (i) An abuse of public authority, including, but not limited to, waste, fraud, and violation of the law under color of authority.
  - (ii) A crime against public justice, including, but not limited to, a crime described in Title 5 (commencing with Section 67), Title 6 (commencing with Section 85) or Title 7 (commencing with Section 92) of Part 1 of the Penal Code.

**14. MAXIMUM CASH SETTLEMENT UPON TERMINATION OF THIS AGREEMENT WITHOUT CAUSE.** Regardless of the term of this Agreement, the Board may terminate this Agreement at any time prior to the date on which the term of this Agreement would have otherwise expired, without cause. In such an event, the maximum cash settlement that the Employee shall receive will be an amount equal to the monthly base salary of the Employee multiplied by the number of months remaining on the unexpired term of this Agreement, or eighteen (18) months, whichever is less, minus any amount(s) that could have been earned if the Employee has retreat rights, and an instructional Position is offered for the balance of the term of this Agreement. Any cash settlement shall not include any other noncash items except health benefits, which may be continued for the same duration of time as covered in the settlement, or until Employee finds other employment, whichever occurs first. The intent of this provision is to satisfy the requirements of Government Code sections 53260-53264, and this provision shall be interpreted in a manner consistent with those statutes.

The District agrees to pay Employee the lump sum cash payment ("Severance Pay"), less legally required for authorized deductions except contributions to CalPERS, within fifteen (15) days of the effective date of termination.

In exchange for and as a condition to receipt of the Severance Pay, Employee shall execute a release and waiver, in a form acceptable to the legal counsel for the District, releasing the District, and all of its elected officers, employees, agents, representations, and attorneys, from any claim associated with the termination.

**15. MODIFICATION OF CONTRACT.** This Agreement may be modified by mutual consent of the parties provided, however, that the party seeking such change shall give not less than 45 (forty-five) calendar days, written notice to the other party of the requested modification.

16. **RESIGNATION.** Employee may resign from employment at any time during the term of this Agreement upon ninety (90) days prior written notice to the Board or upon a shorter period of time if approved by the Board.
17. **SAVINGS CLAUSE.** If any provision of this Agreement is held to be contrary to law by a court of competent jurisdiction, such provision shall not be deemed valid or binding except to the extent permitted by law, but all other provisions shall continue to remain in full force and effect.
18. **ENTIRE AGREEMENT.** This Agreement contains and expresses the entire and final agreement of the parties with respect to the matters covered herein, and supersedes all negotiations, prior discussions, prior agreements and preliminary agreements between the parties. No promises or representations, express or implied, concerning this Agreement have been made by the parties other than those contained in this Agreement concerning the offer and acceptance of employment described herein.
19. **NO CONTINUING WAIVER.** No waiver of any term or condition of this Agreement by either party shall be deemed a continuing waiver of such term and condition.
20. **GOVERNING LAW.** This Agreement is delivered in the State of California, concerns employment in the State of California, and the rights and obligations of the parties hereto shall be construed and enforced in accordance with the laws of the State of California.
21. **MISCELLANEOUS PROVISIONS.** This Agreement and applicable provisions of the Administrative Association Handbook contain the entire agreement and understanding between the parties. There are no oral understandings, or terms and conditions not contained or referenced in this Agreement. This Agreement cannot be changed orally. It may be modified in writing by mutual agreement of the parties as set forth above. This Agreement supersedes all Board Policies, rules, regulations, handbooks or practices which are inconsistent with or in conflict with this Agreement.

**ACCEPTANCE OF CLASSIFIED ADMINISTRATOR  
EMPLOYMENT CONTRCACT**

I have reviewed this Classified Administrator Employment Contract, and I accept this Agreement and the terms and conditions of employment it contains. I have not agreed to employment and/or contracted for employment with the governing board of any other school, university, college, or community college district which will in any way conflict with the satisfactory performance of all of the duties of the Position for which employed.

Please return signed contract to Human Resource Services as soon as possible.

Date: \_\_\_\_\_

\_\_\_\_\_  
Employee Signature

Approved by the Governing Board of Palomar Community College District in open session at regular Board meeting.

Date: \_\_\_\_\_

\_\_\_\_\_  
Dr. Joi Blake, Secretary to the Governing Board

Copy: Employee

## MONTHLY BOARD REPORT: January 9, 2018

## SHORT-TERM PERSONNEL ACTION REQUEST

	Employee Name	Start Date	End Date	Job Code	Hourly	Job Description
<b>Department</b>	Counseling Department					
	Archer, Amelie	12/07/17	06/30/18	Technical/Paraprofessional	\$13.00	Assistant II
<b>Department</b>	English as a Second Language					
	Valdez Gonzalez, Gustavo	12/07/17	06/30/18	Technical/Paraprofessional	\$11.00	Assistant I
<b>Department</b>	Grant Funded Student Support Programs					
	Fay, Sarah	12/19/17	06/30/18	Technical/Paraprofessional	\$11.00	Assistant I
	Figlioli, James	12/11/17	06/30/18	Technical/Paraprofessional	\$13.00	Assistant II
	Juarez, Yuri	12/15/17	06/30/18	Technical/Paraprofessional	\$20.00	Assistant (professional)
	Llamas, Roxanna	12/12/17	06/30/18	Technical/Paraprofessional	\$15.00	Assistant III
<b>Department</b>	Health Services					
	Stubbs, Amanda	12/18/17	06/30/18	Technical/Paraprofessional	\$32.00	Assistant (professional)
<b>Department</b>	Languages and Literature					
	Matz, Allie	12/04/17	06/30/18	Technical/Paraprofessional	\$13.00	Assistant II
<b>Department</b>	Mathematics and the Natural and Health Sciences					
	Argueta, Felix	12/13/17	06/30/18	Technical/Paraprofessional	\$13.00	Assistant II
	Ferreira, Devin	12/05/17	06/30/18	Technical/Paraprofessional	\$13.00	Assistant II
	Garrett, Nicholas	12/04/17	06/30/18	Technical/Paraprofessional	\$13.00	Assistant II
	Guzman, Andrew	12/01/17	06/30/18	Technical/Paraprofessional	\$13.00	Assistant II
	Lazo, Julia Patricia	12/04/17	06/30/18	Technical/Paraprofessional	\$13.00	Assistant II
	Nguyen, Thuy Tien	12/06/17	06/30/18	Technical/Paraprofessional	\$13.00	Assistant II
	Rawls, Megan	12/01/17	06/30/18	Technical/Paraprofessional	\$13.00	Assistant II
	Scales, Natalie	12/13/17	06/30/18	Technical/Paraprofessional	\$13.00	Assistant II
	Smith, Sean	12/04/17	06/30/18	Technical/Paraprofessional	\$13.00	Assistant II

	<b>Employee Name</b>	<b>Start Date</b>	<b>End Date</b>	<b>Job Code</b>	<b>Hourly</b>	<b>Job Description</b>
<b>Department</b>	Palomar College Police Department					
	LaForest, Samuel	12/07/17	06/30/18	Technical/Paraprofessional	\$13.00	Assistant II
	Munoz, Shelley	12/18/17	06/30/18	Technical/Paraprofessional	\$11.00	Assistant I
<b>Department</b>	Public Safety Programs					
	Sterling, Bobby	12/14/17	06/30/18	Technical/Paraprofessional	\$20.48	Assistant (professional)
<b>Department</b>	Reading Services					
	Ramos, Raquelyn	01/01/18	06/30/18	Technical/Paraprofessional	\$11.00	Assistant I
<b>SEASONAL COACH STIPEND REQUEST</b>						
<b>Department</b>	Athletics Department					
	Chaloux, Shonta	12/06/17	06/30/18	Technical/Paraprofessional	\$3,100.00	Seasonal Coach
	Dodderidge, Jacob	12/14/17	06/30/18	Technical/Paraprofessional	\$2,000.00	Seasonal Coach
	Schmeiser, Jason	12/18/17	06/30/18	Technical/Paraprofessional	\$800.00	Seasonal Coach

Palomar Community College  
PAL PERSONNEL ACTIONS HISTORY

Page No. 1  
Run Date 01/02/2018  
Run Time 12:33:56

Report ID: PAL015ST  
Personnel Action: HIR--  
For the period 12/01/2017 through 12/31/2017

Effective Date	Action Reason	Employee Name	Hire Employee ID	Hire Date	Emp Typ	Reg/ Tmp	Full/ Part	Job Code	Job Title	Salary Grade	Comp Rate	Supervisor
12/07/2017		Valdez Gonzalez, Gustavo		12/07/2017	0.0	H	T	P	900STU Student	EE STU/ASTU	11.000000	H

Department ESLANG English as a Second Lang Dept  
SETID - PALMR

End of Report



---

# MEMO

---

DATE: January 9, 2018  
TO: Dr. Joi Lin Blake, Superintendent/President  
FROM: Carmen M. Coniglio, Director Fiscal Services  
CC: Ron Perez, Vice President, Finance and Administrative Services  
SUBJECT: Fiscal Year 2018-19 Nonresident Tuition and Capital Outlay Fees

## OVERVIEW

Education Code (EC) 76140 requires each district governing board to establish the nonresident tuition fee no later than February 1 for the succeeding fiscal year. In addition, EC Section 76141 authorizes community college districts to charge any nonresident student a capital outlay fee not to exceed the amount that was expended by the district for capital outlay in the preceding fiscal year divided by the total full-time equivalent students in the preceding fiscal year. AB 947 amended EC Section 76141 to charge this capital outlay fee to any nonresident student, except for "AB 540" students, who will continue to be exempt from this fee.

## DISCUSSION

The statewide average expense of education calculated for 2018-19 is \$258 per unit. Palomar Community College District's calculated rate is \$259. It is being recommended that Palomar uses the statewide average cost of \$258 to establish the nonresident tuition for 2018-19. This represents a \$24 increase from our current rate of \$234. The recommendation for capital outlay is to maintain our current rate of \$5 per unit for 2018-19. Various exemptions to these fees are provided in Education Codes 76140-76143. A worksheet for computing the nonresident tuition and capital outlay fees is attached.

## RECOMMENDATION

The adoption of \$258 per unit for nonresident tuition and a capital outlay fee of \$5 per unit for all nonresident students for the fiscal year 2018-19.

**CALIFORNIA COMMUNITY COLLEGES  
CHANCELLOR'S OFFICE**

1102 Q STREET, 4<sup>TH</sup> FLOOR  
SACRAMENTO, CA 95811-6549  
(916) 445-8752  
<http://www.cccco.edu>



## Memorandum

December 14, 2017

Fiscal Services Memo 17-14  
Via E-mail Only

**TO:** Chief Business Officers  
Chief Instructional Officers

**FROM:** Wrenna Finche, Director  
Fiscal Standards and Accountability

**SUBJECT:** 2018-19 Nonresident Fees need to be established by February 1, 2018

**SYNOPSIS:** Education Code (EC) Section 76140 requires each district governing board to establish the nonresident tuition fee not later than February 1 for the succeeding fiscal year.

**Nonresident Tuition Fee.** For determining your district's 2018-19 nonresident tuition fee, the 2016-17 statewide average expense of education was **\$7,404** per full time equivalent student (FTES). The projected increase in the United States Consumer Price Index (USCPI) as determined by the Department of Finance is 2.4% for the 2017-18 fiscal year and 2.2% for 2018-19, for a compound factor of 1.046 against the 2016-17 statewide average expense of education (\$7,404) yields an Average cost of **\$7,745** per FTES for the tuition year, or **\$258** per semester unit for a 30-unit semester term academic year. For districts on the quarter system, the 45-unit quarter term academic year results in **\$172** per quarter term unit.

**Nonresident Tuition Fee Options.** EC 76140(e) enumerates seven options for a district to choose in setting its nonresident tuition fee. These options are reflected in the enclosed worksheet as the "basis for adoption." Options 1-3 are generally well understood, but for Option 4 ("No more than contiguous district") and Option 5 ("No more than district, no less than statewide cost"), please keep in mind the following specifics:

**Option 4 'No more than contiguous district'.** A review of the legislative history when this option was adopted confirms that this amount **must be within** the:

- **Fee (not cost)** adopted by a contiguous district (**Maximum** amount for Option #4);

**AND**

- **Cost** of the lesser of (1) your district's average **cost** OR (2) the statewide average **cost** (**Minimum** amount for Option #4).

**Option 5 'No more than district, no less than statewide cost'.** The *maximum amount* for this option is the district average cost, and the *minimum amount* for this option is the statewide average cost. **Only** an amount **between** these maximum and minimum amounts is allowed under this option.

**Option 6 'Highest Years Statewide Average Tuition'.** (EC 76140(e)(1)(B)). Use the greater of the succeeding year, the current year or any of the four prior year's statewide average nonresident tuition fee calculation, which is **\$258 per semester unit** or **\$172 per quarter unit** from 2016-2017.

**Option 7 'No more than 12 Comparable States Average Tuition'.** (EC 76140(e)(1)(E)). No greater than the 2016-17 average nonresident tuition fee of public community colleges in a minimum of 12 states comparable to California in cost of living. This average is calculated to be **\$424 per semester unit** or **\$283 per quarter unit**.

**Nonresident Capital Outlay Fee.** Pursuant to EC Section 76141 a district **may** also charge to any nonresident student (**except nonresident students having AB 540 status**) a capital outlay fee. The amount of the nonresident capital outlay fee has to be the lesser of:

- the amount that was expended by the district for capital outlay in the preceding fiscal year divided by the total full-time equivalent student (FTES) of the district in the preceding fiscal year; OR
- 50% of the 2016-17 nonresident tuition fee adopted pursuant to EC 76140.

**Processing Fee for Students from Foreign Countries.** Pursuant to EC 76142 a district **may** charge nonresident applicants who are both citizens and residents of a foreign country a processing fee not to exceed the lesser of (1) the actual cost of processing an application and other documentation required by the federal government OR (2) \$100, which may be deducted from the tuition fee at the time of enrollment.

**Exemptions to these fees.** Various exemptions to these fees are provided in the law. Please click on the following web links to EC Sections 76140-76143 and a related legal opinion to learn more about these exemptions:

**<http://Ed Code Non-Res>**

**<http://AB540 and Non-Res Capital Outlay Fee>**

**Tuition Fee Worksheet.** A worksheet for computing the nonresident tuition and capital outlay fees is enclosed. The comparable information for all districts used to derive the statewide average expense of education per FTES for 2016-17 is also enclosed for your reference.

**ACTION/DATE REQUESTED:** Please complete and return by **February 15, 2018** a copy of the enclosed worksheet and provide information on the 2018-19 nonresident tuition and capital outlay fees adopted by your district governing board by February 1, 2018.

**CONTACT:** If you have any questions or comments regarding this memorandum, please contact Michael Yarber at (916) 327-6818 or **[myarber@cccco.edu](mailto:myarber@cccco.edu)**.

## California Community Colleges 2018-19 NONRESIDENT FEES WORKSHEET

### NONRESIDENT TUITION FEE CALCULATIONS FOR OPTIONS 1 THROUGH 7

2018-19 NONRESIDENT TUITION FEE (EC 76140)	(Col. 1) Statewide	(Col. 2) District	(Col. 3) 10% or More Noncredit FTES
<b>A. Expense of Education for Base Year</b> (2016-17 CCFS 311, Expenditures by Activity Report, AC 0100-6700, Cols: 1-3)	\$8,691,115,474	\$139,526,809	\$ _____
<b>B. Annual Attendance FTES</b> (Recal 2016-17)	1,173,780	18,794.55	_____
<b>C. Average Expense of Education per FTES</b> (A ÷ B)	\$7,404	\$ 7,423.79	\$ _____
<b>D. U.S. Consumer Price Index Factor</b> (2 years)	x 1.046	x 1.046	x 1.046
<b>E. Average Cost per FTES for Tuition Year</b> (C x D)	\$7,745	\$ 7,765.29	\$ _____
<b>F. Average Per Unit Nonresident Cost – Semester (Qtr)</b>	\$258 (\$172)	\$ 259	\$ _____
<b>G. Highest year Statewide average – Semester (Qtr)</b>	\$258 (\$172)	\$ _____	\$ _____
<b>H. Comparable 12 state average – Semester (Qtr)</b>	\$424 (\$283)	\$ _____	\$ _____

**Annual Attendance FTES** includes all student contact hours of attendance in credit and noncredit courses for resident and nonresident students; Round tuition fee to the nearest dollar.

**Column 3** is an option for use by a district with ten percent or more noncredit FTES (*Section 76140(e)(1)(A)*). If your district qualifies, then fill out this column with noncredit FTES and noncredit expense of education data excluded.

### NONRESIDENT TUITION FEE CALCULATIONS FOR OPTIONS 6 OR 7

**Option 6.** The greater amount of the calculations of statewide nonresident tuition for 2013-14 through 2016-17 is \$258 per semester unit or \$172 per quarter unit (2016-17).

**Option 7.** The average of the nonresident tuition fees of public community colleges in 2016-17 of no less than 12 states comparable to California in cost of living is \$424 per semester unit or \$283 per quarter unit.

**Requirement for Use of Option 6 or 7:** The additional revenue generated by the increased nonresident tuition permitted under options 6 or 7 shall be used to expand and enhance services to resident students (*EC 76140(e)(2)*). Districts meeting one or more criteria below shall be considered in compliance with the requirements of *EC 76140(e)(2)*. Please check all that apply:

- Revenue from nonresident tuition was less than 5% of total general fund revenue.
- Actual resident FTES was greater than funded resident FTES.
- Percent expenditures for counseling and student services were greater than statewide average (AC 6300 plus 6400 divided by AC 0100-6700, Cols. 1-3).
- Percent expenditures for instructional services were greater than statewide average (AC 0100-5900 divided by AC 0100-6700, Cols. 1-3).

*Continue to next page ►*

► Continued from previous page

The district governing board at its January 9, 2018 meeting adopted a **nonresident tuition fee** of \$ 258 per semester unit or \$ \_\_\_\_\_ per quarter unit.

Basis for adoption is (*place an X in one box only*).

- |                                     |  |
|-------------------------------------|--|
| <input checked="" type="checkbox"/> | 1. Statewide average cost, per column 1.   |
| <input type="checkbox"/>            | 2. District average cost, per column 2.  |
| <input type="checkbox"/>            | 3. District average cost with 10% or more noncredit FTES, per column 3.                    |
| <input type="checkbox"/>            | 4. Contiguous district. _____ (Specify district and its fee).                              |
| <input type="checkbox"/>            | 5. No more than district average cost (Col. 2 or 3); no less than statewide average cost.  |
| <input type="checkbox"/>            | 6. Statewide average cost, from 2016-17 (\$258 per semester unit; \$172 per quarter unit). |
| <input type="checkbox"/>            | 7. No more than average tuition of 12 states with cost of living comparable to California. |

---

---

**NONRESIDENT CAPITAL OUTLAY FEE (EC 76141)**

For districts electing to charge a **capital outlay fee** to any nonresident student, please compute this fee as follows:

- a. Capital Outlay expense for 2016-17 \$ 6,391,327
- b. FTES for 2016-17 18,794.55
- c. Capital outlay expense per FTES (*line a divided by line b*) 340.06
- d. Capital Outlay Fee per unit:
1. Per semester unit (*line c divided by 30 units*) 11.34

**OR**

2. Per quarter unit (*line c divided by 45 units*) \_\_\_\_\_
- e. 2018-19 Nonresident Student Capital Outlay Fee (not to exceed the *lesser* of line d **OR** 50% of adopted 2018-19 Nonresident Tuition Fee) \_\_\_\_\_

The district governing board at its January 9, 2018 meeting adopted a **nonresident capital outlay fee** of \$ 5 per semester unit or \$ \_\_\_\_\_ per quarter unit.

---

---

Upon adoption of nonresident tuition and/or capital outlay fees by your district governing board by February 1, 2018, please submit a copy of this report by **February 15, 2018** to:

California Community Colleges Chancellor's Office  
Fiscal Services Unit (attn. Michael Yarber)  
1102 Q Street,  
Sacramento, CA 95811-6549 FAX (916) 323-8245

District: Palomar Community College District

Contact Person: Carmen M. Coniglio, Director, Fiscal Services

Phone Number & email: 760-744-1150 cconiglio@palomar.edu

**CALIFORNIA COMMUNITY COLLEGES**  
 2018-19 Nonresident Tuition Fee  
 Based on 2016-17 Actual Expense of Education from CCFS-311  
 (AC 0100-6700; Objects of Expenditure 1000-5000)

<b>District Code</b>	<b>District</b>	<b>2016-17 Expense of Education*</b>	<b>2016-17 Total FTES**</b>	<b>2016-17 Expense Per FTES</b>
610	Allan Hancock	64,003,969	10,315.28	6,204.77
620	Antelope Valley Joint	78,881,041	10,701.37	7,371.12
910	Barstow	16,932,161	2,673.40	6,333.57
110	Butte-Glenn	135,814,777	10,296.40	13,190.51
410	Cabrillo	80,461,127	10,610.35	7,583.27
810	Cerritos	118,757,778	17,080.84	6,952.69
480	Chabot-Las Positas	132,853,569	16,072.17	8,266.06
920	Chaffey	108,996,287	16,725.28	6,516.86
820	Citrus	75,483,382	12,478.44	6,049.10
830	Coast	223,905,487	32,587.15	6,870.97
710	Compton	38,815,891	5,212.27	7,447.02
310	Contra Costa	208,638,770	26,516.22	7,868.35
970	Copper Mountain	15,444,515	1,424.95	10,838.64
930	Desert	63,394,603	8,888.56	7,132.16
720	El Camino	132,736,144	18,898.47	7,023.64
120	Feather River	17,735,057	1,905.46	9,307.49
420	Foothill-DeAnza (quarter system)	247,238,516	30,581.27	8,084.64
440	Gavilan	39,041,510	5,420.38	7,202.73
730	Glendale	104,268,511	16,422.44	6,349.15
20	Grossmont-Cuyamaca	149,888,630	19,948.40	7,513.82
450	Hartnell	53,039,796	7,431.72	7,136.95
30	Imperial	50,266,169	6,914.39	7,269.79
520	Kern	135,032,159	21,976.33	6,144.44
220	Lake Tahoe (quarter system)	16,481,410	1,826.17	9,025.12
130	Lassen	15,283,451	1,758.87	8,689.36
840	Long Beach	137,992,305	21,382.31	6,453.57
740	Los Angeles	775,231,501	111,807.34	6,933.64
230	Los Rios	360,980,142	53,503.03	6,746.91
330	Marin	57,238,819	3,850.01	14,867.19
140	Mendocino-Lake	25,597,378	3,149.34	8,127.85
530	Merced	68,287,430	9,744.69	7,007.66
50	Mira Costa	107,260,603	11,489.94	9,335.18
460	Monterey Peninsula	51,678,993	6,854.64	7,539.27
850	Mt. San Antonio	205,587,159	31,932.42	6,438.20
940	Mt. San Jacinto	79,154,042	12,522.68	6,320.85
240	Napa Valley	41,374,791	5,388.07	7,678.96

District Code	District	2016-17 Expense of Education*	2016-17 Total FTES**	2016-17 Expense Per FTES
860	North Orange County	293,308,189	38,089.23	7,700.55
430	Ohlone	59,746,411	8,932.29	6,688.81
950	Palo Verde	16,832,323	2,102.26	8,006.78
60	Palomar	139,526,809	18,794.55	7,423.79
770	Pasadena	162,024,466	25,739.11	6,294.87
340	Peralta	185,067,476	17,393.82	10,639.84
870	Rancho Santiago	210,216,106	28,238.46	7,444.32
160	Redwoods	32,900,691	4,272.77	7,700.08
880	Rio Hondo	91,719,957	11,769.09	7,793.29
960	Riverside	203,222,971	30,376.33	6,690.18
980	San Bernardino	116,010,671	14,389.53	8,062.16
70	San Diego	314,363,785	44,751.54	7,024.65
360	San Francisco	207,784,960	21,589.96	9,624.15
550	San Joaquin Delta	106,187,401	13,722.69	7,738.09
470	San Jose-Evergreen	118,708,360	12,187.20	9,740.41
640	San Luis Obispo County	56,915,246	7,283.50	7,814.27
370	San Mateo County	171,995,137	18,046.73	9,530.54
650	Santa Barbara	111,910,349	14,635.40	7,646.55
660	Santa Clarita	110,336,288	16,945.41	6,511.28
780	Santa Monica	189,981,824	27,807.32	6,832.08
560	Sequoias	63,089,471	9,790.62	6,443.87
170	Shasta-Tehama-Trinity	49,780,352	7,432.86	6,697.33
270	Sierra Jt.	93,823,086	13,009.37	7,211.96
180	Siskiyou Jt.	23,615,124	2,658.75	8,882.04
280	Solano	55,523,844	6,591.23	8,423.90
260	Sonoma	137,620,174	17,011.00	8,090.07
890	South Orange County	203,171,576	29,117.27	6,977.70
90	Southwestern	107,199,578	16,271.21	6,588.30
570	State Center	196,873,609	27,697.74	7,107.93
680	Ventura	182,059,404	25,777.22	7,062.80
990	Victor Valley	76,829,719	9,855.95	7,795.26
580	West Hills	46,072,613	5,725.21	8,047.32
690	West Kern	29,994,789	2,698.53	11,115.23
490	West Valley	110,648,873	13,429.37	8,239.32
590	Yosemite	124,430,569	15,628.46	7,961.79
290	Yuba	57,845,400	7,727.23	7,485.92
<b>Totals</b>		<b>\$8,691,115,474</b>	<b>1,173,780</b>	<b>\$7,404</b>

\* "Expense of Education" is defined in the Budget and Accounting Manual as including all General Fund expenditures, restricted and unrestricted, for all objects of expenditure 1000 through 5000 and all expenditures of activity from 0100 through 6700. For the purposes of calculating the Nonresident Tuition Fee, Expense of Education is different than the 50% Law "current expense of education".

\*\* Includes credit and noncredit FTES for resident and nonresident students.



**BUSINESS & CONTRACT SERVICES  
REVIEW & RATIFICATION BY  
GOVERNING BOARD  
PALOMAR COMMUNITY COLLEGE DISTRICT  
FY 2017-2018**

BOARD DATE: January 9, 2018

REPORTING PERIOD: 11/1/17- 12/31/17

#.	REQUESTED BY	VENDOR	DESCRIPTION	TERM	AMOUNT	PROP "M"
115..	W. Cheung Earth, Space and Environmental Sciences	Vincent Lostetter	Professional services agreement to work with the project team remotely to adopt or integrate curriculum within the Palomar College Unmanned Aircraft System Operations Technician Education program under the National Science Foundation's grant at Vista High School.	9/19/2017 – 7/1/2018	\$3,000.00	
116.	T. Holthaus ECE Lab School	California Department of Education	Amendment 01 to increase maximum reimbursable amount for the California State Preschool program, Contract #: CSPP-7462	Fiscal year 2017-2018	From: \$475,132.00 To: \$537,145.00	
117.	B. Stockert FYRST Program	Foundation for California Community Colleges	Grant agreement for youth empowerment strategies for success – independent living program to provide additional services and activities to current and transitional foster youth.	7/1/2017 – 6/30/2018	\$22,500.00	
118.	D. Astl Construction & Facilities Planning	Consulting & Inspection Services	Amendment 4 for DSA inspector to provide in plant inspection services of Modulares for the North Education Center Interim Modular Village project.	Effective: 11/8/2017	\$31,682.50	X
119.	"	"	Amendment 5 for DSA inspector to provide inspection services for the North Education Center Interim Modular Village project.	10/1/2017 – 5/1/2018	\$105,824.88	X
120.	"	NV5	Amendment to master agreement to provide geotechnical engineering investigation report for the proposed Arboretum Visitor's Center.	Effective: 11/8/2017	\$11,395.00	X
121.	"	MBO, Inc.	Agreement for professional services to perform commissioning services for the South Education Center project.	Effective: 11/8/2017	\$34,900.00	X
122.	"	Balfour Beatty Construction, LLC	Amendment 6 to master agreement for construction management services utilizing multi-prime delivery method for the new construction of the north Education Center Interim Village project.	8/1/2017 – 7/31/2018	\$1,672,311.92	X
123.	N. Manea Academic Technology	Siteimprove	Amendment 1 to software-as-a-service subscription agreement to scan our websites and perform corrections to be in compliance with ADA Act.	Effective: 11/10/2017	\$18,280.00	
124.	K. Donovan Nursing	San Marcos Unified School District	Use of facilities permit for the Nursing programs Pinning Ceremony to be held at San Marcos high School.	Effective: 12/11/2017	Not to exceed \$500.00	
125.	N. Puccio Extended Education	Ramona Unified School District	Use of facilities agreement to hold adult literacy and ESL classes at Ramona High School campus.	1/29/2018 – 5/23/2018	N/C	
126.	"	"	Use of facilities agreement to hold ASL, BUS, COUN, CSIT, ENG, HIST and MUS classes at the Ramona Community campus.	1/29/2018 – 5/26/2018	N/C	
127.	"	Escondido Union School District	Use of facilities agreement to hold adult literacy classes at the Rose school site.	1/29/2018 – 5/24/2018	\$4,536.00	
128.	"	"	Use of facilities agreement to hold adult literacy classes at the Mission school site.	1/29/2018 – 5/24/2018	\$4,536.00	
129.	"	Escondido Union High School District	Use of facilities agreement to hold Adult Literacy classes at the San Pasqual campus.	1/29/2018 – 5/24/2018	N/C	
130.	"	Fallbrook Union High School District	Use of facilities agreement to hold ENG and ESL classes.	1/29/2018 – 5/26/2018	\$23,475.00	

**BUSINESS & CONTRACT SERVICES  
REVIEW & RATIFICATION BY  
GOVERNING BOARD  
PALOMAR COMMUNITY COLLEGE DISTRICT  
FY 2017-2018**

**BOARD DATE: January 9, 2018**

**REPORTING PERIOD: 11/1/17- 12/31/17**

#.	REQUESTED BY	VENDOR	DESCRIPTION	TERM	AMOUNT	PROP "M"
131..	K. Kailikole Mathematics and the Natural Health Sciences	University of California San Diego	Subaward modification for the "Stimulating Research on Effective Strategies in Undergraduate STEM Education at Two-Year Hispanic Serving Institutions: The San Diego Biodiversity Project" to extend the project end date.	9/1/2014 – 8/31/2018	No additional funding.	
132.	"	California State University San Marcos Corporation	Year two of subaward agreement for the Increasing HLI Student Participation, Persistence, and completion in STEM education grant.	10/1/2017 – 9/30/2018	Paid to District: \$147,429.00	
133.	J. Fent Alcohol and Other Drug Studies	The Salvation Army	Service-Learning memorandum of understanding to provide student-focused learning experience.	9/12/2017 – 9/13/2018	N/C	
134.	"	MHS North County Center for Change	Service-Learning memorandum of understanding to provide student-focused learning experience.	10/21/2017 – 10/20/2022	N/C	
135.	"	The Fellowship Center	Service-Learning memorandum of understanding to provide student-focused learning experience.	10/26/2017 – 10/25/2022	N/C	
136.	N. Puccio Extended Education	Fallbrook Union High School District	Use of facilities agreement to hold community education classes at high school.	1/1/2018 – 6/30/2018	Office space: \$150.00/week Custodial: \$2,400.00/semester	
137.	C. Moise Information Services	ConsumerInfo.com, Inc.	Amendment to the protection products agreement to extend the product term for an additional year under Protect MyID.	1/24/2018 – 1/24/2019	\$26,219.49	
138.	D. Rudy Dental Assisting	Discovery Children's Dentistry	Use of off-campus dental facilities agreement for our dental assisting students to obtain their clinical education.	1/29/2018 – 1/28/2013	N/C	
139.	N. Puccio	Mission Hills Church	Addendum to facilities usage agreement to permit district to provide, place and keep storage shed for volleyball equipment on church property.	January 2018 – May 2020	N/C	
140.	R. Bianchi TTIP CCC TechConnect	Hilton Anaheim	Group sales event agreement for hosting the Online Teaching Conference for June 2019.	Effective 12/28/2017	NTE: \$353,280.00	
141.	L. Norman Human Resource Services	Currier & Hudson, a Professional Corporation	Agreement for legal services to provide representation in various matters and litigation in the area of employer/employee relations, labor relations, personnel administration, student rights and responsibilities, general operations and educational and related issues.	11/29/2017 – 06/30/2018	\$195.00/hour	
142.	O. Diaz Student Success & Equity	Marine Corps Community Services – Camp Pendleton	Agreement for on base advertisement for Palomar College programs.	1/1/2018 – 12/31/2018	\$21,000.00	
143.	Wing Cheung Earth, Space, and Environmental Sciences	Candiya Mann	Professional services agreement to provide external evaluator for the National Sciences Foundation, Unmanned Aircraft System grant.	9/19/2017 – 7/1/2020	\$47,712.00	
144.	Margie Fritch Mathematics & The Natural Health Sciences	The University of Texas at Austin, Charles A. Dana Center for Science and Mathematics Education	Services Contract to assign at least one faculty member to teach one section of Reasoning with Functions I or Reasoning with Functions II, attend monthly webinar meeting for Spring 2018 and work to establish recruitment plan for fall 2018.	1/1/2018 – 8/31/2018	\$12,280.00	

**BUSINESS & CONTRACT SERVICES  
REVIEW & RATIFICATION BY  
GOVERNING BOARD  
PALOMAR COMMUNITY COLLEGE DISTRICT  
FY 2017-2018**

**BOARD DATE: January 9, 2018**

**REPORTING PERIOD: 11/1/17- 12/31/17**

#.	REQUESTED BY	VENDOR	DESCRIPTION	TERM	AMOUNT	PROP "M"
145.	J. Smiley Social & Behavioral Sciences	Easterseals Southern California, Inc. Child Development Services Division	Agreement to provide District with tuition, health fees, and parking costs for their partners in the Early Head Start-Child Care Partnership program to enroll in Child Development courses.	11/1/2017 – 6/30/2018	Paid to District: up to \$5,000.00/semester	
146.	J. Odom ETV	Mt. San Jacinto Community College District	Content licensing agreement for use of PCTV produced materials as supplemental instructional material in MSJC course Leadership 102.	12/8/2017 – 12/7/2020	N/C	
147.	"	Chad Richmond dba: Chad Richmond Video	Professional services agreement to provide video editing and other production services for PCTV.	1/1/2018 – 12/31/2018	Not to exceed: \$65,000.007	
148.	L. Norman Human Resource Services	Shaw HR Consulting, Inc.	Independent contractor agreement to provide disability interactive process professional services, development of Essential Functions Job Analyses and generalized human resources consulting and training.	11/28/2017 – 6/30/2018	\$200.00/hour including travel time and mileage reimbursement	
149.	"	Cris Clifford Cullinan, Ph.D.	Agreement for services to provide specialized training workshops for staff, administrators, and faculty specific to cultural competencies in hiring for equity and inclusion	Staff & Adm: 1/23 – 1/24/2018 Faculty: 3/1 – 3/2/2018	\$24,000.00	
150.	D. Miller Fire Technology	City of Carlsbad Fire Department	Inter-Agency Services Agreement for Fire 98 training and revenue sharing with area Fire Departments.	1/1/2018 – 6/30/2023	\$3.50/student contract hour.	

**Palomar College**  
**1140 West Mission Road**  
**San Marcos, CA 92069**  
Attention: Lisa Yon

**Date:** 11/30/2017  
**Program Id:** 69775  
**Grade:**

### Program Agreement

Thank you for your participation in our Field Study Program. **PLEASE READ THE FOLLOWING CAREFULLY.**

1. Thoroughly review the terms, conditions, and cancellation procedures indicated on both sides of this form.
2. Please sign immediately and mail the white copy to: **Ocean Institute, 24200 Dana Point Harbor Dr., Dana Point, CA 92629**  
**A NON-REFUNDABLE DEPOSIT MUST BE INCLUDED. YOUR RESERVATION IS NOT CONFIRMED UNTIL THIS FORM IS SIGNED AND RETURNED WITH DEPOSIT. THE BALANCE (PROGRAM FEE LESS DEPOSIT) IS DUE 10 DAYS PRIOR TO PROGRAM DATE IN THE FORM OF ONE CHECK ONLY.**
3. Please be sure we have your correct school and home telephone numbers as well as email address for rescheduling purposes.
4. Notice of cancellation for your program must be received **IN WRITING** by the Ocean Institute **AT LEAST 90 DAYS PRIOR** to the scheduled program date, i.e. on or before Thursday, August 9, 2018 . **WITHOUT ABOVE NOTICE OF CANCELLATION IN WRITING, YOU AGREE TO PAY THE FULL COST OF THE PROGRAM.**

Program Name:	Human Impacts Lab/Cruise
Date and Time:	Wednesday, 11/7/2018 12:00 PM to 4:00 PM (Check In: 11:45 AM)
Responsible Party:	Dr. Lisa Yon (Palomar College)
Contact Info:	E-mail: LYon@palomar.edu
Program Count:	1 programs (at \$1,700.00 per program) incl. 5 adults and 40 students
Reservation Notes:	
Program Notes:	Maximum combination of students / adults is 45. All participants over the 45 maximum will be charged \$38. The suggested adult to student ratio is 1:10, however please bring a minimum of 3 adults (1 teacher + 2 adults), but no more than 6. All student and adult participants must have a signed Acknowledgement of Risk Waiver in order to participate in the field trip. All participants must wear closed-toed, soft-soled shoes.

~~THE DEPOSIT AMOUNT IS \$150.00, AND IS DUE ON OR BEFORE SATURDAY, APRIL 28, 2018.~~

~~THE BALANCE OF \$1,550.00 (ESTIMATED PROGRAM FEE LESS DEPOSIT) IS DUE ON OR BEFORE 10 DAYS PRIOR TO PROGRAM DATE.~~

MAKE CHECKS PAYABLE TO / MAIL TO: OCEAN INSTITUTE, 24200 DANA POINT HARBOR DR., DANA POINT, CA 92629

SIGNATORY AGREES TO TERMS AND CONDITIONS STATED ON PROGRAM AGREEMENT (INCLUDING THOSE ON REVERSE). PLEASE BE ADVISED THAT POLICIES ARE STRICTLY ENFORCED.

Authorized Administrator	Title	Ron E. Ballesteros-Perez Asst. Superintendent/Vice President Finance & Administrative Services Palomar Community College District	Date
YOUR BILLING ADDRESS (if different from above address) _____			

**Palomar College**  
**1140 West Mission Road**  
**San Marcos, CA 92069**  
Attention: Lisa Yon

**Date:** 11/30/2017  
**Program Id:** 69776  
**Grade:**

### Program Agreement

Thank you for your participation in our Field Study Program. **PLEASE READ THE FOLLOWING CAREFULLY.**

1. Thoroughly review the terms, conditions, and cancellation procedures indicated on both sides of this form.
2. Please sign immediately and mail the white copy to: **Ocean Institute, 24200 Dana Point Harbor Dr., Dana Point, CA 92629**  
**A NON-REFUNDABLE DEPOSIT MUST BE INCLUDED. YOUR RESERVATION IS NOT CONFIRMED UNTIL THIS FORM IS SIGNED AND RETURNED WITH DEPOSIT. THE BALANCE (PROGRAM FEE LESS DEPOSIT) IS DUE 10 DAYS PRIOR TO PROGRAM DATE IN THE FORM OF ONE CHECK ONLY.**
3. Please be sure we have your correct school and home telephone numbers as well as email address for rescheduling purposes.
4. Notice of cancellation for your program must be received **IN WRITING** by the Ocean Institute **AT LEAST 90 DAYS PRIOR** to the scheduled program date, i.e. on or before Friday, August 10, 2018 . **WITHOUT ABOVE NOTICE OF CANCELLATION IN WRITING, YOU AGREE TO PAY THE FULL COST OF THE PROGRAM.**

Program Name:	Human Impacts Lab/Cruise
Date and Time:	Thursday, 11/8/2018 12:00 PM to 4:00 PM (Check In: 11:45 AM)
Responsible Party:	Dr. Lisa Yon (Palomar College)
Contact Info:	E-mail: LYon@palomar.edu
Program Count:	1 programs (at \$1,700.00 per program) incl. 5 adults and 40 students
Reservation Notes:	
Program Notes:	Maximum combination of students / adults is 45. All participants over the 45 maximum will be charged \$38. The suggested adult to student ratio is 1:10, however please bring a minimum of 3 adults (1 teacher + 2 adults), but no more than 6. All student and adult participants must have a signed Acknowledgement of Risk Waiver in order to participate in the field trip. All participants must wear closed-toed, soft-soled shoes.

~~THE DEPOSIT AMOUNT IS \$150.00, AND IS DUE ON OR BEFORE FRIDAY, APRIL 27, 2018.~~

~~THE BALANCE OF \$1,550.00 (ESTIMATED PROGRAM FEE LESS DEPOSIT) IS DUE ON OR BEFORE 10 DAYS PRIOR TO PROGRAM DATE.~~

MAKE CHECKS PAYABLE TO / MAIL TO: OCEAN INSTITUTE, 24200 DANA POINT HARBOR DR., DANA POINT, CA 92629

SIGNATORY AGREES TO TERMS AND CONDITIONS STATED ON PROGRAM AGREEMENT (INCLUDING THOSE ON REVERSE). PLEASE BE ADVISED THAT POLICIES ARE STRICTLY ENFORCED.

_____	Ron E. Ballesteros-Perez	_____
Authorized Administrator	Title	Asst. Superintendent/Vice President
		Finance & Administrative Services
YOUR BILLING ADDRESS (if different from above address)	_____	Palomar Community College District

**Palomar College**  
1140 West Mission Road  
San Marcos, CA 92069  
Attention: Lisa Yon

Date: 11/30/2017  
Program Id: 69774  
Grade:

### Program Agreement

Thank you for your participation in our Field Study Program. PLEASE READ THE FOLLOWING CAREFULLY.

1. Thoroughly review the terms, conditions, and cancellation procedures indicated on both sides of this form.
2. Please sign immediately and mail the white copy to: Ocean Institute, 24200 Dana Point Harbor Dr., Dana Point, CA 92629  
A NON-REFUNDABLE DEPOSIT MUST BE INCLUDED. YOUR RESERVATION IS NOT CONFIRMED UNTIL THIS FORM IS SIGNED AND RETURNED WITH DEPOSIT. THE BALANCE (PROGRAM FEE LESS DEPOSIT) IS DUE 10 DAYS PRIOR TO PROGRAM DATE IN THE FORM OF ONE CHECK ONLY.
3. Please be sure we have your correct school and home telephone numbers as well as email address for rescheduling purposes.
4. Notice of cancellation for your program must be received IN WRITING by the Ocean Institute AT LEAST 90 DAYS PRIOR to the scheduled program date, i.e. on or before Saturday, August 11, 2018 . WITHOUT ABOVE NOTICE OF CANCELLATION IN WRITING, YOU AGREE TO PAY THE FULL COST OF THE PROGRAM.

Program Name:	Human Impacts Lab/Cruise
Date and Time:	Friday, 11/9/2018 12:00 PM to 4:00 PM (Check In: 11:45 AM)
Responsible Party:	Dr. Lisa Yon (Palomar College)
Contact Info:	E-mail: LYon@palomar.edu
Program Count:	1 programs (at \$1,700.00 per program) incl. 5 adults and 40 students
Reservation Notes:	
Program Notes:	Maximum combination of students / adults is 45. All participants over the 45 maximum will be charged \$38. The suggested adult to student ratio is 1:10, however please bring a minimum of 3 adults (1 teacher + 2 adults), but no more than 6. All student and adult participants must have a signed Acknowledgement of Risk Waiver in order to participate in the field trip. All participants must wear closed-toed, soft-soled shoes.

~~THE DEPOSIT AMOUNT IS \$150.00, AND IS DUE ON OR BEFORE SATURDAY, DECEMBER 30, 2017 .~~

~~THE BALANCE OF \$1,550.00 (ESTIMATED PROGRAM FEE LESS DEPOSIT) IS DUE ON OR BEFORE 10 DAYS PRIOR TO PROGRAM DATE.~~

MAKE CHECKS PAYABLE TO / MAIL TO: OCEAN INSTITUTE, 24200 DANA POINT HARBOR DR., DANA POINT, CA 92629

SIGNATORY AGREES TO TERMS AND CONDITIONS STATED ON PROGRAM AGREEMENT (INCLUDING THOSE ON REVERSE). PLEASE BE ADVISED THAT POLICIES ARE STRICTLY ENFORCED.

Authorized Administrator	_____ Ron E. Ballesteros-Perez Superintendent/Vice President	Title	_____ Finance & Administrative Services Palomar Community College District	Date	_____
YOUR BILLING ADDRESS (if different from above address) _____					



# Day Trip Service Agreement

Account # 81638

Booking # R1923273

## TRIP INFORMATION

Please review Date, Time &amp; Destination. Notify Group Sales if incorrect.

Harbor of Departure: Channel Island Harbor - 3550 Harbor Blvd. - Oxnard - CA (No Mail)

Departure Date: Sunday, May 06, 2018

Vessel: Vanguard

Departure Time: 9:30 AM

Check In Time: 8:45 AM

Depart Island: 3:30 PM

Return to Dock: 4:40 PM

Island Destination: Anacapa Island - East End Landing Cove

Special Requests

## RESERVED FOR

Please review and change incorrect information prior to signing and returning

Last Name: Deen

First Name: Patty

Group: Palomar College

Street Address: 1140 W. Mission Road

City: San Marcos

St. CA

Zip Code: 92063-

Phone (760) 703-8115 x

Cell (760) 744-1150

Fax

Email pdeen@palomar.edu

## FINANCIAL INFORMATION

All Payment Terms must be met. Notify Group Sales if unable to meet terms.

Seats Reserved: 22

Trip Fares: AN \*\* \$54.00 Adults -- \$41.00 Child (3-12 years) -- \$54.00 Senior (55 &amp; older)

Kayaks Transport Space Reserved: 0

Kayak Transport Fare: Single Kayak \$19.00 Double Kayaks 28.00

A Deposit of \$250.00

Is Due By

12/13/17

Balance Due By:

4/22/18

Final Passenger Count Due: 4/22/2018

Failure to reduce your passenger count will result in paying for unfilled seats  
A minimum of 10 passengers is required for this discounted fare.

Additional charges for:

**No individual check-in/payments are permitted on the day of your trip**

## CANCELLATION POLICY

Reservations of 20 or more must be cancelled 30 days in advance of your departure date to receive a refund of your deposit. Cancellation of your entire reservation must be made 7 or more days in advance to receive a refund of any payments in excess of your deposit. Cancellation of the entire reservation less than 7 days from your departure date will result in the loss of all money paid.

Reductions of passenger counts made less than 7 days to 72 hours prior of your departure time must be 15% or less for any refund. No refund will be given for any cancellation less than 72 hours prior to your trip departure time.

You **DO NOT** have a confirmed agreement until the required deposit is received. In case of unfavorable weather or sea conditions, Island Packers will cancel at 5:30 AM on the day of your departure and your money will be refunded or applied to another trip. **IF YOU** cancel the trip because of weather, your deposit will be forfeited. If weather conditions prevent landing and the boat returns early, your fares will be pro-rated.

**PLEASE READ THIS DOCUMENT CAREFULLY.**

**Sign and return a copy it Island Packers upon your receipt of this document.**

I AGREE TO THE TERMS  
AND CONDITIONS HEREIN

DATE \_\_\_\_\_

Mail all correspondence to: Island Packers - 1691 Spinnaker Drive, Suite 105B - Ventura - CA - 93001  
Phone 805-642-1393 Ext. 307 Fax 805-642-6573 E-Mail groupcharters@islandpackers.com

Operator R09

Date 11/9/2017

Sent By R09

S/A Mailed 11/15/17

## Palomar College Field Course Authorization Request

(A Field Course consists of a class in which the majority (or all) of instruction time is offered off campus and may include overnight stays. It may involve domestic or international travel.)

Instructor's Name(s) Patty Deen  
Department Earth, Space and Environmental Science

**To the Instructor: It is your responsibility to be familiar with field course regulations as found in Governing Board policy and procedures. Only students registered in the class may participate in field courses. PLEASE NOTE: All field courses require Palomar College Governing Board approval and must be submitted at least EIGHT WEEKS prior to the proposed trip.**

1. Dates of trip: May 5 - 6, 2018
2. Class Name and Class Number(s) GEOL 110  
Geology of National Parks  
#33497

3. Destination(s) (Complete address information must be provided):

The trip begins in Malibu and ends in Channel Islands Harbor. Students and instructors will be camping in Carpinteria State Beach Campground. Students will take a boat trip to Anacapa Island on Sunday.

4. Costs:

The instructor must make arrangements with the Cashier's Office for collection of student fees, if applicable. Instructors are not to collect fees from students.

Transportation (see below):	\$ <u>10.70</u>	Location/Meals/Fees:
Lodging & meals (specify location):	\$ <u>11.25</u>	Boat trip to Anacapa Island with Island Packers
Other Fees: (Specify)	\$ <u>59.40</u>	
<b>Total Costs:</b>	<b>\$ <u>81.35</u></b>	

**Note: These costs are in addition to regular enrollment fees.**

- 5. I have attached the Course Syllabus and the Student Code of Conduct
- 6. Course Itinerary (attach): Itinerary must identify required activities, total instructional hours, and specific meeting times.
- 7. List of all participants (Submit to Instructional Services two weeks prior to trip.)
- 8. Waivers signed by each participant or guardian. (Waivers are available on the Instructional Services website. Submit to Instruction Office two weeks prior to trip.)
- 9.  Yes Students have been supplied with a copy of the Student Code of Conduct

**Additional Requirement for International Field Course:**

- 10. U.S. Department of State Travel Warnings or Travel Alerts for the Area:  
( [http://travel.state.gov/travel/cis\\_pa\\_tw/tw/tw\\_1764.html](http://travel.state.gov/travel/cis_pa_tw/tw/tw_1764.html) ) Do any exist?  Yes  No  
(If a travel warning or alert exists and you are still requesting the International Field course, attach an explanation.)

Patricia Deen 12/1/17  
 Instructor's Signature Date

**Reviewed and Approved by:**  
[Signature] 12/1/17  
 Department Chairperson/Director Date

[Signature] 12/5/17  
 Division Dean Date

Assistant Superintendent/Vice President for Instruction Date  
[Signature] 12/1/17

Date of Governing Board approval

Division Office Use	
Approved _____	Disapproved _____
1. Original to Instructional Services _____	Date _____
2. Copy to Division Dean _____	Date _____
3. Copy to Instructor _____	Date _____
4. Copy to Center Staff _____	Date _____
5. Copy to Building/Grounds Purchasing _____	Date _____

**Note to Dean:** Please submit original to Instructional Services after approval.

**GEOL110: Geology of National Parks & Monuments**  
**Spring 2018 Field Trip**  
**Channel Islands National Park**  
**Saturday May 5 to Sunday May 6, 2018**

	<b>Expenses</b>	<b>Total Expense*</b>	<b>Expense per student based on 20 students</b>
<b>1</b>	Island Packers Boat Trip to Anacapa Island \$54/student	1,188	59.40
<b>2</b>	Camping fees, Carpinteria State Beach (3 campsites at \$52.99 per site)	158.97	7.95
<b>3</b>	Mileage (approximate) 400 miles x \$0.535/mile	214.00	10.70
<b>4</b>	Instructor Food Allowance	66.00	3.30
	<b>Total expense</b>	1,626.97	81.35

**\*Expense based on 20 students and 2 instructors**

**Notes:**

1. Boat trip fee of \$54 per student will be based on actual numbers of students. This expense may decrease if fewer students attend the trip. A deposit of \$250 has been pre-paid by instructor.
2. This is a fixed expense. Campsites have been pre-paid by instructors
3. This is a fixed expense. Instructors will carpool.

**GEOL110: Geology of National Parks & Monuments**  
**Spring 2018 Field Trip**  
**Channel Islands National Park**  
**Saturday May 5 to Sunday May 6, 2018**

**Saturday, May 5**

**8:45 a.m.—Assemble at Malibu Bluffs Park**, 24250 Pacific Coast Hwy  
Malibu, CA 90265 (Approximately 130 miles from Palomar College; drive time approximately 2 hours).

**9:00 a.m.— Stop 1: Malibu Bluffs Park for trip overview (Restrooms)**

- (0.0) Turn left out of the parking lot onto Hwy 1/PCH.
- (22) Park on right shoulder just past Pt. Mugu

**Stop 2: Pt. Mugu / Mugu Rock**

- (0.0) Continue on HWY 1/PCH
- (8.3) Exit #112—Pleasant Valley Rd
- (8.8) Merge onto CA-1/Rice Ave.
- (9.0) Take the 1<sup>st</sup> left onto CA-/Pleasant Valley Rd. and then ramp toward “Downtown Oxnard”
- (9.1) Turn slight right onto CA-1 / S. Oxnard Blvd.
- (11.6) Turn left onto Wooley Rd.
- (15.1) Turn right onto Harbor Blvd.
- (19.0) Turn left onto Spinnaker Dr.
- (20.1) Visitor’s Center is on the right

**Stop 3: Channel Islands National Park Visitor’s Center 1901 Spinnaker Dr (Restrooms)**

**Lunch**

- (0.0) South on Spinnaker Dr.
- (1.2) Left onto Harbor Blvd
  - (1.6) Right onto S Seaward Ave.
  - (0.1) Left onto US-101 N ramp toward Santa Barbara
  - (1.5) Exit 70A / California St.
  - (0.2) Right onto S. California St.
  - (0.3) Slight right onto Poli St.
  - (0.3) Left onto Kalorama St.
  - (0.2) 3d left onto Summit Dr.
  - (0.1) Left onto Brakey Rd. / Slight right onto Ferro Dr. / Slight right onto Father Serra Cross.

**Stop 4: Grant Park Overlook 398 Ferro Dr. (6.6 miles / 14 minutes) No Restrooms!**

- (0.0) Drive out of Parking area
- (0.1) Right onto Ferro Dr.
- (0.5) Right onto Cedar St.
- (1.1) Left on Kellogg St.
- (1.3) Right on East Main St.
- (3.2) Left onto Shell Rd. Parking lot at the corner of Shell Rd. and Ventura Ave.

**Stop 5: Ventura Anticline**

# GEOL110: Geology of National Parks & Monuments Spring 2018

Class #33497–Tuesday 6:00-9:10 p.m., NS-125

Instructor: Professor. P. Deen

Office: NS-110E	Office Phone: 760-744-1150 ext. 2519	E-mail: <a href="mailto:pdeen@palomar.edu">pdeen@palomar.edu</a>
Office Hours: M 1:00-2:30p, T & W 1:00-3:00p and by appointment		

## COURSE OBJECTIVES

The National Parks and Monuments of the United States are some of our nation's greatest treasures. Grand Canyon, Yosemite, Yellowstone, and Glacier National Parks are just a sampling that brings to mind some of the most unique and spectacular landscapes in the world. Parks and monuments are a playground for tourists and adventurers, a subject for artists and photographers, and a laboratory for scientists. The characteristics of each park and monument are a culmination of ongoing geological processes over time. These special places include fiery volcanoes, rivers of ice, shorelines, fossil forests, and dynamic living ecosystems.

This course surveys the basic geology and Earth history of many of these parks and monuments. There is no prerequisite for this course; however those who have taken Geology 100 or Earth Science 100 will appreciate the application of previously learned concepts. You will also gain a greater appreciation of the varied processes that have shaped our nation. An optional field trip to Channel Islands National Park will enhance the learning experience.

## COURSE RESOURCES

**Text (Recommended):** A reasonably *recent edition of any Geology or Earth Science textbook* will be very helpful. I will post supplementary information and reference materials on Canvas. A copy of Harris et al, *Geology of National Parks*, 6<sup>th</sup> ed will be on reserve for your use.

**Class Canvas Page:** Most course materials will be posted and managed in Canvas. Get the Canvas app—search for “**Canvas by Instructure**” in the app store. Your username is your nine-digit Palomar ID number. Your password is whatever you've set in the eServices.

## COURSE SCHEDULE (subject to change)

Sem. Week	Date	Topic
1	1/30	Course Introduction / Brief Tour of selected parks—Devils Tower, Grand Teton, White Sands, Mesa Verde, Fossil Butte, Yosemite (Class Activity)
2	2/6	Plate Tectonics & Earth Materials (Class Activity)
		<b>Online Quiz #1 Opens 2/6 at 10pm; Closes Monday 2/12 at 11:59pm</b>
3	2/13	Unraveling Earth's History—Grand Canyon NP
4	2/20	Colorado Plateau Parks: Zion, Bryce, Capitol Reef, Arches, Canyonlands (Class Activity)
5	2/27	Fossil Parks—Dinosaur, Petrified Forest, Florissant, Badlands (Class Activity)
		<b>Online Quiz #2 Opens 2/27 at 10pm; Closes Monday 3/5 at 11:59pm</b>
6	3/6	Nature of Volcanic Eruptions / Volcanic Parks (Subduction Tectonics) Mt. St. Helens, Mt. Ranier, (Class Activity)
7	3/13	Volcanic Parks (Subduction Tectonics)— Lassen, Crater Lake, Katmai, Olympic
8	3/20	Volcanic Parks (Hot Spot Tectonics)—Hawaiian Volcanoes, Yellowstone
		<b>Online Quiz #3 Opens 3/20 at 10pm; Closes Friday 3/23 at 11:59pm</b>
		<b>Spring Break</b> GEOL 195 Field Course: Death Valley 3/26 -- 3/29

9	4/3	Alpine Glaciations—Glacier, Denali
10	4/10	Fjord Coast—Glacier Bay (Class Activity)
11	4/17	Continental Glaciations—Isle Royale, Acadia
<b>Online Quiz #4 Opens 4/17 at 10pm; Closes Monday 4/23 at 11:59pm</b>		
12	4/24	National Seashores—Cape Cod, Cape Hatteras, Point Reyes
13	5/1	Florida's Tropical Parks—Everglades/ Florida Keys NMS/ Dry Tortugas (Class Activity)
<b>Online Quiz #5 Opens 5/1 at 10pm; Closes Friday 5/4 at 11:59pm</b>		
	5/5 – 5/6	<b>Channel Islands National Park field trip (optional)—see note below.</b>
14	5/8	Caves and Caverns—Mammoth Cave, Carlsbad Caverns/Guadalupe
15	5/15	Southwest Deserts—Death Valley, Joshua Tree
16	5/22	<b>FINAL EXAM (cumulative) at 6:00 – 7:50 p.m.</b>

### Channel Islands National Park Field Trip

A 2-day field trip to Channel Islands National Park is offered May 5 to May 6 (Saturday & Sunday). The trip is an optional activity for interested students. We will meet in Malibu on Saturday May 5 at 9:00 a.m. and spend the day exploring regional geology around Ventura, including a visit to the National Park Headquarters. We will camp at Carpinteria State Beach on Saturday night. On Sunday, we will take a boat from Channel Islands Harbor to Anacapa Island for the day, returning to the harbor at 4pm. Students are required to carpool. Details will be provided. Cost is \$82; includes boat transportation and shared campsite.



### GRADING

At the end of the course, all points will be added together and compared to the total points possible on a percentage basis. Grades will be assigned as follows:

Distribution of Points	Percent	Grade
• Quizzes (5) (250 points/ 50%)	90--100%	A → superior understanding of the topic
• Final Exam (comprehensive) (100 points / 20%)	80-- 89	B → accurate grasp of the topic
• In-Class Activities and Assignments (approx. 150 points / 30%)	67-- 79	C → acceptable, but commonplace understanding of the topic
	55-- 66	D → limited understanding of the topic
	<55	F → little or no grasp of the topic

### In-Class Activities

A portion of class time will be devoted to activities designed to explore and reinforce topics and concepts related to those covered in lecture. Activities will include rock identification, interpretation of topographic and geologic maps, Google Earth exploration, and discussion questions. Material from in-class activities will be a part of quizzes. *Credit for in-class activities cannot be made up due to absence.*

### Quizzes

Quizzes will cover the material covered in lecture and any in-class exercises and assignments. Quizzes will be given in an on-line format through Canvas. See the calendar for details. Each quiz will be in two parts:

1. The first part will include a combination of 40 true or false and multiple choice questions worth up to 40 points; this will be timed; you will have 30 minutes to complete these questions.
2. The second part will be 2 short essay questions; each question will be worth up to 5 points. This part is not timed—make sure to composed complete answers using full sentences with no spelling errors and good grammar. You might want to use Word and then copy and paste answers into Canvas.

There are no make-ups on quizzes. Any missed quiz will be assigned a zero.

**The final exam will be comprehensive and take place in the classroom.** The final exam must be taken at the scheduled time. There is no make-up option for the final exam. The exam will include 100 True-False/Multiple Choice questions. An essay will be assigned the previous week and turned in at exam time.

## Assignments

Assignments are designed to help you better understand course material and prepare for quizzes. Assignments will include reading articles, investigating a topic on the Internet, watching a video, participating in an on-line discussion or completing a handout from class.

- ✓ Information associated with assignments is considered part of the course content; questions associated with this information may be a part of each exam.
- ✓ Completion of written content (including answers on worksheets) must be in the students own words, unless appropriately referenced. No plagiarism (this includes other students' work!).
- ✓ Handouts/worksheets may be **neatly** handwritten. If I cannot read your paper with ease, I will return it to you without credit.
- ✓ Follow all directions for assignments carefully. Make sure that papers are typewritten if directed.
- ✓ Information must be written using proper grammar, spelling, punctuation, and sentence structure.
- ✓ Include references you used if not specifically assigned.

Assignments are due at the beginning of class on the day specified. **Note:**

- ✓ If you walk in late, I will deduct 2 points from your assignment.
- ✓ If you are absent on the day an assignment is due, I will accept it via e-mail sent by the time class begins. However, you must turn in a hard copy upon your return for me to grade.
- ✓ I will not accept late assignments for any reason.

## CLASS ATTENDANCE

To do well in anything, you must put in some effort. If you play a sport, you don't just show up to games and expect to play well. You are expected to attend all practices and engage in physical conditioning. For this class, you are expected to attend every class and to be on time, take notes, complete assignments, and participate in lecture/discussion and in-class activities. A significant part of class time will include images, animations, and video related to concepts you will be expected to understand. If you are absent, please call/e-mail me or contact a friend in the same class to get notes. Also, check Canvas for lecture outlines and assignments. If you are absent 3 consecutive days, I will drop you from the class.

## CLASSROOM ETIQUETTE

My job is to facilitate student learning. The classroom must have an environment where all students can focus and be engaged. To that end, students must respect the following:

- **Be on time.**
- **Be prepared.** Make sure to have your textbook and note-taking materials ready for each class. Have any assignments ready to turn in before you walk in the door.
- **Be polite and respectful.**
  - Turn off and put away all cell phones before class begins. No ear phones should be visible.
  - Do not come and go during class time.
  - If you have a question, don't have a conversation with your neighbor; raise your hand and ask me. Others may have the same question and thank you later for asking!
  - Do not eat in the classroom—the mess and smell of food is distracting.
  - Pay attention and focus on the information and task at hand.
  - Do not start putting your books/papers away before I have dismissed class.
  - In all ways, make sure you are not a distraction to other students in the class. **Note:** If you are being distracted by another student's behavior or inappropriate use of technology, you have the right to inform the instructor, who will take action.
- **Be honest.** Students must conduct themselves in accordance with the Student Code of Conduct as published by Student Affairs on the Palomar College website. This applies to all forms of plagiarism and cheating. Any incidents will result in an "F" on such assignment/exam. I reserve the right to deal with any violations as set out by the Dean of Student Affairs.
- **I reserve the right to ask a student to leave due to any improper or distractive behavior. Before you return to class, you must contact me and come for a conference in my office.**

## WORK EXPECTED

This is a 3-unit course transferable to a CSU or UC school. I have an obligation to ensure that the expectations for learning are the same. As in most entry-level courses, you are expected to learn a new vocabulary centered on the scientific description of Earth and its geologic processes. Plan to spend at least 3 hours studying for each hour of in-class time (if science "isn't your subject", or your reading skills are weak, it will take more). In other words, **for every hour in class, you will spend approximately 3 hours of "quality time" devoted to studying!!** You should not only have a basic understanding of the meaning of vocabulary words but also be able to draw a visual image of the word and how it fits into the overall scope of the topic--ask yourself what, where, when, why, and how.

## Preparing for Class

**Lecture outlines** and other materials will be posted on Canvas before each class. Students should print these out and have them during class. These outlines are not complete, but are meant as a guide for study of topics and vocabulary that students will be responsible for on quizzes. For optimal learning, review the outlines before class and review any relevant sections of your textbook. **Also bring a few colored pencils and a highlighter to each class to use in your notes and text.**

## Tips for Success

- ✓ Come to class on time & be ready to participate
  - ✓ Check Canvas for resources & lecture outlines
    - ✓ Review/re-write your notes & incorporate reference materials
    - ✓ Complete your assignments
    - ✓ Study for quizzes

## STUDENTS WITH DISABILITIES

If you have a disability that requires some accommodation, please speak with the instructor and provide documentation from the Disabilities Resource Center within the first two weeks of class. Reasonable accommodation will be made.

## Course Student Learning Outcomes (SLO's)

Successful students should be able to meet the following Student Learning Outcomes:

1. Successful students will be able to identify the depositional environment represented by major rock formations in the Colorado Plateau.
2. Successful students will be able to describe how the characteristic processes and rock types of major volcanic parks are related to their tectonic origin.
3. Successful students will be able to identify glacial landscape features associated with alpine and continental glacial processes.
4. Successful students will be able to describe the role that changing climate has played in the development of modern desert landscapes of Southwestern parks.

**Note: Students must also be able to describe and explain many, many other terms, concepts, and processes in order to successfully complete this class.**

The above SLO's are a response to mandates by an educational bureaucracy that seeks to do meaningful things, but ends up generating work for faculty, administrators, and a host of new bureaucrats. The result of such a process is nebulous at best. Any student wishing to investigate SLO's can visit the website: <http://www2.palomar.edu/pages/slo/>

## ADD/WITHDRAWAL INFORMATION

Only students who are officially registered may participate in this class. If you are given a permission code to add this class, you must officially add the class prior to the next class meeting. The deadline for adding any class using a permission code to add is February 12. **Under no circumstance will students be allowed to add this class after the add deadline.**

Through February 12	Feb. 12 through March 24	March 25 to end of semester
Use e-Services to drop classes. No notation or grade will appear on your record.	Use e-Services to drop classes. A "W" will appear on your record.	No drops are allowed. An evaluative grade (A, B, C, D, F, FW) or "I" must be given.

## **PALOMAR COLLEGE CURRICULUM**

### **SUBJECT:**

Governing Board approval of curriculum changes effective Spring 2018 and Fall 2018

### **SUMMARY:**

California Community Colleges are required to maintain evidence documenting that district governing board approval and college consensus has been secured for each curriculum proposal (new, substantial change, non-substantial change, and active/inactive status).

New course and program proposals, as well as substantial and non-substantial changes, recommended by the Curriculum Committee and the Faculty Senate to be included in the Palomar College Curriculum Inventory effective Fall 2018 are outlined in the attached "CURRICULUM ACTION ITEMS" documents dated: December 6, 2017. Courses adding distance education and other non-substantial changes effective Spring 2018 may also be found in these documents.

Substantial course changes typically include: TOP code, Course Credit Status, Maximum Units, Minimum Units, Course Basic Skills Status, Course SAM priority code, Course Prior to College Level, and Course Noncredit Category.

Non-substantial course changes typically include: Subject/Catalog Number, Course Title, Transfer Status, Cooperative Work Experience Education Status, Course Classification Status, Repeatability, Special Status, CAN Code, CAN Sequence Code, Funding Agency Category, Course Program Status.

Substantial program changes typically include: new certificate under same TOP code, new degree under same TOP code, new major/area of emphasis under same TOP code, TOP code change to a different TOP code discipline.

Non-substantial program changes typically include: title change, TOP code change within the same TOP code discipline, total unit change, addition/removal of courses.

### **DETAILS:**

See the attached summary "CURRICULUM ACTION ITEMS" documents for detailed information regarding curriculum changes.

**Palomar College**  
**Curriculum Committee Actions**  
Wednesday, December 6, 2017

I. **ACTION – SECOND READING** – The following curriculum changes, pending appropriate approvals, will be effective **SPRING 2018:**

A. **Courses Reviewed/Added Distance Education**

1. Course Number and Title: CHDV 140 Children’s Literature and Language Development (*SBS*)  
Discipline: Child Development (CHDV)  
Transfer Acceptability: CSU  
Distance Learning Offering(s): Online, Two-Way Video, Computer Assisted  
Updated methods of instruction, textbooks and methods of assessment, added online, two-way video and computer assisted distance education.  
*Laurel Anderson*
2. Course Number and Title: GEOG 100L Earth’s Dynamic Environment: Physical Geography Lab (*MNHCS*)  
Short Title: Earth's Dynamic Environmen Lab  
Discipline: Geography (GEOG)  
CSU GE Area B: Scientific Inquiry and Quantitative Reasoning: B3: Laboratory Activity  
IGETC Area 5: Physical and Biological Sciences: 5C: Laboratory Activity  
Transfer Acceptability: UC, CSU  
Distance Learning Offering(s): Online  
Updated methods of assessment, added online distance ed.  
*Catherine Jain*
3. Course Number and Title: POSC 101 Introduction to Politics and American Political Institutions (*SBS*)  
Discipline: Political Science (POSC)  
Associate Degree General Education – D: Social and Behavioral Sciences  
American History and Institutions – Sequence POSC 102  
CSU GE Area D: Social Sciences – D8: Political Science, Government, and Legal Institutions  
IGETC Area 4: Social and Behavioral Sciences – 4H Political Science, Government, and Legal Institutions  
Transfer Acceptability: UC, CSU  
Distance Learning Offering(s): Online, Two-Way Video, One-Way Video, Computer Assisted  
Added online, two-way video, one-way video and computer assisted distance education.  
*Peter Bowman*

B. **Distance Learning**

The following courses may be offered as distance learning and meet Title 5 Regulations 55200-55210, effective **Spring 2018.**

<b><u>Catalog/Subject Number</u></b>	<b><u>Learning Offerings</u></b>
CHDV 140	<u>Online, Two-Way Video, Computer Assisted</u>
GEOG 100L	<u>Online</u>
POSC 101	<u>Online, Two-Way Video, One-Way Video, Computer Assisted</u>

II. **ACTION – SECOND READING** – The following curriculum changes, pending appropriate approvals, will be effective **Fall 2018:**

A. **Credit Course/Program Package**

Package Title: EME Deactivations (*CTEE*)  
Discipline: Emergency Medical Education (EME)  
Description: Course material is integrated with other courses and curriculum needs to be streamlined and

updated.

*Sarah DeSimone*

1. **Emergency Medical Education Course Deactivations**

- a. Course Number and Title: EME 125 EMT Interface (CTEE)  
Discipline: Emergency Medical Education (EME)  
Prerequisites: EME 106, or EMT Basic  
Transfer Acceptability: CSU  
Grading Basis: Pass/No Pass Only  
Reason for Deactivation: Material is no longer taught.  
*Sarah DeSimone*
- b. Course Number and Title: EME 197A Emergency Medical Education Workshop: Emergency (CTEE)  
Medical Technician-Paramedic  
Short Title: EME Wkshp: EMT-Paramedic  
Discipline: Emergency Medical Education (EME)  
Transfer Acceptability: CSU  
Reason for Deactivation: Course is no longer taught.  
*Sarah DeSimone*
- c. Course Number and Title: EME 197B Emergency Medical Workshop: Emergency Medical  
Technician – Basic (CTEE)  
Short Title: EME Wksp: EMT-Basic  
Discipline: Emergency Medical Education (EME)  
Transfer Acceptability: CSU  
Reason for Deactivation: Course is no longer taught.  
*Sarah DeSimone*
- d. Course Number and Title: EME 197E Emergency Medical Education Workshop: General (CTEE)  
Short Title: EME Workshop: General  
Discipline: Emergency Medical Education (EME)  
Transfer Acceptability: CSU  
Reason for Deactivation: Course is no longer taught.  
*Sarah DeSimone*
- e. Course Number and Title: EME 200 Advanced Cardiac Life Support (CTEE)  
Discipline: Emergency Medical Education (EME)  
Prerequisites: Current CPR for Health Care Providers Certificate or "BLS" CPR card and must be an  
M.D., R.N. or EMT P  
Transfer Acceptability: CSU  
Grading Basis: Pass/No Pass Only  
Reason for Deactivation: Material integrated in other courses.  
*Sarah DeSimone*
- f. Course Number and Title: EME 201 Pediatric Advanced Life Support (CTEE)  
Short Title: Pediatric Adv Life Support  
Discipline: Emergency Medical Education (EME)  
Prerequisites: Current CPR for Health Care Providers Certificate or "BLS" CPR card and must be an  
M.D., R.N. or EMT P  
Transfer Acceptability: CSU  
Reason for Deactivation: Material is integrated into other courses.  
*Sarah DeSimone*
- g. Course Number and Title: EME 202 Prehospital Trauma Life Support (CTEE)  
Short Title: Prehsptal Trauma Life Support  
Discipline: Emergency Medical Education (EME)  
Prerequisites: Current CPR for Health Care Providers Certificate or "BLS" CPR card and must be an

M.D., R.N. or EMT-P  
Transfer Acceptability: CSU  
Grading Basis: Pass/No Pass Only  
Reason for Deactivation: Material is integrated into other courses.  
*Sarah DeSimone*

- h. Course Number and Title: EME 55 CPR for Health Care Providers (*CTEE*)  
Discipline: Emergency Medical Education (EME)  
Grading Basis: Pass/No Pass Only  
Reason for Deactivation: Material is taught in other courses.  
*Sarah DeSimone*

**B. Package Title: Fall 2018 Deactivation Campaign**

Discipline: American Indian Studies (AIS) (*Various Disciplines; Proposed under AIS*)

Description: Courses departments have directed Instructional Services to deactivate according to the 3 and 4 year Active Course Aging Report. These courses were previously requested for deactivation. Deactivations will be effective fall 2018.

*Package Submitted by Instructional Services (see courses for faculty)*

**1. American Indian Studies and American Studies Course Deactivations**

- a. Course Number and Title: AIS 139 Native American Linguistics (*SBS*)  
Discipline: American Indian Studies (AIS)  
Course Included in the following programs:  
i. American Indian Studies, Cert. of Achieve.  
Transfer Acceptability: CSU  
Distance Learning Offering(s): Computer Assisted, Online  
Reason for Deactivation: Deactivated at department's request.  
*Patricia Dixon*
- b. Course Number and Title: AIS 160 American Indian Education (*SBS*)  
Discipline: American Indian Studies (AIS)  
Course Included in the following programs:  
i. American Indian Studies, Cert. of Achieve.  
Transfer Acceptability: CSU  
Distance Learning Offering(s): Computer Assisted, Video Two Way, Online  
Reason for Deactivation: Deactivated at department's request.  
*Patricia Dixon*
- c. Course Number and Title: AIS 161A / CS 161A Elementary Classical Nahuatl 1A (*SBS*)  
Short Title: Elem Classical Nahuatl 1A  
Discipline: American Indian Studies (AIS) / Chicano Studies (CS)  
Course Included in the following programs:  
i. American Indian Studies, Cert. of Achieve.  
ii. Univ. Studies: World Languages, A.A. Degree Major  
Transfer Acceptability: UC, CSU  
Distance Learning Offering(s): Computer Assisted, Online  
Reason for Deactivation: Deactivated at department's request.  
*Patricia Dixon*
- d. Course Number and Title: AIS 161B / CS 161B Elementary Classical Nahuatl IB (*SBS*)  
Short Title: Elem Classical Nahuatl IB  
Discipline: American Indian Studies (AIS) / Chicano Studies (CS)  
Course Included in the following programs:  
i. Univ. Studies: World Languages, A.A. Degree Major  
Transfer Acceptability: CSU  
Distance Learning Offering(s): Online

Reason for Deactivation: Deactivated at department's request.

*Patricia Dixon*

- e. Course Number and Title: AIS 170 Political/History Problems and Issues of California Indians (SBS)  
Short Title: Polit/Hist California Indians  
Discipline: American Indian Studies (AIS)  
Course Included in the following programs:
  - i. American Indian Studies, Cert. of Achieve.Transfer Acceptability: UC, CSU  
Distance Learning Offering(s): Computer Assisted, Telecourse, Online  
Reason for Deactivation: Deactivated at department's request.  
*Patricia Dixon*
- f. Course Number and Title: AMS 104 American Family and Genealogy (SBS)  
Discipline: American Studies (AMS)  
Course Included in the following programs:
  - i. General Studies: Social and Behavioral Sciences, A.A. Degree Major  
Associate Degree General Education - D: Social and Behavioral Sciences  
Associate Degree Multicultural Requirement - Yes  
CSU GE Area D: Social Sciences - D3: Ethnic StudiesTransfer Acceptability: CSU  
Distance Learning Offering(s): Online  
Reason for Deactivation: Deactivated at department's request.  
*Patricia Dixon*

2. **Digital Broadcast Arts and Journalism Course Deactivations**

- a. Course Number and Title: DBA 103 / ENT 103 Introduction to Audio-Visual Systems (AMBA)  
Short Title: Intro to Audio-Visual Systems  
Discipline: Digital Broadcast Arts (DBA) / Entertainment Technology (ENT)  
Course Included in the following programs:
  - i. Radio and Television, A.A. Degree Major/Cert. of Achieve.
  - ii. Entertainment Technology, A.A. Degree Major/Cert. of Achieve.Transfer Acceptability: CSU  
Grading Basis: Grade Only  
Reason for Deactivation: Deactivated at department's request.  
*Wendy Nelson*
- b. Course Number and Title: DBA 194A Radio Operations (AMBA)  
Discipline: Digital Broadcast Arts (DBA)  
Prerequisites: DBA 130 / ENT 130  
Transfer Acceptability: CSU  
Grading Basis: Grade Only  
Reason for Deactivation: Deactivated at department's request.  
*Wendy Nelson*
- c. Course Number and Title: DBA 194B Experimental Topics - Television Operations (AMBA)  
Short Title: Exp Topics - TV Operations  
Discipline: Digital Broadcast Arts (DBA)  
Transfer Acceptability: CSU  
Grading Basis: Grade Only  
Reason for Deactivation: Deactivated at department's request.  
*Wendy Nelson*
- d. Course Number and Title: JOUR 120 Magazine Editing and Production (AMBA)  
Short Title: Magazine Editing & Production  
Discipline: Journalism (JOUR)

Recommended Prep: JOUR 101  
Course Included in the following programs:  
i. Multimedia Journalism, A.S. Degree Major/Cert. of Achieve.  
Transfer Acceptability: CSU  
Reason for Deactivation: Deactivated at department's request.  
*Wendy Nelson*

3. **Fashion Course Deactivations**

- a. Course Number and Title: FASH 132 Costume and Culture (CTEE)  
Discipline: Fashion (FASH)  
Course Included in the following programs:  
i. General Studies: Social and Behavioral Sciences, A.A. Degree Major  
ii. Costume Design, A.S. Degree Major/Cert. of Achieve.  
Associate Degree General Education - C: Humanities  
Associate Degree Multicultural Requirement - Yes  
CSU GE Area D: Social Sciences - D7: Interdisciplinary, Social or Behavioral Science  
Transfer Acceptability: UC, CSU  
Reason for Deactivation: Deactivated at department's request.  
*Rita Campo Griggs*
- b. Course Number and Title: FASH 137 Tailored Apparel Sewing (CTEE)  
Discipline: Fashion (FASH)  
Recommended Prep: FASH 136  
Course Included in the following programs:  
i. Fashion Design, A.S. Degree Major/Cert. of Achieve.  
Transfer Acceptability: CSU  
Reason for Deactivation: Deactivated at department's request.  
*Rita Campo Griggs*
- c. Course Number and Title: FASH 146 Computer Aided Design (CAD) for Fashion (CTEE)  
Short Title: Computer Aided Design/Fashion  
Discipline: Fashion (FASH)  
Co-requisites: FASH 168  
Course Included in the following programs:  
i. Fashion Design, A.S. Degree Major/Cert. of Achieve.  
Transfer Acceptability: CSU  
Reason for Deactivation: Deactivated at department's request.  
*Rita Campo Griggs*
- d. Course Number and Title: FASH 147 Advanced Computer Aided Design(CAD)For Fashion (CTEE)  
Short Title: Adv Comptr Aided Desgn/Fashion  
Discipline: Fashion (FASH)  
Prerequisites: FASH 146,  
Co-requisites: FASH 168  
Course Included in the following programs:  
i. Costume Design, A.S. Degree Major/Cert. of Achieve.  
Transfer Acceptability: CSU  
Reason for Deactivation: Deactivated at department's request.  
*Rita Campo Griggs*
- e. Course Number and Title: FASH 168 CAD Laboratory (CTEE)  
Discipline: Fashion (FASH)  
Co-requisites: FASH 146, or FASH 147  
Transfer Acceptability: CSU  
Reason for Deactivation: Deactivated at department's request.  
*Rita Campo Griggs*

- f. Course Number and Title: FASH 170 Introduction to Fabric Design/Painting (*CTEE*)  
Short Title: Intro to Fabric Desgn/Painting  
Discipline: Fashion (FASH)  
Course Included in the following programs:
  - i. Costume Design, A.S. Degree Major/Cert. of Achieve.Transfer Acceptability: CSU  
Reason for Deactivation: Deactivated at department's request.  
*Rita Campo Griggs*
- g. Course Number and Title: FASH 178 Fashion Career Portfolio (*CTEE*)  
Discipline: Fashion (FASH)  
Course Included in the following programs:
  - i. Costume Design, A.S. Degree Major/Cert. of Achieve.Transfer Acceptability: CSU  
Reason for Deactivation: Deactivated at department's request.  
*Rita Campo Griggs*
- h. Course Number and Title: FASH 93 Specification Packets/Technical Design (*CTEE*)  
Short Title: Spec Packets/Technical Design  
Discipline: Fashion (FASH)  
Reason for Deactivation: Deactivated at department's request.  
*Rita Campo Griggs*

**C. New Credit Programs**

- 1. Program Title: Business Management (*AMBA*)  
Discipline: Business Management (BMGT)  
Award Type: Certificate of Achievement  
Total Units: 19  
Justification: To provide immediate job skills for students and also follow the pathway to an A.S. in General Business.  
*Jackie Martin*
- 2. Program Title: Creating Your Business in a Gig Economy (*AMBA*)  
Discipline: Business Management (BMGT)  
Award Type: Certificate of Proficiency  
Total Units: 7.00 - 10.00  
Justification: To provide short term training for Gig Economy workers.  
*Jackie Martin*
- 3. Program Title: Japanese (*LL*)  
Discipline: Japanese (JAPN)  
Award Type: A.A. Degree Major or Certificate of Achievement  
Total Units: 23  
Justification: The college does not currently have a AA degree in Japanese. This will be our first degree/certificate program in Japanese and the curriculum is to match that of the AA-T degree. a new course is being created this summer that will be included in this program.  
*Ikenushi Masako*

**D. New Noncredit Programs**

- 1. Program Title: Project Management (*AMBA*)  
Discipline: Noncredit Business Management (N BMGT)  
Award Type: Certificate of Competency (Hours only; no units)  
Justification: The goal of this program is to train students for working in the field of project management and to prepare students for project management certifications as recognized by the

Project Management Institute (PMI).  
*Jackie Martin*

**E. Credit Program Reactivations**

1. Program Title: Air Conditioning/Heating/Refrigeration (*CTEE*)  
Discipline: Air Conditioning/Heating/Refrigeration (ACR)  
Award Type: Certificate of Achievement  
Total Units: 16  
Justification: This was a very successful ROP program that was deactivated. The state has identified this as one of the areas that needs employees and brings high wages for trained personnel.  
*Dennis C. Lutz*

**F. Credit Program Changes**

1. Program Title: Computer Information Systems: Emphasis Data Analytics (*MNHCS*)  
Discipline: Computer Science and Information Technology - Information Technology (CSIT)  
Award Type: A.S. Degree Major/Cert. Achievement 18 units/more  
Total Units: 27.00 - 28.00  
Updated description, made changes to program, (Program Requirements: CSIT 150, CSIT 225, CSIT 226, CSIT 230, MATH 120; Group One (Choose 1): CSIT 145, CSIT 180, CSWB 180, CSCI 112; Group Two (Choose 1): CSWB 110, JOUR 200, BUS 152, CSIT 165).  
*Terrie Lynn Canon*

**G. New Credit Courses**

1. Course Number and Title: ACR 112 HVAC Controls and Automation (*CTEE*)  
Discipline: Air Conditioning/Heating/Refrigeration (ACR)  
Prerequisites: ACR 102,  
Recommended Prep: ACR 101  
Course Included in the following programs:
  - i. Air Conditioning/Heating/Refrigeration, A.S. Degree Major
  - ii. Air Conditioning/Heating/Refrigeration, Certificate of AchievementTransfer Acceptability: CSU  
Justification: Required for the HVAC program.  
*Dennis Lutz*
2. Course Number and Title: ARTD 240 3D Printing for Artists (*AMBA*)  
Discipline: Art-Design (ARTD)  
Recommended Prep: ARTI 246  
Transfer Acceptability: CSU  
Justification: Addresses new career and entrepreneurial pathways and offers traditional artists (jewelers, sculptors) opportunities for commercial applications of their works.  
*Jay T. Schultz*
3. Course Number and Title: GERM 225 German Reading and Conversation (*LL*)  
Short Title: German Reading/Conversation  
Discipline: German (GERM)  
Prerequisites: GERM 102  
Course Included in the following programs:
  - i. German, A.A. Degree Major or Certificate of AchievementAssociate Degree General Education - C: Humanities  
CSU GE Area C: Arts and Humanities - C2: Humanities  
IGETC Area 3: Arts and Humanities - 3B: Humanities  
IGETC Area 6: Language other than English (101 level only) - 6A: Language other than English  
Transfer Acceptability: UC, CSU  
Distance Learning Offering(s): Online

Justification: Course will be part of the new A.A. degree/Certificate of Achievement.

*Beatrice Manneh*

4. Course Number and Title: ITAL 202 Italian IV (*LL*)  
Discipline: Italian (ITAL)  
Prerequisites: ITAL 201, or four years of high school Italian  
Course Included in the following programs:
  - i. Italian, A.A. Degree Major or Certificate of AchievementAssociate Degree General Education - C: Humanities  
CSU GE Area C: Arts and Humanities - C2: Humanities  
IGETC Area 3: Arts and Humanities - 3B: Humanities  
IGETC Area 6: Language other than English (101 level only) - 6A: Language other than English  
Transfer Acceptability: UC, CSU  
Distance Learning Offering(s): Online  
Justification: This course is being created as part of a soon to be proposed AA degree/certificate of achievement program, CSU/IGETC GE effective fall 2019.  
*Scott Nelson*
5. Course Number and Title: ITAL 225 Italian Reading and Conversation (*LL*)  
Short Title: Italian Reading/Conversati  
Discipline: Italian (ITAL)  
Prerequisites: ITAL 102  
Course Included in the following programs:
  - i. Italian, A.A. Degree Major or Certificate of AchievementAssociate Degree General Education - C: Humanities  
CSU GE Area C: Arts and Humanities - C2: Humanities  
IGETC Area 3: Arts and Humanities - 3B: Humanities  
IGETC Area 6: Language other than English (101 level only) - 6A: Language other than English  
Transfer Acceptability: UC, CSU  
Distance Learning Offering(s): Online  
Justification: Course will be part of our new AA degree and certificate program, CSU/IGETC GE effective fall 2019.  
*Scott Nelson*
6. Course Number and Title: MATH 75 STEM Prep Math I (*MNHCS*)  
Discipline: Mathematics (MATH)  
Prerequisites: MATH 50, or MATH 53, or MATH 50B, or eligibility determined through the math placement process,  
Co-requisites: MATH 110  
Converting topics course to regular course. Part of first semester of Accelerated Math Gateway.  
*Wendy R. Metzger*
7. Course Number and Title: MATH 76 STEM Prep Math II (*MNHCS*)  
Discipline: Mathematics (MATH)  
Co-requisites: MATH 115  
Convert topics course to regular course. Part of second semester of Accelerated Math Gateway.  
*Wendy R. Metzger*
8. Course Number and Title: SOC 175 Introduction to LBGTO Studies (*SBS*)  
Discipline: Sociology (SOC)  
Associate Degree General Education - D: Social and Behavioral Sciences  
Associate Degree Multicultural Requirement - Yes  
CSU GE Area D: Social Sciences - D3: Ethnic Studies  
IGETC Area 4: Social and Behavioral Sciences - 4D: Gender Studies  
IGETC Area 4: Social and Behavioral Sciences - 4G: Interdisciplinary, Social or Behavioral Science  
Transfer Acceptability: UC, CSU

Distance Learning Offering(s): Online

Justification: We have a significant population of gay and lesbian students as well as increasing awareness of the history and participation of LGBTQ persons in every aspect of American society.

*Susan A. Miller*

#### H. Credit Course Changes

1. Course Number and Title: ASL 216L Interpreting IV Lab (LL)  
Discipline: American Sign Language (ASL)  
Co-requisites: ASL 216  
Transfer Acceptability: CSU  
Distance Learning Offering(s): Computer Assisted, Video Two Way, Video One Way  
Unit value decreased from 2 to 1, lab hours decreased from 6 to 3, updated objectives, methods of instruction, and methods of assessment, added Computer Assisted, Video Two Way, and Video One Way distance ed.  
*Melissa B. Smith*
2. Course Number and Title: BUS 130 Principles of Supply Chain Management (AMBA)  
Short Title: Supply Chain Mgmt  
Discipline: Business Education (BUS)  
Course Included in the following programs:
  - i. Business Management, A.S. Degree Major/Cert. of Achieve.Transfer Acceptability: CSU  
Distance Learning Offering(s): Online  
Updated title, objectives, methods of instruction, outline, textbooks, required reading, suggested reading, outside assignments, critical thinking, required writing and methods of assessment.  
*Jackie Martin*
3. Course Number and Title: EME 211 Clinical Integration I (CTEE)  
Discipline: Emergency Medical Education (EME)  
Co-requisites: EME 207, and EME 207L  
Course Included in the following programs:
  - i. Paramedic Training, A.S. Degree Major/Cert. of Achieve.Transfer Acceptability: CSU  
Grading Basis: Pass/No Pass Only  
Added 1 unit option, added 3 hours lab, removed EME 208 and EME 208L as corequisites, updated textbook.  
*Sarah DeSimone*
4. Course Number and Title: EME 212 Clinical Integration II (CTEE)  
Discipline: Emergency Medical Education (EME)  
Co-requisites: EME 209, and EME 209L, or EME 210, EME 208, EME 208L  
Course Included in the following programs:
  - i. Paramedic Training, A.S. Degree Major/Cert. of Achieve.Transfer Acceptability: CSU  
Grading Basis: Pass/No Pass Only  
Added unit value of 2, added 6 hours lab, added EME 208 and EME 208L as corequisites, updated textbook.  
*Sarah DeSimone*
5. Course Number and Title: EME 220 Paramedic Refresher A (CTEE)  
Discipline: Emergency Medical Education (EME)  
Transfer Acceptability: CSU  
Updated title, removed all variable units except for 4, removed all lecture hours except for 2 added 6 lab hours, updated description, textbook and methods of assessment.  
*Sarah DeSimone*

6. Course Number and Title: EME 224 Clinical Refresher (*CTEE*)  
Discipline: Emergency Medical Education (EME)  
Prerequisites: Failure in EME 215., RN, MD, PA or former Paramedic who meets the State of California Code of Regulations, Title 22  
Transfer Acceptability: CSU  
Updated units to 0.5 and 1, deleted lecture hours, added 1.5 as lab hour option, updated prerequisite to include, "RN, MD, PA or former Paramedic who meets the State of California Code of Regulations, Title 22," removed EME 223 as corequisite, updated description, textbook, outside assignments, critical thinking and required writing.  
*Sarah DeSimone*
7. Course Number and Title: ENG 260 Literature through Film (*LL*)  
Discipline: English (ENG)  
Prerequisites: ENG 50, or Eligibility for ENG 100  
Associate Degree General Education - C: Humanities  
CSU GE Area C: Arts and Humanities - C2: Humanities  
IGETC Area 3: Arts and Humanities - 3B: Humanities  
Transfer Acceptability: UC, CSU  
Removed wording, "as determined through the English placement process," from prerequisite, added methods of instruction, updated textbooks list, added methods of assessment.  
*Rocco L. Versaci*
8. Course Number and Title: ENG 280 Women and Literature (*LL*)  
Discipline: English (ENG)  
Prerequisites: ENG 50, or Eligibility for, ENG 100, as determined through the English placement process.  
Associate Degree General Education - C: Humanities  
Associate Degree Multicultural Requirement - Yes  
CSU GE Area C: Arts and Humanities - C2: Humanities  
IGETC Area 3: Arts and Humanities - 3B: Humanities  
Transfer Acceptability: UC, CSU  
Updated description, objectives, content outline, textbooks and required reading.  
*Abbie Cory*
9. Course Number and Title: ESL 102 Written Communication II (*LL*)  
Discipline: English as a Second Language (ESL)  
Prerequisites: ESL 101, or eligibility established through the English as a Second Language placement process.  
Associate Degree General Education - C: Humanities  
CSU GE Area C: Arts and Humanities - C2: Humanities  
Transfer Acceptability: UC, CSU  
Distance Learning Offering(s): Online  
Removed "minimum grade of C" note and updated textbooks, added online distance education.  
*Gary Sosa*
10. Course Number and Title: ESL 103 Written Communication III (*LL*)  
Discipline: English as a Second Language (ESL)  
Prerequisites: ESL 102, or eligibility established through the English as a Second Language placement process.  
Associate Degree General Education - C: Humanities  
CSU GE Area C: Arts and Humanities - C2: Humanities  
Transfer Acceptability: UC, CSU  
Distance Learning Offering(s): Online  
Removed "minimum grade of C" note, methods of instruction, updated textbooks, added online distance education, added online distance education.  
*Gary Sosa*

11. Course Number and Title: ESL 9 English Pronunciation I (LL)  
Discipline: English as a Second Language (ESL)  
Distance Learning Offering(s): Online  
Updated methods of instruction, content outline, textbooks, required reading, outside assignments and required writing, added online distance education.  
*Gary Sosa*
12. Course Number and Title: GC 115 Graphics and Media: A Multicultural Perspective (AMBA)  
Short Title: Graphics/Media: Multicultural  
Discipline: Graphic Communications (GC)  
Course Included in the following programs:
  - i. General Studies: Emphasis in Arts and Humanities, A.A. Degree Major
  - ii. Interactive Media Design: Emphasis in Multimedia Design A.S. Degree/Cert. of Achieve.Associate Degree General Education - C: Humanities  
Associate Degree Multicultural Requirement - Yes  
CSU GE Area C: Arts and Humanities - C1: Arts  
IGETC Area 3: Arts and Humanities - 3A: Arts  
Transfer Acceptability: UC, CSU  
Distance Learning Offering(s): Video Two Way, Online  
Removed MCS cross-listing, updated CB 11 to Credit Course.  
*Lillian S. Payn*

I. **Credit Course Reactivations**

1. Course Number and Title: ACR 103 Air Conditioning, Heating, and Refrigeration: Heating (CTEE)  
Short Title: AIR COND/HEATING/REFRIG Heatin  
Discipline: Air Conditioning/Heating/Refrigeration (ACR)  
Recommended Prep: ACR 101, ACR 102  
Course Included in the following programs:
  - i. Air Conditioning, Heating and Refrigeration Entry Employment Ready, Cert. of Proficiency
  - ii. Air Conditioning/Heating/Refrigeration, A.S. Degree Major
  - iii. Air Conditioning/Heating/Refrigeration, Certificate of AchievementTransfer Acceptability: CSU  
Grading Basis: Grade Only  
Reactivating for HVAC program, updated numbering for transfer acceptability, updated units, lecture and lab hours, description, objectives, content, textbooks, critical thinking, methods of assessment and repeatability (removed).  
*Dennis C. Lutz*
2. Course Number and Title: ACR 110 Advanced Air Conditioning, Heating and Refrigeration (CTEE)  
Short Title: ADV AIR COND, HEATING, REFRIG  
Discipline: Air Conditioning/Heating/Refrigeration (ACR)  
Prerequisites: ACR 101, and ACR 102  
Course Included in the following programs:
  - i. Air Conditioning/Heating/Refrigeration, Certificate of Achievement
  - ii. Air Conditioning/Heating/Refrigeration, A.S. Degree MajorTransfer Acceptability: CSU  
Grading Basis: Grade Only  
Justification: Reactivation of ACR-56 for HVAC program. Changed number.  
*Dennis C. Lutz*
3. Course Number and Title: DR 10 Educational Assessment/Guidance (COUN)  
Short Title: Educational Assessmnt/Guidance  
Discipline: Disability Resource (DR)  
Grading Basis: Pass/No Pass Only  
Repeatability: May be taken 2 times.

Justification: Want to offer learning strategies along with assessment.  
*Leigh Ann Van Dyke*

4. Course Number and Title: NURS 120 Pharmacology For Nurses I (*MNHCS*)  
Discipline: Nursing Education (NURS)  
Transfer Acceptability: CSU  
Distance Learning Offering(s): Online  
Justification: The Nursing department recognized the need for additional pharmacological preparation for the entry level nursing student to increase success and reduce attrition.  
*Julia Robinson*
5. Course Number and Title: NURS 121 Pharmacology for Nurses II (*MNHCS*)  
Discipline: Nursing Education (NURS)  
Transfer Acceptability: CSU  
Distance Learning Offering(s): Online  
Justification: The Nursing department recognized the need for additional pharmacological preparation for the entry level student to increase success and reduce attrition.  
*Julia Robinson*
6. Course Number and Title: NURS 140 Adult Health Assessment (*MNHCS*)  
Discipline: Nursing Education (NURS)  
Transfer Acceptability: CSU  
Distance Learning Offering(s): Online  
Justification: The Nursing department recognized the need for additional health assessment preparation for the entry level nursing student to increase success and reduce attrition.  
*Julia Robinson*

**J. Credit Course Deactivations**

1. Course Number and Title: MATH 63 Intermediate Algebra with Geometry (*MNHCS*)  
Short Title: Inter Algebra with Geometry  
Discipline: Mathematics (MATH)  
Prerequisites: MATH 50, or MATH 50B, or MATH 53, or eligibility determined through the math placement process  
Associate Degree General Education - A2: Communication and Analytical Thinking  
Reason for Deactivation: Math Department no longer offers this course.  
*Wendy R. Metzger*

**K. New Noncredit Courses**

1. Course Number and Title: N ART 951 Advanced Ceramic Techniques for Older Adults (*AMBA*)  
Discipline: Art (N ART)  
Justification: This class will help older adults maintain mental acuity and physical dexterity while developing creative expression.  
*Sasha Jonestein*
2. Course Number and Title: N BMGT 954 Business Canvas (*AMBA*)  
Discipline: Noncredit Business Management (N BMGT)  
Justification: Part of the Small Business non-credit certificate.  
*Jackie Martin*
3. Course Number and Title: N BMGT 986 Project Management: Integration & Scope Management (*AMBA*)  
Discipline: Noncredit Business Management (N BMGT)  
Distance Learning Offering(s): Online  
Justification: Provide students the big picture of a project to include scope, cost, time, and the integration of the three components. This course provides the foundations of project management.  
*Jackie Martin*

4. Course Number and Title: N BMGT 987 Microsoft Project Management (AMBA)  
Discipline: Noncredit Business Management (N BMGT)  
Distance Learning Offering(s): Online  
Justification: To train students for working in the field of project management and to prepare students for project management certifications via the Project Management Institute (PMI) and its affiliates.  
*Jackie Martin*
5. Course Number and Title: N BMGT 989 Leadership and Conflict Resolution (AMBA)  
Discipline: Noncredit Business Management (N BMGT)  
Distance Learning Offering(s): Online  
Justification: Provide students with communication essentials for reaching goals, meeting protocol, and managing change and conflict within the scope of team dynamics—all essential for project mgmnt.  
*Jackie Martin*
6. Course Number and Title: N BMGT 990 Capstone; Bringing it all together (AMBA)  
Discipline: Noncredit Business Management (N BMGT)  
Distance Learning Offering(s): Online  
Justification: Comprehensive review of Project Management “Process Groups and Knowledge Areas” to prepare students for industry certification in Project Management through Project Management Institute.  
*Jackie Martin*
7. Course Number and Title: N ESL 10 English Pronunciation II (LL)  
Discipline: English as a Second Language (N ESL)  
Justification: Due to repeatability and a focus on skills attainment, NESL 10 will increase the access and success of non-native adult speakers in employment and community participation.  
*Gary Sosa*
8. Course Number and Title: N ESL 12 ESL Grammar Skills I (LL)  
Discipline: English as a Second Language (N ESL)  
Justification: Due to repeatability and a focus on skills attainment, NESL 12 will increase the access and success of non-native adult speakers in developing stronger language accuracy in English.  
*Gary Sosa*
9. Course Number and Title: N ESL 13 ESL Grammar Skills II (LL)  
Discipline: English as a Second Language (N ESL)  
Justification: Due to repeatability and a focus on skills attainment, NESL 13 will increase the access and success of non-native adult speakers in developing stronger language accuracy in English.  
*Gary Sosa*
10. Course Number and Title: N ESL 14 ESL Grammar Skills III (LL)  
Discipline: English as a Second Language (N ESL)  
Justification: Due to repeatability and a focus on skills attainment, NESL 14 will increase the access and success of non-native adult speakers in developing stronger language accuracy in English.  
*Gary Sosa*
11. Course Number and Title: N ESL 45 Reading and Writing Essentials I (LL)  
Discipline: English as a Second Language (N ESL)  
Justification: N ESL 45 will increase the access and success of non-native English speaking adults in our floor level academic ESL course due to repeatability and a focus on skills attainment.  
*Gary Sosa*
12. Course Number and Title: N ESL 55 Reading and Writing Essentials II (LL)  
Discipline: English as a Second Language (N ESL)  
Justification: Due to repeatability and a focus on skills attainment, NESL 55 will increase the

access and success of non-native adult learners, preparing them for advanced ESL writing classes.  
*Gary Sosa*

13. Course Number and Title: N ESL 9 English Pronunciation I (LL)  
Discipline: English as a Second Language (N ESL)  
Justification: Due to repeatability and a focus on skills attainment, NESL 9 will increase the access and success of non-native adult speakers for employment and community participation.

*Gary Sosa*

14. Course Number and Title: N GEOG 900 Introduction to Drone Safety and Applications (MNHCS)  
Discipline: Noncredit Geography (N GEOG)

Distance Learning Offering(s): Computer Assisted, Video One Way, Online

Justification: This course will provide remote drone pilots with the foundational knowledge needed to fly safely and responsibly. It will also cover emerging drone applications and job opportunities for pilots.

*Wing H. Cheung*

15. Course Number and Title: N PHOT 916 Alternative Photographic Processes for Older Adults (AMBA)

Discipline: Noncredit Photography (N PHOT)

Justification: Add Non-credit Adult Ed

*Donna Cosentino*

**L. Requisites and Advisories**

The establishment of the following advisories meets Title 5 Regulations 55003, effective Fall 2018.

<u>Catalog Number</u>	<u>Type</u>	<u>Description</u>	<u>Proposal Type</u>
ACR 103	Recomm. Prep.	<u>ACR 101, ACR 102</u>	Reactivation
ACR 110	Prerequisite	<u>ACR 101, and ACR 102</u>	Reactivation
ACR 112	Prerequisite	<u>ACR 102</u>	New
	Recomm. Prep.	<u>ACR 101</u>	
ARTD 240	Recomm. Prep.	<u>ARTI 246</u>	New
ASL 216L	Corequisite	<u>ASL 216</u>	Change
EME 211	Corequisite	EME 207, and EME 207L, <del>EME 208 and EME 208L</del>	Change
EME 212	Corequisite	EME 209, and EME 209L, or EME 210, <u>EME 208, EME 208L</u>	Change
ENG 260	Prerequisite	ENG 50, or Eligibility for ENG 100 <del>as determined through the English placement process</del>	Change
ENG 280	Prerequisite	ENG 50, or Eligibility for, ENG 100, as determined through the English placement process	Change
ESL 102	Prerequisite	<del>Minimum grade of C in</del> ESL 101, or eligibility established through the English as a Second Language placement process.	Change
ESL 103	Prerequisite	<del>Minimum grade of C in</del> ESL 102, or eligibility established through the English as a Second Language placement process.	Change
GERM 225	Prerequisite	<u>GERM 102</u>	New
ITAL 202	Prerequisite	<u>ITAL 201 or four years of high school Italian</u>	New
ITAL 225	Prerequisite	<u>ITAL 102</u>	New
MATH 75	Prerequisite	<u>MATH 50, or MATH 53, or MATH 50B, or eligibility determined through the math placement process</u>	New
	Corequisite	<u>MATH 110</u>	
MATH 76	Corequisite	<u>MATH 115</u>	New

**M. Distance Learning**

The following courses may be offered as distance learning and meet Title 5 Regulations 55200-55210, effective Fall 2018.

<u>Catalog/Subject Number</u>	<u>Learning Offerings</u>
ASL 216L	<u>Computer Assisted, Video Two Way, Video One Way</u>
BUS 130	<u>Online</u>
ESL 102	<u>Online</u>
ESL 103	<u>Online</u>
ESL 9	<u>Online</u>
GC 115	<u>Video Two Way, Online</u>
GERM 225	<u>Online</u>
ITAL 202	<u>Online</u>
ITAL 225	<u>Online</u>
N BMGT 986	<u>Online</u>
N BMGT 987	<u>Online</u>
N BMGT 989	<u>Online</u>
N BMGT 990	<u>Online</u>
N GEOG 900	<u>Computer Assisted, Video One Way, Online</u>
NURS 120	<u>Online</u>
NURS 121	<u>Online</u>
NURS 140	<u>Online</u>
SOC 175	<u>Online</u>

III. **INFORMATION**

A. **Course Outline Reviews**

The following courses have completed the course outline review process between November 10, 2017 and December 1, 2017 and are effective Fall 2018.

COUN	120	Quest for Identity and Life Skills
CSIT	125	Computer Information Systems
ECON	101	Principles of Economics (Macro)
ENG	100	English Composition
RS	110	Religion in America

## PALOMAR COLLEGE

**SUBJECT:** Board Policies

**DESCRIPTION:** Throughout the academic year the Policies and Procedures Committee monitors, reviews, and amends District Policies and Procedures. Following Committee approval they are submitted to the Strategic Planning Council for additional review and approval prior to being submitted to the Governing Board for review and final approval.

The following Board Policies have undergone review through the Participatory Governance Process. These items are presented here for **second reading and adoption:**

Policy Number	Title	Comments
BP 1100	The District	Board held first reading on 12/12/2017 
BP 1200	District Mission	
BP 1300	Educational Philosophy	
BP 2010	Governing Board Membership	
BP 2015	Student Trustee	
BP 2100	Governing Board Elections	
BP 2105	Election of Student Trustee	
BP 2110	Vacancies on the Governing Board	
BP 2200	Board Duties and Responsibilities	
BP 2210	Officers	
BP 2220	Committees of the Governing Board	
BP 2305	Annual Organizational Meeting	
BP 2310	Regular Meetings of the Governing Board	
BP 2315	Closed Sessions	
BP 2320	Special and Emergency Meetings	
BP 2330	Quorum and Voting	
BP 2340	Agendas	
BP 2340	Agendas	
BP 2345	Right to Public Participation	
BP 2350	Speakers	
BP 2355	Decorum/Conduct	
BP 2360	Minutes	
BP 2365	Recording	
BP 2410	Policy Making Authority and Administrative Procedures	
BP 2430	Delegation of Authority to the Superintendent/President	
BP 2431	Superintendent/President Selection	
BP 2432	Superintendent/President Succession	
BP 2435	Evaluation of the Superintendent/President	
BP 2510	Participation in Local Decision Making	
BP 2610	Presentation of Initial Collective Bargaining Proposals	
BP 2710	Conflict of Interest	
BP 2715	Code of Ethics/Standards of Practice	
BP 2716	Political Activity	

BP 2717	Personal Use of Public Resources
BP 2720	Communications among Governing Board Members
BP 2725	Governing Board Member Compensation
BP 2730	Health Benefits
BP 2735	Governing Board Member Travel
BP 2740	Governing Board Education and New Trustee Orientation
BP 2745	Governing Board Self-Evaluation
BP 2750	Board Member Absence from the State
BP 3225	Institutional Effectiveness

Board held first reading  
on 12/12/2017



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35

**BP 1100 THE PALOMAR COMMUNITY COLLEGE DISTRICT**

**References:**

- Education Code Section 72000(b)
- ~~Elections Code Section 18304~~

The District has been named the Palomar Community College District.

The name is the property of the District. No person shall, without the permission of the Board, use this name or the name(s) of any college(s) or other facilities of the District, or any abbreviation of them, to imply, indicate or otherwise suggest that an organization, product or service is connected or affiliated with, or is endorsed, favored, supported, or opposed by, the District.

The District consists of the following college(s), education center(s):

- Palomar College San Marcos Campus
- Palomar College Escondido Center
- Palomar College North Education Center

and sites:

- Camp Pendleton
- Fallbrook
- Pauma
- Mt Carmel
- Ramona
- South Education Center

The official boundary description for the Palomar Community College District is on file at the San Diego County Office of Education.

This policy is being updated in part to delete an outdated reference to Education Code Section 18304 (Update 28.)

**Date Adopted: 11/13/2007, Revised 1/14/2014, Revised:**  
*(Replaces former Palomar College Policy 1100 and all previous versions of BP 1100.)*

THE DISTRICT

REV 8/24/17 No proposed changes

**BP 1200 DISTRICT MISSION**

**References:**

ACCJC Accreditation Standard I.A

The mission of the Palomar Community College District:

Our mission is to provide an engaging teaching and learning environment for students of diverse origins, experiences, needs, abilities, and goals. As a comprehensive community college, we support and encourage students who are pursuing transfer-readiness, general education, basic skills, career and technical training, aesthetic and cultural enrichment, and lifelong education. We are committed to helping our students achieve the learning outcomes necessary to contribute as individuals and global citizens living responsibly, effectively, and creatively in an interdependent and ever-changing world.

To achieve its mission, the Palomar Community College District follows the mission of the California Community College System as determined by the State Legislature.

The District's mission is evaluated and revised on a regular basis as part of the strategic planning cycle.

1  
2  
3  
4  
5  
6  
7

**BP 1300 EDUCATIONAL PHILOSOPHY**

**References:**

No specific references

8 The educational philosophy of Palomar College is based upon belief in the value of the  
9 individual and belief in the individual's potential for intellectual, ethical, personal, and  
10 social growth. Only through growth in these areas and responsible examination of the  
11 question of personal rights can the rights of an individual in a democratic society be fully  
12 understood.

13 The fundamental assumption of the democratic way of life is the intrinsic worth of the  
14 individual. This assumption, therefore, becomes the fundamental principle of public  
15 education in a democratic community.

16 In order to become an effective member of a democratic society, an individual must take  
17 part in a free exchange of ideas. Only within a free society is the individual assured this  
18 free exchange of ideas and the maximum freedom of choice and opportunity for self-  
19 realization consistent with the freedoms and opportunities of others. Only within a free  
20 society can the human personality attain its greatest stature.

21 The community college, by providing equal opportunities for individuals to develop their  
22 differing abilities and interests, enables students to realize more fully their potentials.  
23 Thus, their talents become more readily available to the community, and their  
24 participation in society becomes more effective.

25  
26 In keeping with this educational philosophy, Palomar Community College District  
27 declares itself a safe haven for learning and reaffirms its unequivocal support of all  
28 students regardless of race, religion, national origin, immigration status, sexual  
29 orientation, family structure, or gender identity.

*BP 1300 is being revised to incorporate language from Governing Board Resolution 16-21521  
declaring Palomar a safe haven.*

**Date Adopted: 11/13/2007; Reviewed 1/14/2014; Revised:**  
*(Replaces former Palomar College Policy 1.2 and all previous versions of BP 1300)*

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

**BP 2010 GOVERNING BOARD MEMBERSHIP**

**References:**

Education Code Sections 72023, 72103, and 72104  
ACCJC Accreditation Standard IV.C.6

The purpose of the Governing Board of the Palomar Community College District is to serve as a representative body elected by and responsible to the people of the College District. The Governing Board shall consist of five members elected by the qualified voters of the District. Members shall be elected at large.

Any person who meets the criteria contained in law is eligible to be elected or appointed to serve as a member of the Governing Board.

No member of the Governing Board shall, during the term for which he or she was elected, be eligible to serve on a the governing board of a high school district whose boundaries are coterminous with those of the community college district.

An employee of the District may not be sworn into office as an elected or appointed member of the Governing Board unless he/she resigns as an employee.

No member of the Governing Board shall, during the term for which he/she is elected, hold an incompatible office.

See BP 2710 titled Conflict of Interest.

Yellow = CCLC update 28 Blue = internal

**Date Adopted: 11/13/2007; Reviewed: 6/10/2014; Revised:**  
*(Replaces former Palomar College Policy 5.0 and all previous versions of BP 2010)*

**BP 2015 STUDENT TRUSTEE****References:**

Education Code Sections 72023.5 and 72103

The Governing Board shall include one non-voting Student Trustee. The term of office shall be one year commencing June 1.

The duly elected Associated Student Government (ASG) President will serve as the student member of the Board. If, for any reason, the ASG President is not qualified as Student Trustee, the duly elected ASG Vice President shall serve as Student Trustee. If neither the ASG President nor the ASG Vice President are qualified to serve as Student Trustee, that position shall be filled in accordance with the ASG line of succession per ASG Bylaws.

The Student Trustee shall be enrolled in and maintain a minimum of five semester units in the District at the time of nomination and throughout the term of service. The student shall maintain minimum standards of scholarship of at least a 2.0 grade point average during his/her term.

The student member is not required to give up employment with the District.

The Student Trustee shall be seated with the Governing Board and shall be recognized as a full member of the Board at meetings. The Student Trustee is entitled to participate in discussion of issues and receive all materials presented to members of the Governing Board (except for closed session). The Student Trustee shall recuse himself/herself from both discussion and action on matters of potential conflict of interest.

On or before May 15 of each year, the Board shall consider whether to afford the Student Trustee any of the following privileges:

- The privilege to make and second motions;
- The privilege to attend closed sessions, other than closed sessions on personnel or collective bargaining matters;
- The privilege to receive compensation for meeting attendance at a level equivalent to elected Trustees. (See BP 2725 titled Governing Board Member Compensation);

Yellow = Move lines 49-55 up to the 2<sup>nd</sup> paragraph, blue = CCLC language.

**Date Adopted: 11/13/2007; Revised: 05/11/2010; Revised: 8/14/2012; Revised 11/12/2014; Revised:**

*(Replaces Palomar College Policies 8.1, 8.3, 8.31, 8.32, 8.33, and 8.34 and all previous versions of BP 2015.)*

42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55

- The privilege to serve a term commencing on May 15.
- The privilege to cast an advisory vote, although the vote shall not be included in determining the vote required to carry any measure before the Governing Board.

~~If, for any reason, the ASG President is not qualified as Student Trustee, the duly elected ASG Vice President shall serve as Student Trustee. If neither the ASG President nor the ASG Vice President are qualified to serve as Student Trustee, that position shall be filled by a special election of the students enrolled in the District. The individual who meets all of the eligibility criteria for Student Trustee and receives the most votes shall be seated as a Student Trustee until the next regular election of an ASG President.~~

Also see BP/AP 2105 titled Election of Student Trustee

---

**Yellow** = Move lines 49-55 up to the 2<sup>nd</sup> paragraph, **blue** = CCLC language.

**Date Adopted: 11/13/2007; Revised: 05/11/2010; Revised: 8/14/2012; Revised 11/12/2014; Revised:**

*(Replaces Palomar College Policies 8.1, 8.3, 8.31, 8.32, 8.33, and 8.34 and all previous versions of BP 2015.)*

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

**BP 2100 GOVERNING BOARD ELECTIONS**

**References:**

Education Code Sections 5000 et seq., 72023, 72027, and 72036

The term of office of each Board member shall be four years, commencing on the first Friday in December following the election. Elections shall be held every two years, in even numbered years. Terms of Governing Board members are staggered so that, as nearly as practical, one half of the Board members shall be elected at each Board member election.

Candidates will be charged by the San Diego County Registrar of Voters Office for the eCandidate's sStatements and/or other materials to be sent to the voters for the Governing Board member election.

The District shall determine the length of the Candidate's Statement. The fees for such statement will be paid to the Registrar of Voter's Office by the candidate.

**Ties**

In the event of a tie vote in a Governing Board member election, the Governing Board of the Palomar Community College District will determine the winner or winners by lot.

*NOTE: The Governing Board may change from at large elections of trustees to elections by trustee areas, in accordance with Education Code section 72036 and the California Voting Rights Act of 2001 (Chapter 1.5 (commencing with Section 14025) of Division 14 of the Elections Code), upon the adoption by the Governing Board of a resolution in support of the change and upon the approval of the Board of Governors of the California Community Colleges.*

**BP 2105 ELECTION OF STUDENT TRUSTEE**

**References:**

Education Code Sections 72023.5 and 72103

The President of the Associated Student Government (ASG) who is elected by the students enrolled in the District shall serve as the Student Trustee. Normally ASG elections are an election will be held in the spring semester so that the office is filled by June 1.

If, for any reason, the ASG President is not qualified as Student Trustee, the duly elected ASG Vice President shall serve as Student Trustee. If neither the ASG President nor the ASG Vice President are qualified to serve as Student Trustee, that position shall be filled in accordance with the ASG line of succession per ASG Bylaws.

The student member may be recalled in an election held for that purpose in accordance with procedures established in the ASG Bylaws.

Candidates for the position may nominate themselves or be nominated by others by the filing of an application certifying that the candidate is eligible for service under the criteria set forth in California law, these policies, and the bylaws of the Associated Student Government. The election will be conducted in accordance with AP 2105 titled Election of Student Trustee.

Should the office of the ASG President become vacant for any reason whatsoever, the ASG Vice President shall assume the office of President immediately, with all rights and privileges ascribed thereto. The ASG Vice President shall meet the same criteria as the ASG President.

Also see BP 2015 titled Student Trustee, AP 2105 titled Election of Student Trustee, and BP/AP 5410 titled Associated Student Government Elections and BP 2015 titled Student Trustee

GOVERNING BOARD

REV 9/1/17 No proposed changes

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32

**BP 2110 VACANCIES ON THE GOVERNING BOARD**

**References:**

- Education Code Sections 5090 et seq.;
- Government Code Section 1770

Vacancies on the Governing Board may be caused by any of the events specified in Government Code Section 1770 or any applicable provision in the Elections Code, or by a failure to elect. Resignations from the Governing Board shall be governed by Education Code Section 5090.

Within 60 days of the vacancy or filing of a deferred resignation, the Governing Board shall either order an election or make a provisional appointment to fill the vacancy. If an election is ordered, it shall be held on the next regular election date not less than 130 days after the occurrence of the vacancy.

If a provisional appointment is made, it shall be subject to the conditions in Education Code Section 5091. The person appointed to the position shall hold office only until the next regularly scheduled election for District Governing Board members, when the election shall be held to fill the vacancy for the remainder of the unexpired term.

The provisional appointment will be made by a majority public vote of the Governing Board members at a public meeting.

The Superintendent/President shall establish administrative procedures to solicit applications that assure ample publicity to and information for prospective candidates. The Governing Board will determine the schedule and appointment process, which may include interviews at a public meeting.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31

**BP 2200 BOARD DUTIES AND RESPONSIBILITIES**

**References:**

- Education Code Section 70902;
- ~~Accreditation Standard IV.B.1.d~~
- ACCJC Accreditation Standard IV (formerly IV.B.1.d)

The Governing Board governs on behalf of the citizens of the Palomar Community College District in accordance with the authority granted and duties defined in Education Code Section 70902.

The Governing Board is committed to fulfilling its responsibilities to:

- Represent the public interest;
- Establish policies that define the institutional mission and set prudent, ethical, and legal standards for District operations;
- Hire and evaluate the Superintendent/President;
- Delegate power and authority to the Superintendent/President to effectively lead the District;
- Assure fiscal health and stability;
- Monitor institutional performance and educational quality; and
- Advocate for and protect the District.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32

**BP 2210 OFFICERS**

**Reference:**

Education Code Section 72000

At the annual organizational meeting, the Governing Board shall elect from among its members a President of the Board, a Vice President of the Board, and a Secretary of the Board.

The terms of officers shall be for one year.

**The duties of the President of the Board are to:**

- Preside over all meetings of the Governing Board;
- Call emergency and special meetings of the Governing Board as required by law;
- Consult with the Superintendent/President on Governing Board meeting agendas;
- Communicate with individual Board members about their responsibilities;
- Participate in the orientation process for new Governing Board members;
- Assure Board compliance with policies on Board Education, Self-Evaluation, and Superintendent/President Evaluation; and
- Represent the Governing Board at official events or ensure Board representation.

**The duties of the Vice President of the Board are to:**

- sServe as the President of the Board in the absence of the Board President;
- ~~Preside at any Regular and/or Special meetings~~
- Consult with the Superintendent/President and Governing Board President on Governing Board meeting agendas;
- Sign such documents that the acts of the Governing Board may require; and
- Represent the District in its relations with other Governing Boards in the absence of the Board President.

**The duties of the Secretary of the Board are to:**

- Certify or attest to actions taken by the Governing Board whenever such certification or attestation is required for any purpose;

- 33 • Make or maintain such other records or reports as are required by law; and
- 34 • Perform such other duties as may require official signature by the Governing
- 35 Board of Trustees of the District.

36 The Superintendent/President shall serve as Secretary to the Board.

37 **The duties of the Secretary to the Board are to:**

- 38 • Notify members of the Governing Board of regular, special, emergency and
- 39 adjourned meetings;
- 40 • Prepare and post Board meeting agendas;
- 41 • Have prepared for adoption minutes of Board meetings;
- 42 • Attend all Governing Board meetings and closed sessions, unless excused, and
- 43 in such cases to assign a designee;
- 44 • Conduct the official correspondence of the Governing Board;
- 45 • Certify as legally required all Board actions; and
- 46 • Sign, when authorized by law or by Board action, any documents that would
- 47 otherwise require the signature of the Secretary of the Governing Board.

48 The Governing Board does not have an official system of rotation of officers; it elects

49 the officers each year from among all its members.

GOVERNING BOARD

REV 9/2/17 no proposed changes

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19

**BP 2220 COMMITTEES OF THE GOVERNING BOARD**

**Reference:**

Government Code Section 54952

The Governing Board may by action establish committees that it determines are necessary to assist the Board in its responsibilities. Any committee established by Governing Board action shall comply with the requirements of the Brown Act and with Palomar Community College District policies regarding open meetings.

Board committees that are composed solely of less than a quorum of members of the Governing Board that are advisory are not required to comply with the Brown Act or with these policies regarding open meetings.

Board committees that are only advisory have no authority or power to act on behalf of the Governing Board. Findings or recommendations shall be reported to the Governing Board for consideration. All Board-appointed committees serve in an advisory capacity to the Board and shall avoid making commitments which might be interpreted as binding contracts on the District.

GOVERNING BOARD

REV 9/2/17 no proposed changes

1  
2  
3  
4  
5  
6  
7

**BP 2305 ANNUAL ORGANIZATIONAL MEETING**

**Reference:**

Education Code Section 72000(c)(2)(A)

8 The Governing Board shall hold an annual organizational meeting. The date and time of  
9 the annual organizational meeting shall be selected by the Board at its regular meeting  
10 held immediately prior to November 30 unless otherwise provided by rule of the  
11 Governing Board. The annual organizational meeting shall be held between November  
12 30 and December 14 of each year. The Board shall notify the County Superintendent of  
13 Schools of the date and time selected for the meeting. Within 15 days prior to the  
14 meeting, the Secretary to the Board shall notify in writing all members and members  
15 elect of the date and time selected for the annual organizational meeting.

GOVERNING BOARD

REV 9/14/17

1  
2  
3  
4

5 **BP 2310 REGULAR MEETINGS OF THE GOVERNING BOARD**

6 **References:**

7 Education Code Section 72000(d);  
8 Government Code Sections 54952.2, 54953 et seq., and 54961

9 Regular meetings of the Governing Board shall be held the second Tuesday of each  
10 month. Regular meetings of the Governing Board shall normally be held at the San  
11 Marcos Campus, 1140 West Mission Road, San Marcos, CA 92069.

12 A notice identifying the location, date, and time of each regular meeting of the  
13 Governing Board shall be posted at least ten (10) days prior to the meeting and shall  
14 remain posted until the day and time of the meeting. **According to In compliance with**  
15 **the Brown Act, the Governing Board Agenda for regular meetings** will be posted 72  
16 hours in advance of the meeting. All regular meetings of the Governing Board shall be  
17 held within the boundaries of the District except in cases where the Board is meeting  
18 with another local agency or is meeting with its attorney to discuss pending litigation if  
19 the attorney's office is outside the District.

20 All regular and special meetings of the Governing Board shall be open to the public, be  
21 accessible to persons with disabilities, and otherwise comply with Brown Act provisions,  
22 except as required or permitted by law.

## GOVERNING BOARD

REV 9/2/17

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31

**BP 2315 CLOSED SESSIONS****References:**

Education Code Section 72122;  
Government Code Sections 11125.4, 54956.8, 54956.9, 54957, and 54957.6

Closed sessions of the Governing Board shall be held only as permitted by applicable legal provisions including but not limited to the Brown Act, California Government Code, and California Education Code. Matters discussed in closed session may include:

- the appointment, employment, evaluation of performance, discipline or dismissal of a public employee
- charges or complaints brought against a public employee by another person or employee, unless the accused public employee requests that the complaints or charges be heard in an open session. The employee shall be given at least twenty-four (24) hours written notice of the closed session\*\*
- advice of counsel on pending litigation, as defined by law
- consideration of tort liability claims as part of the District's membership in any joint powers agency formed for purposes of insurance pooling
- real property transactions
- threats to public security
- review of the District's position regarding labor negotiations and giving instructions to the District's designated negotiator
- discussion of student disciplinary action, with final action taken in public
- conferring of honorary degrees
- consideration of gift(s) from a donor who wishes to remain anonymous
- to consider its response to a confidential final draft audit report from the Bureau of State Audits

The agenda for each regular or special meeting shall contain information regarding whether a closed session will be held and shall identify the topics to be discussed in any closed session in the manner required by law.

\*\*Lines 13-16 are directly from Ed Code

**Date Adopted: 11/13/2007; Reviewed 6/10/14; Revised:**

*(Replaces former Palomar College Policies 6.1 and 12.6 and all previous versions of BP 2315.)*

32 After any closed session, the Governing Board shall reconvene in open session before  
33 adjourning and shall announce any actions taken in closed session and the vote of  
34 every member present.

35 All matters discussed or disclosed during a lawfully held closed session and all notes,  
36 minutes, records, or recordings made of such a closed session are confidential and  
37 shall remain confidential unless and until required to be disclosed by action of the  
38 Governing Board or by law.

39 If any person requests an opportunity to present formal complaints to the Governing  
40 Board about a specific employee, such complaints shall first be presented to the  
41 Superintendent/President. Notice shall be given to the employee against whom the  
42 charges or complaints are directed. If the complaint is not resolved at the administrative  
43 level, the matter shall be scheduled for a closed session of the Governing Board. The  
44 employee shall be given at least twenty-four (24) hours written notice of the closed  
45 session, and shall be given the opportunity to request that the complaints be heard in an  
46 open meeting of the Governing Board.

**\*\*Lines 13-16 are directly from Ed Code**

---

**Date Adopted: 11/13/2007; Reviewed 6/10/14; Revised:**

*(Replaces former Palomar College Policies 6.1 and 12.6 and all previous versions of BP 2315.)*

GOVERNING BOARD

REV 9/2/17 no proposed changes

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21

**BP 2320 SPECIAL AND EMERGENCY MEETINGS**

**References:**

- Education Code Section 72129;
- Government Code Sections 54956, 54956.5, and 54957

**Special meetings** may from time to time be called by the President of the Governing Board or by a majority of the members of the Board. Notice of such meetings shall be posted at least 24 hours before the time of the meeting, and shall be noticed in accordance with the Brown Act. No business other than that included in the notice may be transacted or discussed.

**Emergency meetings** may be called by the President of the Board when prompt action is needed because of actual or threatened disruption of public facilities under such circumstances as are permitted by the Brown Act, including work stoppage, crippling disasters, and other activity that severely impairs public health or safety.

No closed session shall be conducted during an emergency meeting, except as provided for in the Brown Act to discuss a dire emergency.

The Superintendent/President shall be responsible to ensure that notice of such meetings is provided to the local news media as required by law.

1  
2  
3  
4  
5

**BP 2330 QUORUM AND VOTING**

**References:**

- 7 Education Code Sections 72000(d)(3), 81310 et seq., 81365, 81432, and 81511;
- 8 Government Code Section 53094;
- 9 Code of Civil Procedure Section 1245.240

10 No action shall be taken by secret ballot.

11 A quorum of the Palomar Community College District Governing Board shall consist of  
12 three members.

13 The Governing Board shall act by majority vote of all of the membership of the Board,  
14 except as noted below.

15 The following actions require a majority vote by all members of the Governing Board:

- 16 • Resolution of intention to sell or lease real property (except where a unanimous  
17 vote is required)
- 18 • Resolution of intention to dedicate or convey an easement
- 19 • Resolution authorizing and directing the execution and delivery of a deed
- 20 • Action to declare the District exempt from the approval requirements of a planning  
21 commission or other local land use body
- 22 • Appropriation of funds from an undistributed reserve
- 23 • Resolution to condemn real property

24 The following actions require a unanimous vote of all members of the Governing Board:

- 25 • Resolution authorizing a sale or lease of District real property to the state, any  
26 county, city, or to any other school or community college district
- 27 • Resolution authorizing lease of District property under a lease for the production  
28 of gas.

GOVERNING BOARD

REV 10/27/17

1  
2  
34 **BP 2340 AGENDAS**5 **References:**

6 Education Code Sections 72121 and 72121.5;  
7 Government Code Sections 6250 et seq. and 54954 et seq.

8 An agenda shall be posted adjacent to the place of meeting at least 72 hours prior to  
9 the meeting time for regular meetings.

10 **Effective January 1, 2019: A direct link to the current the agenda shall also be posted on**  
11 **the District's website homepage 72 hours prior to the meeting time for regular meetings.**  
12 **and The agenda shall be accessible through a prominent, direct link on the District's**  
13 **homepage, to the current agenda. The direct link to the agenda and shall not be in a**  
14 **contextual menu.\*\***

15 The agenda shall include a brief description of each item of business to be transacted or  
16 discussed at the meeting. **A brief general description of an item generally need not**  
17 **exceed 20 words.** If requested, the agenda shall be provided in appropriate alternative  
18 formats so as to be accessible to **persons individuals** with a disability.

19 No business may be acted on or discussed which is not on the agenda, except when  
20 one or more of the following apply:

- 21 • a majority decides there is an "emergency situation" as defined for emergency  
22 meetings
- 23 • two-thirds of the members (or all members if less than two-thirds are present)  
24 determine there is a need for immediate action and the need to take action came  
25 to the attention of the Governing Board subsequent to the agenda being posted
- 26 • an item appeared on the agenda **of** and was continued from a meeting held not  
27 more than five days earlier

28 The order of business may be changed by consent of the Governing Board.

29 The Superintendent/President shall establish administrative procedures that provide for  
30 public access to agenda information and reasonable **annual** fees for the service **as**  
31 **allowed by law.**

32 Members of the public may place matters directly related to the business of the District  
33 on an agenda for a Board meeting by submitting a written summary of the item to the  
**Yellow** = CCLC. **Blue** = internal. **Green** - Lines 10 -14 were reworded as requested to clarify  
that a link - not the entire agenda - shall be posted on the homepage.

**Date Adopted: 11/13/2007; Reviewed 6/10/14; Revised:**

*(Replaces former Palomar College Policies 12.8, 12.9, and 12.11 and all previous versions of BP 2340.)*

34 Superintendent/President. The written summary must be signed by the initiator **and**  
35 **should include a phone number or email address that may be used to contact the**  
36 **initiator**. The Governing Board reserves the right to consider and take action in closed  
37 session on items submitted by members of the public as permitted or required by law.

38 Agendas shall be developed by the Superintendent/President in consultation with the  
39 Governing Board President.

40 Agenda items submitted by members of the public must be received by the office of the  
41 Superintendent/President **ten days** prior to the regularly scheduled Governing Board  
42 meeting.

43 Agenda items initiated by members of the public shall be placed on the Board's agenda  
44 following the items of business initiated by the Governing Board and by staff. Any  
45 agenda item submitted by a member of the public and heard at a public meeting cannot  
46 be resubmitted before the expiration of a 90 day period following the initial submission.

47 The Board will act only upon matters identified as action items on the agenda. Official  
48 action taken by the Board shall be affirmed by a formal vote. The Board shall act by  
49 majority vote. Voting is by voice unless a written ballot is requested by the President of  
50 the Board. If the vote is not unanimous, the minutes shall reflect the vote of each  
51 member. A roll call vote may be called for by any Board member.

**Yellow** = CCLC. **Blue** = internal. **Green** – Lines 10 -14 were reworded as requested to clarify that a link – not the entire agenda – shall be posted on the homepage.

---

**Date Adopted: 11/13/2007; Reviewed 6/10/14; Revised:**

*(Replaces former Palomar College Policies 12.8, 12.9, and 12.11 and all previous versions of BP 2340.)*

GOVERNING BOARD

REV 9/14/17

**BP 2345 RIGHT TO PUBLIC PARTICIPATION****References:**

Education Code 72121.5;  
Government Code Sections 54954 et seq. and 54957.5

The Governing Board shall provide opportunities for members of the general public to participate in the business of the Board.

Members of the public may bring matters directly related to the business of the District to the attention of the Governing Board ~~by: in one of two ways:~~

~~1. There will be a time at each regularly scheduled Board meeting for the general public to discuss items not on the agenda.~~

~~Members wishing to present such items shall submit a written request, prior to the public comment section of the agenda or before the agenda item is to be heard, to the Superintendent/President or President of the Governing Board (whichever is most appropriate) that summarizes the item and provides his/her name and organizational affiliation, if any. No action may be taken by the Governing Board on such items not on the agenda.~~

~~2. Members of the public may place items on the prepared agenda in accordance with BP 2340 titled Agendas.~~

**1. Request to Speak - Public Comment:** There will be a time at each regularly scheduled Board meeting for the general public to discuss items not on the agenda. (Referred to as "Public Comment" on the Governing Board agenda.) Members wishing to present such items shall submit a written request, prior to the Public Comment section of the agenda. No action may be taken by the Governing Board on Public Comment items.

**2. Request to Speak on Agenda item:** When a member of the public wishes to speak on a matter listed on the agenda the member shall submit a written request ("Request to Speak" card) before the agenda item is heard.

"Public Comment" cards, "Request to Speak" cards and any other written requests to speak are to be submitted to the Superintendent/ President or minutes clerk.

44  
45 **3. Request Agenda Item:** Members of the public may place items on the prepared  
46 Governing Board agenda in accordance with BP 2340 titled Agendas. Agenda items  
47 submitted by members of the public must be received by the office of the  
48 Superintendent/President no less than ten days prior to the regularly scheduled  
49 Governing Board meeting.

50  
51 If requested through the Superintendent/President’s Office, writings that are public  
52 records shall be made available in appropriate alternative formats so as to be  
53 accessible to persons with a disability.

54  
55 Claims for damages are not considered communications to the Governing Board under  
56 this rule, but shall be submitted to the District.

57  
58 Members of the College community communicate with members of the Board in  
59 accordance with established guidelines for communication.

60  
61 ~~At regular meetings, the Governing Board shall provide opportunities for members of~~  
62 ~~the public to address the Board directly on items on the agenda or on items of interest~~  
63 ~~to the public that are within the subject matter jurisdiction of the Board. The Board~~  
64 ~~welcomes the information provided by this direct interaction with the public.~~

BP 2350 SPEAKERS

References:

- Education Code Section 72121.5;
- Government Code Sections 54950 et seq.

Persons may speak to the Governing Board either on an agenda item or on other matters of interest to the public that are within the subject matter jurisdiction of the Board.

Oral presentations relating to a matter on the agenda, including those on the consent agenda, shall be heard before a vote is called on the item.

Persons wishing to speak to matters not on the agenda shall do so at the time designated at the meeting for **Public Comment**.

Those wishing to speak to the Governing Board are subject to the following:

- The President of the Board may rule members of the public out of order if their remarks do not pertain to matters that are within the subject matter jurisdiction of the Governing Board or if their remarks are unduly repetitive
- Employees who are members of a bargaining unit represented by an exclusive bargaining agent may address the Governing Board under this policy, but may not attempt to negotiate terms and conditions of their employment. This policy does not prohibit any employee from addressing a collective bargaining proposal pursuant to the public notice requirements of Government Code Section 3547 and the policies of this Board implementing that section
- They shall complete a written request to address the Governing Board at the beginning of the meeting at which they wish to speak. The request shall include the person's name and name of the organization or group represented, if any, and a statement noting the agenda item or topic to be addressed
- No member of the public may speak without being recognized by the President of the Board
- Each speaker will be allowed a maximum of five minutes per topic. **However, the Board shall allow at least twice the allotted time to a member of the public who utilizes a translator, unless translation equipment is used which allows the body to hear the translated public testimony simultaneously.** Thirty minutes shall be the maximum time allotment for public speakers on any one subject regardless of the number of speakers at any one Board meeting. At the discretion of a majority of the Governing Board, these time limits may be extended.
- The Governing Board may ask a delegation to limit the number of speakers on a specific topic unless the proposed speakers are addressing different concerns.

**CCLC recommended changes to language**

**Date Adopted: 11/13/2007; Reviewed 6/10/14; Revised:**

*(Replaces former Palomar College AP 12.10.1 and all previous versions of BP 2350)*

- 45
- 46
- 47
- Each speaker coming before the Governing Board is limited to one presentation per specific agenda item before the Board and to one presentation per meeting on non-agenda matters.

CCLC recommended changes to language

---

**Date Adopted: 11/13/2007; Reviewed 6/10/14; Revised:**

*(Replaces former Palomar College AP 12.10.1 and all previous versions of BP 2350)*

GOVERNING BOARD

REV 10/26/17

**BP 2355 DECORUM/CONDUCT****References:**

Education Code Section 72121.5;  
Government Code Section 54954.3(b) and 54957.9.

The following will be ruled out of order by the presiding officer:

- Remarks or discussion in public meetings on charges or complaints which the Governing Board has scheduled to consider in closed session
- Profanity, obscenity, and other offensive language and
- Physical violence and/or threats of physical violence directed toward any person or property

In the event that any meeting is willfully interrupted by the actions of one or more persons so as to render the orderly conduct of the meeting unfeasible, the person(s) may be escorted from the meeting room.

Speakers who engage in such conduct may be removed from the podium and denied the opportunity to speak to the Governing Board for the duration of the meeting.

Before removal, the presiding officer will issue a verbal a warning and a request that the person(s) curtail the disruptive activity will be made by the President of the Governing Board. If the behavior continues, the presiding officer will issue a 2<sup>nd</sup> warning. If the behavior still continues the presiding officer will call for a motion, second, and vote. the person(s) may be removed by a vote of the Governing Board, based on a finding that the person is violating this policy, and that such activity is intentional and has substantially impaired the conduct of the meeting. **\*\***

If order cannot be restored by the removal in accordance with these rules of individuals who are willfully interrupting the meeting, the Governing Board may order the meeting room cleared and may continue in session. The Governing Board shall only consider matters appearing on the agenda. Representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend any session held pursuant to this rule.

In all matters of procedure not otherwise indicated, Robert's Rules of Order, Revised, governs.

**\*\*Lines 21-25 CCLC uses the language "by a vote of the Governing Board." Government Code 54957.9 states, "members of the legislative body" without stipulating a vote being required. Board practice is to issue two verbal warnings then call for a motion and a vote before removing anyone from a Board meeting.**

**Date Adopted: 11/13/2007; Reviewed 6/10/14; Revised:**

*(Replaces former Palomar College Policy 12.13 and all previous versions of BP 2355.)*

**GOVERNING BOARD**

**REV 9/4/17 no proposed changes**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15

**BP 2360 MINUTES**

**References:**

- Education Code Section 72121(a);
- Government Code Section 54957.5

The Superintendent/President shall cause minutes to be taken of all meetings of the Governing Board. The minutes shall record all actions taken by the Governing Board including, but not limited to, those Board members present and absent, all motions, names of those making and seconding motions, and votes. The minutes shall be public records and shall be available to the public. If requested, the minutes shall be made available in appropriate alternative formats so as to be accessible to persons with a disability.

GOVERNING BOARD

REV 10/27/17

1  
2  
3  
4  
5  
6  
7

**BP 2365 RECORDING**

**References:**

Education Code Section 72121(a);  
Government Code Sections 54953.5 and 54953.6

8 Any audio recording of an open and public Board meeting made by or at the direction of  
9 the Board shall be subject to inspection by members of the public in accordance with  
10 the California Public Records Act, Government Code Sections 6250 et seq. The  
11 Superintendent/ President is directed to enact administrative procedures to ensure that  
12 any such recordings are maintained for ~~two years~~ **at least six months thirty days**  
13 following the ~~taping or~~ recording.

14 Persons attending an open and public meeting of the Governing Board may, at their  
15 own expense, record the proceedings with an audio or video tape recording or a still or  
16 motion picture camera or may broadcast the proceedings. However, if the Governing  
17 Board finds by a majority vote that the recording or broadcast cannot continue without  
18 noise, illumination, or obstruction of view that constitutes or would constitute a  
19 persistent disruption of the proceedings, any such person shall be directed by the  
20 President of the Governing Board to stop.

**BP 2410 BOARD POLICIES ~~SY~~ MAKING AUTHORITY AND ADMINISTRATIVE PROCEDURES**

**References:**

Education Code Section 70902;  
ACCJC Accreditation Standards IV.C.7, IV.D.4, I.B.7, and I.C.5 (formerly IV.B.1.b and e)

Recommendations for the establishment of new, or revision of existing, Governing Board Policy or Administrative Procedure may be submitted by any member of the college community and should be directed to the Superintendent/President or his/her designee.

**BOARD POLICY**

All Governing Board policies of the District are the responsibility of and established by the Governing Board.

The Governing Board may adopt such policies as are authorized by law or determined by the Board to be necessary for the efficient operation of the District. Board policies are intended to be statements of intent by the Governing Board on a specific issue within its subject matter jurisdiction.

The policies have been written to be consistent with provisions of law, but do not encompass all laws relating to District activities. All District employees are expected to know of and observe all provisions of law pertinent to their job responsibilities.

Policies of the Governing Board may be adopted, revised, added to, or amended at any regular Board meeting by a majority vote. Proposed changes or additions shall be introduced not less than one regular meeting prior to the meeting at which action is recommended. The Board shall regularly assess its policies for effectiveness in fulfilling the District's mission.

**ADMINISTRATIVE PROCEDURE**

Administrative procedures are to be issued by the Superintendent/President as statements of method to be used in implementing Board Policy. Such administrative procedures shall be consistent with the intent of Board Policy. Administrative procedures may be revised as deemed necessary by the Superintendent/President.

The Superintendent/President shall make available to each member of the Board copies of the administrative procedures or any revisions since the last time they were provided. CCLC proposed revisions.

---

**Date Adopted: 11/13/2007; Revised: 6/10/14; Revised:**  
*(Replaces former Palomar College Policy 7.01 and all previous versions of BP 2410.)*

47 The Governing Board reserves the right to direct revisions of the administrative  
48 procedures should they, in the Board's judgment, be inconsistent with the Governing  
49 Board's own policies.

50  
51 Copies of all Governing Board Policies and Administrative Procedures shall be  
52 readily available on the District's website.

CCLC proposed revisions.

---

**Date Adopted: 11/13/2007; Revised: 6/10/14; Revised:**

*(Replaces former Palomar College Policy 7.01 and all previous versions of BP 2410.)*

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

**BP 2430 DELEGATION OF AUTHORITY TO THE SUPERINTENDENT/  
PRESIDENT**

**References:**

Education Code Sections 70902(d) and 72400;  
ACCJC Accreditation Standards IV.B.5, IV.C.12, and IV.D.1 (formerly IV.B.1.j  
and IV.B.2

The Governing Board delegates to the Superintendent/President the executive responsibility for administering the policies adopted by the Board and executing all decisions of the Governing Board requiring administrative action.

The Superintendent/President may delegate any powers and duties entrusted to him or her by the Governing Board (including the administration of the College and centers), but will be specifically responsible to the Board for the execution of such delegated powers and duties.

The Superintendent/President is empowered to reasonably interpret Board Policy. In situations where there is no Board Policy direction, the Superintendent/President shall have the power to act, but such decisions shall be subject to review by the Governing Board. It is the duty of the Superintendent/ President to inform the Board of such action and to recommend written Board Policy if one is required.

The Superintendent/President is expected to perform the duties contained in the Superintendent/President job description and fulfill other responsibilities as may be determined in annual goal-setting or evaluation sessions. The job description and goals and objectives for performance shall be developed by the Governing Board in consultation with the Superintendent/President.

The Superintendent/President shall ensure that all relevant laws and regulations are complied with, and that required reports are submitted in timely fashion.

The Superintendent/President shall make available any information or give any report requested by the Governing Board as a whole. Individual Board member requests for information shall be met if, in the opinion of the Superintendent/President, they are not unduly burdensome or disruptive to District operations. Information provided to any Board member shall be provided to all Board members.

The Superintendent/President shall act as the professional advisor to the Governing Board in policy formation.

43 The Board delegates the authority for the District administration to the  
44 Superintendent/**President** of the District.

45  
46 In the absence of designation of an alternate representative, the Superintendent/  
47 President shall act as the representative of the Governing Board in all matters including  
48 the implementation of the provisions of the Education Code added by Assembly Bill  
49 1725. The Superintendent/President may delegate specific responsibility to other  
50 District employees. The Governing Board reserves its right to approve policy  
51 recommendations.

52  
53 The Chief Executive Officer for the Governing Board of Palomar College and the  
54 Palomar Community College District is the District Superintendent **and** /President of the  
55 College. He/she is responsible for the execution of policies established by the  
56 Governing Board. He/she is expected to administer the District in an economical,  
57 democratic, and efficient manner for the best interests of the students and the residents  
58 of the Palomar Community College District.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33

**BP 2431 SUPERINTENDENT/PRESIDENT SELECTION**

**References:**

**ACCJC** Accreditation Standards **IV.B and IV.C.3 (formerly IV.B.1 and IV.B.1.j.)**  
Title 5 Sections 53000 et seq.

In the case of a Superintendent/President vacancy, the Governing Board shall establish a search process to fill the vacancy. The process shall be fair and open and comply with relevant regulations. The process will include, at a minimum, the following items which shall be Board approved in an open and public meeting:

- Search Timeline
- Search Committee formation
- Search Firm proposals
- Identification of desired qualifications of Superintendent/President
- Development of a recruitment brochure
- Candidate recruitment
- Candidate screening
- Selection of interviewees
- Interviews
- Campus Visits
- Public Forums
- Background Checks
- Board Interview of Finalists

A Superintendent/**President** is selected by the Board to serve as the Chief Executive Officer of the District. The initial contract of the Superintendent/President will be negotiated to the mutual agreement of the Superintendent/President and the Board, for a term not to exceed four years. The contract will be reviewed annually and renewed by mutual agreement of the Board and the Superintendent/President.

**GOVERNING BOARD**

**REV 9/4/17 no proposed changes**

1  
2  
3

4 **BP 2432 SUPERINTENDENT/PRESIDENT SUCCESSION**

5 **References:**

6 Education Code Sections 70902(d) and 72400;  
7 Title 5 Section 53021(b)

8 The Governing Board delegates authority to the Superintendent/President to appoint an  
9 acting Superintendent/President to serve in his/her absence for short periods of time,  
10 not to exceed 30 calendar days at a time.

11 In the absence of the Superintendent/President and when an Acting President has not  
12 been named, administrative responsibility shall reside with (in order):

- 13 • Chief Instructional Officer
- 14 • Chief Student Services Officer
- 15 • Chief Business Officer
- 16 • Chief Human Resources Officer
- 17 • Deans (in order of length of service as a dean at Palomar College)

18 The Governing Board shall appoint an acting Superintendent/President for periods  
19 exceeding 30 calendar days.

**GOVERNING BOARD**

**REV 9/4/17**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17

**BP 2435 EVALUATION OF THE SUPERINTENDENT/PRESIDENT**

**Reference:**

**ACCJC** Accreditation Standard **IV.C.3 (formerly IV.B.1)**

The Governing Board shall conduct an evaluation of Superintendent/President at least annually. Such evaluation shall comply with any requirements set forth in the contract of employment with the Superintendent/President as well as this policy.

The Board shall evaluate the Superintendent/President using an evaluation process developed and jointly agreed to by the Governing Board and the Superintendent/President.

The criteria for evaluation shall be based on Board Policy, the Superintendent/President job description, and performance goals and objectives developed in accordance with BP 2430 titled Delegation of Authority to the Superintendent/President.

**BP 2510 PARTICIPATION IN LOCAL DECISION MAKING****References:**

Education Code Section 70902(b)(7);  
Title 5 Sections 53200 et seq. (Faculty Senate), 51023.5 (staff), and 51023.7  
(students);

**ACCJC** Accreditation Standards IV.A and IV.D.7

The Governing Board of the Palomar Community College District wishes to encourage the greatest possible cooperation among its employees and believes that the best ideas are often the product of collective thought. The Board affirms its commitment to collegiality and participatory governance. ~~directs its employees to make every effort in sincere attempts to use the collegial model in policy development.~~

The Board is the ultimate decision-maker in those areas assigned to it by state and federal laws and regulations. In executing that responsibility, the Board is committed to its obligation to ensure that appropriate members of the District participate in developing recommended policies for Board action and administrative procedures for Superintendent/President action under which the District is governed and administered.

Each of the following shall participate as required by law in the decision-making processes of the District:

**Faculty Senate**

Pursuant to rules adopted by the Board of Governors of the California Community Colleges, the Governing Board elects to rely primarily upon the advice and judgment of the Faculty Senate on academic and professional matters.

The term "Academic and Professional Matters" ~~refers to the establishment or modification of the following Policy and Procedure matters:~~ means the following policy development and implementation matters:

1. Curriculum, including establishing prerequisites and placing courses within disciplines
2. Degree and certificate requirements
3. Grading policies
4. Educational program development
5. Standards or policies regarding student preparation and success

Blue lines 33-34 = Language pulled directly from 5 CCR § 53200. Other blue in lines 55-70 internal.

**Date Adopted: 11/13/2007; Reviewed: 6/10/14; Revised:**

*(Replaces former Palomar College Policies 2510, 4.0, 4.5 and all previous versions of BP 2510.)*

- 42 6. Governance structures, as related to faculty roles
- 43 7. Faculty roles and involvement in accreditation processes, including self-study and
- 44 annual reports
- 45 8. Policies for faculty professional development activities
- 46 9. Processes for program review
- 47 10. Processes for institutional planning and budget development
- 48 11. Faculty Hiring Policy, Faculty Hiring Criteria, and Faculty Hiring Procedures
- 49 12. Other academic and professional matters as mutually agreed upon by the
- 50 Governing Board and the Faculty Senate. As other such academic and
- 51 professional matters are identified, they will be added to this list.

**Palomar Faculty Federation**

52  
53 Consistent with the EERA (Educational Employment Relations Act), the Palomar Faculty  
54 Federation shall represent faculty on campus committees dealing with **mandatory subjects**  
55 **of bargaining including**; salaries, benefits, and working conditions.

**Staff CCE/AFT, Administrative Association, and Confidential and Supervisory Team**

56  
57 **All s**Staff shall be provided with opportunities to participate in the formulation and  
58 development of District policies and procedures that have a significant effect on staff. The  
59 opinions and recommendations of the CCE/AFT, Administrative Association, and  
60 Confidential and Supervisory Team will be given every reasonable consideration.

**Students**

61  
62 The Associated Students shall be given an opportunity to participate effectively in the  
63 formulation and development of District policies and procedures that have a significant  
64 effect on students, as defined by law. The recommendations and positions of the  
65 Associated Students will be given every reasonable consideration. The selection of student  
66 representatives to serve on District committees or task forces shall be **determined by the**  
67 **Associated Student Governing. made after consultation with the Associated Students. The**  
68 **following topics are identified in the California Code of Regulations, Title 5, Section**  
69 **51023.7 as having a significant effect on students:**

- 70 1. **Grading policies**
- 71 2. **Codes of student conduct**
- 72 3. **Academic disciplinary policies**
- 73 4. **Curriculum development**
- 74 5. **Courses or programs which should be initiated or discontinued**
- 75 6. **Processes for institutional planning and budget development**

76  
77  
78  
79  
**Blue** lines 33-34 = Language pulled directly from 5 CCR § 53200. Other blue in lines 55-70  
internal.

**Date Adopted: 11/13/2007; Reviewed: 6/10/14; Revised:**

*(Replaces former Palomar College Policies 2510, 4.0, 4.5 and all previous versions of BP 2510.)*

- 80 7. Standards and policies regarding student preparation and success
- 81 8. Student services planning and development
- 82 9. Student fees within the authority of the district to adopt; and
- 83 10. Any other district and college policy, procedure, or related matter that the district
- 84 governing board determines will have a significant effect on students.

85  
86 Except for unforeseeable emergency situations, the Board shall not take any action on  
87 matters subject to this policy until the appropriate constituent group or groups have been  
88 provided the opportunity to participate.

89  
90 Nothing in this policy will be construed to interfere with the formation or administration of  
91 employee organizations or with the exercise of rights guaranteed under the Educational  
92 Employment Relations Act, Government Code Sections 3540, *et seq.*

Blue lines 33-34 = Language pulled directly from 5 CCR § 53200. Other blue in lines 55-70 internal.

---

**Date Adopted: 11/13/2007; Reviewed: 6/10/14; Revised:**  
*(Replaces former Palomar College Policies 2510, 4.0, 4.5 and all previous versions of BP 2510.)*

**GOVERNING BOARD**

**REV 9/4/17 no proposed changes**

1  
2  
3  
4  
5  
6

**BP 2610 PRESENTATION OF INITIAL COLLECTIVE BARGAINING PROPOSALS**

7 **Reference:**

8 Government Code Section 3547

9 The Superintendent/President is directed to enact administrative procedures that assure  
10 compliance with the requirements of Government Code Section 3547 regarding the  
11 presentation to the Governing Board of initial proposals for collective bargaining.

12 All initial collective bargaining proposals, which relate to matters within the scope of  
13 representation, shall be made in accordance with the procedures set forth in  
14 Government Code Section 3547.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31

**BP 2710 CONFLICT OF INTEREST**

**References:**

Government Code Sections 1090 et seq., 1126, and 87200 et seq.  
Title 2 Sections 18730 et seq.

Governing Board members and designated employees shall not be financially interested in any contract made by them in their official capacity, Board or in any contract they make in their capacity as Board members, body or board of which they are members.

A Board member shall not be considered to be financially interested in a contract if his/her interest is limited to those interests defined as remote under Government Code Section 1091 or is limited to interests defined by Government Code Section 1091.5.

A Board member who has a remote interest in any contract considered by the Governing Board shall disclose his/her interest during a Board meeting and have the disclosure noted in the official Board minutes. The Governing Board member shall not vote or debate on the matter or attempt to influence any other Board member to enter into the contract.

A Board member shall not engage in any employment or activity that is inconsistent with, incompatible with, in conflict with or inimical to his/her duties as an officer of the District.

In compliance with law and regulation, the Superintendent/President shall establish administrative procedures to provide for disclosure of assets of income of Governing Board members who may be affected by their official actions, and prevent members from making or participating in the making of Board decisions which may foreseeably have a material effect on their financial interest.

Governing Board members shall file statements of economic interest with the filing officer identified by the administrative procedures.

Governing Board members are encouraged to seek counsel from the District's legal advisor in every case where any question arises.

## GOVERNING BOARD

REV 9/4/17

## BP 2715 CODE OF ETHICS/STANDARDS OF PRACTICE

## References:

ACCJC Accreditation Standard IV.C.11 (formerly IV.B.1.a, e, and h)

Each member of the Palomar Community College District Governing Board will perform his/her duties in accordance with the oath of office. Each member is committed to serving the educational needs of the citizens of the District. The Board's primary responsibility is to provide learning opportunities to each student regardless of ethnic group identification, national origin, religion, age, sex, race, color, ancestry, sexual orientation, or physical or mental disability.

Furthermore, trustees shall:

1. Devote time, thought, and study to the duties and responsibilities of a Trustee in order to render effective and creditable service.
2. Work with fellow Board members in a spirit of harmony and cooperation in spite of differences of opinion that may arise during vigorous debates of points at issue.
3. Base individual decisions upon all available facts in each situation, vote their honest conviction in every case un-swayed by partisan bias, and abide by and uphold the final majority decision of the Board.
4. Remember at all times that an individual member has no legal authority outside the meetings of the Board and will conduct all relationships with District staff, students, the local citizenry, and the media on that basis.
5. Be aware of their responsibility to all citizens of the District and not solely to those who elected them, remembering that the authority delegated by the voters must be exercised with as much care and concern for the least influential as for the most influential member of the community.
6. Resist every temptation and outside pressure to use the position as a community college board member for personal benefit or any other individual or agency apart from the total welfare of the Palomar Community College District.
7. Recognize that it is as important for the Board to understand and evaluate the educational program of Palomar College as it is to plan for the business of District operation.

**Date Adopted: 11/13/07; Revised: 04/08/08; Revised: 6/10/14; Revised:**

*(Replaces former Palomar College Policy 89-13740 and all previous versions of BP 2715.)*

45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90

8. Bear in mind under all circumstances that the Board is legally responsible for the effective operation of the District. Its primary function is to establish the policies by which the Palomar Community College District is to be administered. The Board shall hold the Superintendent/President and his/her staff responsible for the administration of the educational program and the conduct of District business.
9. Welcome and encourage the active involvement of students, employees, and citizens of the District with respect to establishing policy on current District operation and proposed future developments and consider their views during deliberations and decisions as a Board member.
10. Recognize that deliberations of the Board in closed session are to be kept confidential in accordance with the Brown Act and are not to be released or discussed outside of closed session meetings.
11. Make the most of opportunities to enhance their effectiveness as a Board member through participation in educational conferences, workshops, and training sessions offered by local, state, and national organizations.
12. Be informed about the actions and positions of state and national community college trustees' associations.
13. Strive to provide the most effective community college board service, in a spirit of teamwork and devotion to public education as the greatest instrument for the preservation and perpetuation of our representative democracy.

The Superintendent/President and Governing Board President are authorized to consult with legal counsel when they become aware of or are informed about actual or perceived violations of pertinent laws and regulations, including but not limited to conflict of interest, open and public meetings, confidentiality of closed session information, and use of public resources. Violations of law may be referred to the District Attorney or Attorney General as provided for in law.

Violations of the Governing Board's Policy #2715 (Code of Ethics) will be addressed by the President of the Board, who will first discuss the violation with the Board member to reach a resolution. If resolution is not achieved and further action is deemed necessary, the Governing Board President may appoint an ad hoc committee composed of two Board members to examine the matter and recommend further courses of action to the Board. Sanctions will be determined by the Governing Board officers [or committee] and may include a recommendation to the Governing Board to censure the Board member. If the President of the Governing Board is perceived to have violated the code, the Vice President of the Governing Board is authorized to pursue resolution.

GOVERNING BOARD  
REV 10/25/17

BP 2716 GOVERNING BOARD MEMBER POLITICAL ACTIVITY

References:

Education Code Sections 7054, 7054.1 and 7056;  
Government Code Section 8314

It is unlawful for any elected or appointed member of the Governing Board - as well as employees and District consultants - to use, or permit others to use, public resources for a campaign activity, or personal or other purposes which are not authorized by law.

“Public resources” means any property or asset owned by the District including, but not limited to: Land, buildings and facilities; Funds; Equipment, supplies, telephones, computers and vehicles as well as; District images, insignia and logos.

Members of the Governing Board shall not use District public resources funds, services, supplies, or equipment to urge the passage or defeat of any ballot measure or candidate including, but not limited to, any candidate for election to the Governing Board.

Initiative or referendum measures may be drafted by the on an area of legitimate interest to the District. The Governing Board may by resolution express the Board's position on ballot measures. Public resources may be used only for informational efforts regarding the possible effects of , District bond issues or other ballot measures.

Yellow Lines 11 – 17 part of Gov. Code Section 8314

Date Adopted: 11/13/2007; Reviewed 6/10/14; Revised:  
(Replaces all previous versions of BP 2716.)

**GOVERNING BOARD**

**REV 9/4/17 no proposed changes**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11

**BP 2717 PERSONAL USE OF PUBLIC RESOURCES**

**References:**

- Government Code Section 8314;
- Penal Code Section 424

No Governing Board member shall use or permit others to use public resources, except that which is incidental and minimal, for personal purposes or any other purpose not authorized by law.

**BP 2720 COMMUNICATIONS AMONG GOVERNING BOARD MEMBERS**

**Reference:**

Government Code Section 54952.2

Members of the Governing Board shall not communicate among themselves by the use of any form of communication (e.g., personal intermediaries, e-mail, or other technological device) in order to reach a collective concurrence regarding any item that is within the subject matter jurisdiction of the Governing Board.

A majority of the members of the Governing Board shall not, outside of an official Board Meeting, use a series of communications of any kind, directly or through intermediaries, to discuss, deliberate, or take action on any item of business that is within the subject matter jurisdiction of the Governing Board.

This policy shall not be construed as preventing an employee or official of the District, from engaging in separate conversations or communications, outside of a meeting, with members of the Governing Board in order to answer questions or provide information regarding a matter that is within the subject matter jurisdiction of the Governing Board, **if provided** that person does not communicate to members of the Governing Board the comments or position of any other member or members of the Governing Board. Except for the conditions of this policy, individual contacts or conversations between members of the Governing Board and any other person are not constrained.

GOVERNING BOARD

REV 10/25/17

**BP 2725 GOVERNING BOARD MEMBER COMPENSATION**

**References:**

Education Code Sections 72023.5 and 72024

Governing Board members and the non-voting student member are compensated for their services within the limits established by law. Per Education Code Section 72024 when the full-time equivalent students (FTES) for the prior college year was 25,000 or less, but more than 10,000, each member of the Governing Board of the district who actually attends all meetings held may receive as compensation for his or her services a sum not to exceed four hundred dollars (\$400) in any month.

A member may be paid for any meeting when absent if the board, by resolution duly adopted and included in its minutes, finds that the absence was excused due to personal necessity.

Compensation for the non-voting student member will be set by the Governing Board on or before May 15 of each year.

Board members, except for the non-voting student member, may elect to receive health and welfare benefits extended to District employees.

GOVERNING BOARD

REV 9/4/17

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17

**BP 2730 GOVERNING BOARD MEMBER HEALTH BENEFITS**

**Reference:**

Government Code Sections 53201 and 53208.5,

Members of the Governing Board, except for the non-voting student member, are eligible for and may elect to participate in the District’s health benefit programs. The benefits of members of the Board through the District’s health benefits programs shall not be greater than the most generous schedule of benefits being received by any category of non-safety employee of the District.

Governing Board members health benefits after separation from the District follow procedures of AP 7380 titled Retiree Health Benefits.

## BP 2735 GOVERNING BOARD MEMBER TRAVEL

**Reference:**

Education Code Section 72423

Government Code Section 11139.8.**Reimbursement**

Board members, including the non-voting student member, incurring travel expenses in the performance of their duties shall be eligible for reimbursement with approval of the Board.

**Travel Restrictions**

Government Code Section 11139.8 prohibits a state agency from requiring its employees, officers, or members to travel to, or approve a request for state-funded or sponsored travel to, any state that, after June 26, 2015, has eliminated protections against discrimination on the basis of sexual orientation, gender identity, or gender expression. This prohibition also applies to any state that has enacted a law that authorizes or requires discrimination against same-sex couples or their family or on the basis of sexual orientation, gender identity, or gender expression, subject to certain exceptions. Government Code Section 11139.8 can be incorporated by reference as part of the local agency's policies on travel. Whenever the California Legislature adopts any changes or amendments to Section 11139.8, they are automatically adopted without further action by any local agency which has incorporated Section 11139.8 as the agency's policies. Therefore, the Palomar Community College District hereby adopts Government Code Section 11139.8 and incorporates it by reference.

It shall be the responsibility of the Superintendent/President or designee, prior to approving Board Travel, to consult the web site of the California Attorney General in order to comply with the travel and funding restrictions imposed by Government Code Section 11139.8.

**Travel Budget**

The Superintendent/President will, in consultation with the Governing Board, establish an annual travel budget for Board members.

GOVERNING BOARD  
REV 9/13/17

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24

**BP 2740 GOVERNING BOARD MEMBER EDUCATION AND NEW TRUSTEE ORIENTATION**

**Reference:**

**ACCJC** Accreditation Standard **IV.C.9 (formerly IV.B.1.f)**

The Governing Board is committed to its ongoing development as a Board and to an education program that includes an orientation for new Board members.

To that end, Governing Board members will:

- Engage in workshops and study sessions
- Utilize available reading materials and online resources such as those available through the Community College League of California, Association of Community College Trustees, Accrediting Commission for Community and Junior Colleges, Academic Senate of California Community Colleges, and Fair Political Practices Commission
- Attend local, regional, state, and national educational opportunities

The Superintendent/President will administer the New Trustee Orientation program.

GOVERNING BOARD

REV 9/4/17

**BP 2745 GOVERNING BOARD SELF-EVALUATION**

**References:**

**ACCJC** Accreditation Standards **IV.C.10 (formerly IV.B.1.e and g)**

The Governing Board is committed to assessing its own performance as a Board in order to identify its strengths and areas in which it may improve its functioning.

As part of its Institutional Effectiveness and Review Cycle, the Governing Board shall conduct an annual self-evaluation. The goals of the self-evaluation of the Governing Board are to clarify roles, to enhance harmony and understanding among Board members, and to improve the efficiency and effectiveness of the Board meetings. The ultimate goal is to improve District operations and policies and to demonstrate a commitment to student learning outcomes for the benefit of the students and employees of Palomar College and the citizens of the Palomar Community College District.

Each year the Governing Board shall determine the instrument or process to be used in the self-evaluation. Any evaluation instrument shall incorporate criteria contained in these Board Policies regarding Governing Board operations, as well as criteria defining Board effectiveness disseminated by recognized practitioners in the field.

If an instrument is used, all Governing Board members will be asked to complete the evaluation instrument and submit them to the Secretary to the Board.

A report describing the methodology and results of the evaluations will be presented and discussed at a Board workshop scheduled for that purpose. The results will be used to identify accomplishments in the past year and possible goals for the following year.

GOVERNING BOARD

REV 9-4-17 no proposed changes

**BP 2750 GOVERNING BOARD MEMBER ABSENCE FROM THE STATE**

**Reference:**

Government Code Section 1064

No member of the Governing Board shall be absent from the state for more than 60 days, except in any of the following situations:

- Upon business of community college district with the approval of the Governing Board.
- With the consent of the Governing Board for an additional period not to exceed a total absence of 90 days. In the case of illness or other urgent necessity, and upon a proper showing thereof, the time limited for absence from the state may be extended by the Governing Board.
- For federal military deployment, not to exceed an absence of a total of six months, as a member of the Armed Forces of the United States or the California National Guard. If the absence of a member of the Governing Board pursuant to this subdivision exceeds six months, the Board may approve an additional six-month absence upon a showing that there is a reasonable expectation that the member will return within the second six-month period, and the Board may appoint an interim member to serve in his/her absence and fill the temporary vacancy. If two or more members of the Governing Board are absent by reason of the circumstances described in this subdivision, and those absences result in the inability to establish a quorum at a regular meeting, the Board may immediately appoint one or more interim members as necessary to fill the temporary vacancies and enable the Governing Board to conduct business and discharge its responsibilities.
- The term of an interim member of the Governing Board appointed as set forth above may not extend beyond the return of the absent member, nor may it extend beyond the next regularly scheduled election for that office.

Also see AP 2110 titled Vacancies on the Governing Board

GENERAL INSTITUTION  
REV 8/28/17

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14

**BP 3225 INSTITUTIONAL EFFECTIVENESS**

**References:**

- Education Code Sections 78210 et seq., and 84754.6;
- ACCJC Accreditation Standard I.B.5 - 9

The Board is committed to developing goals that measure the ongoing condition of the District’s operational environment. The Board regularly assesses the District’s institutional effectiveness.

---

This is a new Procedure recommended by CCLC.

**Date Approved:**



## Purchase Orders - Board Report

Page No. 1  
Run Time 7:59:49 AM  
Run Date December/21/2017

<u>PO #</u>	<u>Date</u>	<u>Vendor Name</u>	<u>Category</u>	<u>Department</u>	<u>Amount</u>
Equipment and Supplies					
0000015036	12/04/17	JONES & BARTLETT LEARNING LLC DBA FISDAP	INSTR SUPPL/MATERIALS	EMERGENCY MEDICAL ED	4,150.01
0000015038	12/04/17	RAYMOND ALLYN BUSINESS SUPPLY	NONINSTR SUPPLIES/MATERIALS	TEACHING LEARNING CENTER	2,285.81
0000015047	12/05/17	CARROLL,RICHARD G	INSTR SUPPL/MATERIALS	DRAFTING TECHNOLOGY	613.75
0000015049	12/06/17	WAXIE INC	NONINSTR SUPPLIES/MATERIALS	BUILDING SERVICES	1,530.53
0000015050	12/06/17	HORIZON DISTRIBUTORS INC	SALES AND USE TAX	ATHLETICS DEPARTMENT	173.43
0000015050	12/06/17	HORIZON DISTRIBUTORS INC	MAINTENANCE, GROUNDS	ATHLETICS DEPARTMENT	2,237.80
0000015051	12/06/17	TOOLSTODAY LLC	REPAIR/MAINT NONINSTR EQUIP	CABINET & FURNITURE TECH	500.00
0000015052	12/06/17	NEW CNC ROUTER.COM INC	REPAIR/MAINT NONINSTR EQUIP	CABINET & FURNITURE TECH	754.26
0000015053	12/06/17	HIDDEN VALLEY STEEL & SCRAP INC	INSTR SUPPL/MATERIALS	WELDING	3,363.89
0000015054	12/06/17	HP INC	WARRANT RECONCILIATION	TUTORING SERVICES	204.44
0000015054	12/06/17	HP INC	EQUIP INSTR, REPL 1K - 4999	TUTORING SERVICES	742.48
0000015056	12/06/17	BLUES CREEK GUITARS INC	INSTR SUPPL/MATERIALS	CABINET & FURNITURE TECH	353.54
0000015059	12/06/17	KLINGSPOR ABRASIVES INC	INSTR SUPPL/MATERIALS	CABINET & FURNITURE TECH	2,000.00
0000015060	12/06/17	BARRAGAN, JESSE S	REPAIR/MAINT INSTR EQUIP	CABINET & FURNITURE TECH	580.82
0000015061	12/07/17	TECHNIFOLD USA INC	SHIPPING/HANDLING CHARGES	BUSINESS SERVICES DEPART	27.00
0000015061	12/07/17	TECHNIFOLD USA INC	EQ INSTR ADD 1K-4999; GUNS;CPU	BUSINESS SERVICES DEPART	862.00
0000015064	12/07/17	APPLE COMPUTER INC	EQUIP TECH NONINSTR < 5000	MATH & NAT HLTH SCI DIVD	2,049.49
0000015069	12/12/17	RAYMOND ALLYN BUSINESS SUPPLY	NONINSTR SUPPLIES/MATERIALS	COUNSELING	1,045.17
0000015072	12/12/17	DELL COMPUTER CORPORATION	HARDWARE/SOFTWARE	OFFICE,VP HUMAN RESRCSVC	2,535.05
0000015073	12/12/17	VWR SCIENTIFIC PRODUCTS	INSTR SUPPL/MATERIALS	CHEMISTRY	13,148.67
0000015074	12/12/17	SOUTHERN COUNTIES LUBRICANTS LLC	FUEL, GAS	TRADE & INDUSTRY DEPARTM	1,597.04
0000015080	12/14/17	LITTLE ARMS STUDIOS LLC	INSTR SUPPL/MATERIALS	MATH & NAT HLTH SCI DIVD	677.33
0000015080	12/14/17	LITTLE ARMS STUDIOS LLC	SOFTWARE LICENSING FEES	MATH & NAT HLTH SCI DIVD	700.00



## Purchase Orders - Board Report

Page No. 2  
Run Time 7:59:49 AM  
Run Date December/21/2017

<u>PO #</u>	<u>Date</u>	<u>Vendor Name</u>	<u>Category</u>	<u>Department</u>	<u>Amount</u>
0000015083	12/15/17	OFFICE DEPOT BUSINESS SERV	INSTR SUPPL/MATERIALS	INTERIOR DESIGN	600.00
0000015084	12/15/17	OFFICE DEPOT BUSINESS SERV	INSTR SUPPL/MATERIALS	DRAFTING TECHNOLOGY	3,000.00
0000015085	12/15/17	OFFICE DEPOT BUSINESS SERV	INSTR SUPPL/MATERIALS	NUTRITION	400.00
0000015086	12/15/17	OFFICE DEPOT BUSINESS SERV	INSTR SUPPL/MATERIALS	FASHION	300.00
0000015087	12/15/17	TEAMWORK PROMOTIONAL ADVERTISING	ADVERTISE NOT REQ BY LAW	CALWORKS/TANF	2,592.73
0000015088	12/15/17	TEAMWORK PROMOTIONAL ADVERTISING	ADVERTISE NOT REQ BY LAW	CALWORKS/TANF	3,768.37
0000015089	12/15/17	FASTENAL CO	EQUIP INSTRUCT ADDTNL > \$1,000	WELDING	685.81
0000015089	12/15/17	FASTENAL CO	NONINSTR SUPPLIES/MATERIALS	WELDING	754.23
0000015090	12/18/17	MEDICAL SHIPMENT LLC	SHIPPING/HANDLING CHARGES	NURSING EDUCATION	214.42
0000015090	12/18/17	MEDICAL SHIPMENT LLC	EQ INSTR ADD 1K-4999; GUNS;CPU	NURSING EDUCATION	29,227.19
0000015093	12/18/17	SNAP-ON INDUSTRIAL	SOFTWARE LICENSING FEES	DIESEL MECHANIC TECH T&I	11,829.81
0000015095	12/18/17	WW GRAINGER INC	INSTR SUPPL/MATERIALS	CHEMISTRY	26.18
0000015097	12/18/17	FRENCH EUROPEAN INC	INSTR SUPPL/MATERIALS	FASHION	2,500.00
0000015099	12/18/17	TERRYBERRY COMPANY	SHIPPING/HANDLING CHARGES	OFFICE,VP HUMAN RESRCSVC	87.86
0000015099	12/18/17	TERRYBERRY COMPANY	NONINSTR SUPPLIES/MATERIALS	OFFICE,VP HUMAN RESRCSVC	7,428.94
0000015111	12/19/17	PEAK TRAINING SOLUTIONS INC	INSTR SUPPL/MATERIALS	EMERGENCY MEDICAL ED	5,040.00
0000015114	12/19/17	ADVENTURE IN ADVERTISING	ADVERTISE NOT REQ BY LAW	PUBLIC AFFAIRS OFFICE	970.89
0000015129	12/20/17	B & H PHOTO-VIDEO INC	EQUIP INSTRUCT ADDTNL > \$1,000	GRAPHIC COMMUNICATION	2,820.62
0000015130	12/20/17	B & H PHOTO-VIDEO INC	EQ INSTR ADD 1K-4999; GUNS;CPU	GRAPHIC COMMUNICATION	1,073.76
0000015132	12/20/17	LIGHTWERKS	EQUIP INSTRUCT ADDTNL > \$1,000	ART	2,839.42
<i>Subtotal for Equipment and Supplies</i>					118,292.74
<b>Agreements/Services</b>					
0000015034	12/04/17	COUNTY OF SAN DIEGO	PEST CONTROL	ENVIRONMENTAL HLTH&SAFTY	271.00
0000015041	12/05/17	AZTEC SHOPS LTD	FOOD FOR MEETINGS	GEAR UP	1,588.75
0000015045	12/05/17	ACCO ENGINEERED SYSTEMS INC	BUILDING CONSTRUCTIONS	FACILITIES DEPARTMENT	7,519.00



## Purchase Orders - Board Report

Page No. 3  
Run Time 7:59:49 AM  
Run Date December/21/2017

<u>PO #</u>	<u>Date</u>	<u>Vendor Name</u>	<u>Category</u>	<u>Department</u>	<u>Amount</u>
0000015046	12/05/17	AIR POLLUTION CONTROL DISTRICT	REPAIR/MAINT BLDGS	AIR QUALITY (APCD)	2,468.00
0000015048	12/06/17	PARAGON HOSPITALITY ENTERPRISES LLC	COST OF FOOD, FOOD SERVICES	OFFICE OF VP STUDENT SVC	1,994.45
0000015055	12/06/17	TECHXTEND	SOFTWARE LICENSING FEES	BUSINESS SERVICES DEPART	120.00
0000015058	12/06/17	ENCO SYSTEMS INC	SOFTWARE LICENSING FEES	GENERAL LEDGER CONTROL	969.88
0000015058	12/06/17	ENCO SYSTEMS INC	SOFTWARE LICENSING FEES	KKSM RADIO	969.89
0000015065	12/07/17	GOVERNMENT FINANCE OFFICERS ASSOCIATION	MEMBERSHIP, EMPLOYEE	OFFICE,VP ADMINISTRATIV	500.00
0000015066	12/07/17	DATA DISPOSAL INC	INDEPENDENT CONTRACTOR	ENROLLMENT SVCS DIRECTOR	797.50
0000015067	12/11/17	APPLIED MECHANICAL SOLUTIONS INC	BUILDING CONSTRUCTIONS	FACILITIES DEPARTMENT	3,566.00
0000015075	12/12/17	VORTEX INC	BUILDING CONSTRUCTIONS	FACILITIES DEPARTMENT	1,871.50
0000015075	12/12/17	VORTEX INC	BUILDING CONSTRUCTIONS	FACILITIES DEPARTMENT	1,924.50
0000015078	12/14/17	4IMPRINT INC	PRINTING	BUSINESS SERVICES DEPART	10,000.00
0000015081	12/14/17	TABLEAU SOFTWARE INC	MAINT AGR, SOFTWARE	OFFICE OF VP STUDENT SVC	3,000.00
0000015091	12/18/17	VALLEY ROSE PROPERTIES LP	RENT/LEASE LAND/BLDGS	TRIO EDUC OPPORTUNITY CE	1,188.00
0000015092	12/18/17	ZOOLOGICAL SOCIETY OF SAN DIEGO	TRAVEL, STUDENT	GEAR UP	2,000.00
0000015094	12/18/17	COUNTY OF SAN DIEGO	PEST CONTROL	ENVIRONMENTAL HLTH&SAFTY	151.33
0000015098	12/18/17	CDW GOVERNMENT	MAINT AGR, SOFTWARE	FISCAL SERVICES DEPARTMN	33,360.00
0000015100	12/18/17	ESCONDIDO UNION SCHOOL DISTRICT	RENT/LEASE LAND/BLDGS	OFF-SITE FACILITY RENTAL	13,320.00
0000015101	12/18/17	SAN MARCOS CHAMBER OF COMMERCE	MEMBERSHIP, DISTRICT	GOVERNING BOARD	1,250.00
0000015102	12/18/17	POWAY UNIFIED SCHOOL DISTRICT	RENT/LEASE LAND/BLDGS	OFF-SITE FACILITY RENTAL	8,625.00
0000015103	12/18/17	FALLBROOK UNION HIGH SCHOOL DISTRICT	RENT/LEASE LAND/BLDGS	OFF-SITE FACILITY RENTAL	31,185.00
0000015104	12/18/17	LINK-SYSTEMS INC	SOFTWARE LICENSING FEES	OFFICE OF THE VP INSTRUCT	7,000.00
0000015105	12/18/17	PAUMA BAND OF MISSION INDIANS	RENT/LEASE LAND/BLDGS	OFF-SITE FACILITY RENTAL	1,350.00
0000015106	12/18/17	ESCONDIDO UNION HIGH SCHOOL DISTRICT	RENT/LEASE LAND/BLDGS	OFF-SITE FACILITY RENTAL	3,150.00



## Purchase Orders - Board Report

Page No. 4  
Run Time 7:59:49 AM  
Run Date December/21/2017

<u>PO #</u>	<u>Date</u>	<u>Vendor Name</u>	<u>Category</u>	<u>Department</u>	<u>Amount</u>
0000015107	12/18/17	VISTA UNIFIED SCHOOL DISTRICT	RENT/LEASE LAND/BLDGS	OFF-SITE FACILITY RENTAL	1,364.00
0000015109	12/19/17	HACU MEMBERSHIP	MEMBERSHIP, DISTRICT	GENERAL LEDGER CONTROL	5,230.00
0000015109	12/19/17	HACU MEMBERSHIP	MEMBERSHIP, DISTRICT	GOVERNING BOARD	5,230.00
0000015110	12/19/17	ALPHAGRAPHICS 554	PRINTING	INTERNATIONAL STUDENT SV	1,059.59
0000015117	12/20/17	WORKPLACE SERVICES INC	BUILDING CONSTRUCTIONS	FACILITIES DEPARTMENT	4,515.11
0000015119	12/20/17	GEM INDUSTRIAL ELECTRIC INC	BUILDING CONSTRUCTIONS	FACILITIES DEPARTMENT	24,200.00
0000015120	12/20/17	ADVANCED WEB OFFSET INC	PRINTING	PUBLIC AFFAIRS OFFICE	107,438.23
0000015126	12/20/17	FOOTHILL-DE ANZA COMMUNITY COLLEGE	INDEPENDENT CONTRACTOR	TTIP SOUTH	150,000.00
<i>Subtotal for Agreements/Services</i>					439,176.73
<b>Repairs</b>					
0000015057	12/06/17	SONY ELECTRONICS INC	REPAIR/MAINT INSTR EQUIP	MEDIA STUDIES DEPARTMENT	1,200.00
0000015068	12/11/17	MILO JOHNSON AUTOMOTIVE SERVICES INC	REPAIR/MAINT NONINSTR EQUIP	FACILITIES DEPARTMENT	7,000.00
<i>Subtotal for Repairs</i>					8,200.00
<b>Prop M - Bond Money</b>					
0000015023	11/29/17	ANNE BENGE DBA CULTURA	EQ NONIN ADD 1K-4999; GUNS;CPU	PROP M BOND	1,030.95
0000015035	12/04/17	DELL COMPUTER CORPORATION	EQ NONIN ADD 1K-4999; GUNS;CPU	PROP M BOND	9,613.97
0000015037	12/04/17	DELL COMPUTER CORPORATION	EQ NONIN ADD 1K-4999; GUNS;CPU	PROP M BOND	32,036.15
0000015039	12/04/17	TRACE3 LLC	EQUIP TECH NONINSTR 5K OR MORE	PROP M BOND	278,653.04
0000015040	12/04/17	TRACE3 LLC	EQUIP TECH NONINSTR 5K OR MORE	PROP M BOND	74,984.31
0000015042	12/05/17	SAN DIEGO GAS & ELECTRIC CO	BUILDING CONSTRUCTIONS	PROP M BOND	40,000.00
0000015043	12/05/17	LIGHTWERKS	EQ NONIN ADD 1K-4999; GUNS;CPU	PROP M BOND	2,785.13
0000015044	12/05/17	MASSON & ASSOCIATES INC	ARCHITECTURE/ENGINEER FEE	PROP M BOND	3,000.00
0000015063	12/07/17	LEVEL 10 CONSTRUCTION	BUILDING CONSTRUCTIONS	PROP M BOND	2,241.20
0000015063	12/07/17	LEVEL 10 CONSTRUCTION	BUILDING CONSTRUCTIONS	MATH & NAT HLTH SCI DIVD	22,519.60



## Purchase Orders - Board Report

Page No. 5  
Run Time 7:59:49 AM  
Run Date December/21/2017

<u>PO #</u>	<u>Date</u>	<u>Vendor Name</u>	<u>Category</u>	<u>Department</u>	<u>Amount</u>
0000015071	12/12/17	PACIFIC COMMERCIAL CONSTRUCTION INC	BUILDING CONSTRUCTIONS	PROP M BOND	298,327.19
0000015108	12/19/17	VWR SCIENTIFIC PRODUCTS	EQ INSTR ADD 1K-4999; GUNS;CPU	PROP M BOND	268,256.68
0000015115	12/19/17	PACIFIC PLUMBING SPECIALTIES INC	BUILDING CONSTRUCTIONS	PROP M BOND	1,753.74
0000015116	12/20/17	FISHER SCIENTIFIC COMPANY LLC	EQ INSTR ADD 1K-4999; GUNS;CPU	PROP M BOND	51,027.69
0000015121	12/20/17	RAINBOW MUNICIPAL WATER DISTRICT	BUILDING CONSTRUCTIONS	PROP M BOND	100,000.00
0000015123	12/20/17	HELIX ENVIRONMENTAL PLANNING INC	OTHER PERSONAL/CONSULT SVCS	PROP M BOND	452,000.00
0000015127	12/20/17	HELIX ENVIRONMENTAL PLANNING INC	OTHER PERSONAL/CONSULT SVCS	PROP M BOND	79,700.00
0000015128	12/20/17	HMC GROUP	ARCHITECTURE/ENGINEER FEE	PROP M BOND	95,825.00
<i>Subtotal for Prop M - Bond Money</i>					1,813,754.65

<i>Total PO Count:</i>	86
<i>Total PO Amount:</i>	\$2,379,424.12



**Purchase Orders \$50,000 or More  
Governing Board Report**

Page No. 1  
Run Time 8:15:56 AM  
Run Date Dec/21/2017

<u>PO #</u>	<u>Date</u>	<u>Vendor Name</u>	<u>Category</u>	<u>Department</u>	<u>Amount</u>
0000015039	12/04/17	TRACE3 LLC	EQUIP TECH NONINSTR 5K OR MORE	PROP M BOND	278,653.04
0000015040	12/04/17	TRACE3 LLC	EQUIP TECH NONINSTR 5K OR MORE	PROP M BOND	74,984.31
0000015071	12/12/17	PACIFIC COMMERCIAL CONSTRUCTION INC	BUILDING CONSTRUCTIONS	PROP M BOND	298,327.19
0000015108	12/19/17	VWR SCIENTIFIC PRODUCTS	EQ INSTR ADD 1K-4999; GUNS;CPU	PROP M BOND	268,256.68
0000015116	12/20/17	FISHER SCIENTIFIC COMPANY LLC	EQ INSTR ADD 1K-4999; GUNS;CPU	PROP M BOND	51,027.69
0000015120	12/20/17	ADVANCED WEB OFFSET INC	PRINTING	PUBLIC AFFAIRS OFFICE	107,438.23
0000015121	12/20/17	RAINBOW MUNICIPAL WATER DISTRICT	BUILDING CONSTRUCTIONS	PROP M BOND	100,000.00
0000015123	12/20/17	HELIX ENVIRONMENTAL PLANNING INC	OTHER PERSONAL/CONSULT SVCS	PROP M BOND	452,000.00
0000015126	12/20/17	FOOTHILL-DE ANZA COMMUNITY COLLEGE	INDEPENDENT CONTRACTOR	TTIP SOUTH	150,000.00
0000015127	12/20/17	HELIX ENVIRONMENTAL PLANNING INC	OTHER PERSONAL/CONSULT SVCS	PROP M BOND	79,700.00
0000015128	12/20/17	HMC GROUP	ARCHITECTURE/ENGINEER FEE	PROP M BOND	95,825.00
0000015133	12/21/17	VWR SCIENTIFIC PRODUCTS	EQ INSTR ADD 1K-4999; GUNS;CPU	PROP M BOND	331,705.32



VAVRINEK, TRINE, DAY & CO., LLP  
Certified Public Accountants

VALUE THE *difference*

Board of Trustees  
Palomar Community College District  
San Marcos, California

We have audited the financial statements of the business-type activities and the aggregate remaining fund information of the Palomar Community College District (the District) for the year ended June 30, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Findings

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 2 to the financial statements. As described in Note 2 to the financial statements, the District changed accounting policies related to reporting of funds held in trust for other postemployment benefit (OPEB) obligations by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, for the year ended June 30, 2017. We noted no transactions entered into by District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District's financial statements were:

Management's estimate of the cost of capital assets net of accumulated depreciation. Depreciation is the recognition of the use of the capital assets over time. Conditions may exist that result in assets having a longer or shorter useful life than is reflected within these statements. We evaluated the key factors and assumptions used to develop the depreciation in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the other postemployment benefit (OPEB) liability is based on the work performed by an actuary. We evaluated the key factors and assumptions used by the specialist to develop the OPEB liability in determining that it is reasonable in relation to the financial statements taken as a whole.

In addition, management's estimate of the pension liability and associated accounts is based on actuarial evidence provided by the pension plan sponsors. We evaluated the key factors and assumptions used to develop the estimates for pension liability, pension cost, and both deferred inflows and outflows of resources in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

*Disagreements With Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December 19, 2017.

*Management Consultations With Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as District's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information (RSI), which supplements the financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on other supplementary information as listed in the Table of Contents of the Annual Financial Report, which accompanies the financial statements, but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Board of Trustees and management of the District, and is not intended to be and should not be used by anyone other than these specified parties.

*Vavineck Tume Day & Co LLP*

San Diego, California  
December 19, 2017

**PALOMAR COMMUNITY COLLEGE DISTRICT**

---

**ANNUAL FINANCIAL REPORT**

---

**JUNE 30, 2017**

# PALOMAR COMMUNITY COLLEGE DISTRICT

## TABLE OF CONTENTS JUNE 30, 2017

---

### ***FINANCIAL SECTION***

Independent Auditor's Report	2
Management's Discussion and Analysis	5
Basic Financial Statements - Primary Government	
Statement of Net Position	27
Statement of Revenues, Expenses, and Changes in Net Position	28
Statement of Cash Flows	29
Fiduciary Funds	
Statement of Net Position	31
Statement of Changes in Net Position	32
Notes to Financial Statements	33

### ***REQUIRED SUPPLEMENTARY INFORMATION***

Schedule of Changes in the District's Net OPEB Liability and Related Ratios	78
Schedule of District Contributions for OPEB	79
Schedule of OPEB Investment Returns	80
Schedule of Other Postemployment Benefits (OPEB) Funding Progress	81
Schedule of the District's Proportionate Share of the Net Pension Liability	82
Schedule of District Contributions for Pensions	83
Note to Required Supplementary Information	84

### ***SUPPLEMENTARY INFORMATION***

District Organization	87
Schedule of Expenditures of Federal Awards	88
Schedule of Expenditures of State Awards	90
Schedule of Workload Measures for State General Apportionment	91
Reconciliation of <i>Education Code</i> Section 84362 (50 Percent Law) Calculation	92
Reconciliation of Annual Financial and Budget Report (CCFS-311) With Fund Financial Statements	95
Proposition 30 Education Protection Act (EPA) Expenditure Report	96
Reconciliation of Governmental Funds to the Statement of Net Position	97
Note to Supplementary Information	99

### ***INDEPENDENT AUDITOR'S REPORTS***

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	102
Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	104
Report on State Compliance	107

# PALOMAR COMMUNITY COLLEGE DISTRICT

## TABLE OF CONTENTS

JUNE 30, 2017

---

### *SCHEDULE OF FINDINGS AND QUESTIONED COSTS*

Summary of Auditor's Results	110
Financial Statement Findings and Recommendations	111
Federal Awards Findings and Questioned Costs	112
State Awards Findings and Questioned Costs	114
Summary Schedule of Prior Audit Findings	115

---

---

***FINANCIAL SECTION***

---

---



**VAVRINEK, TRINE, DAY & CO., LLP**  
Certified Public Accountants

VALUE THE *difference*

## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Palomar Community College District  
San Marcos, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the aggregate remaining fund information of Palomar Community College District (the District) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the 2016-2017 *Contracted District Audit Manual*, issued by the California Community Colleges Chancellor's Office. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate remaining fund information of the District as of June 30, 2017, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter - Change in Accounting Principles**

As discussed in Note 2 and Note 16 to the financial statements, in 2017, the District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require the Management's Discussion and Analysis on pages 5 through 26 and the other Required Supplementary Information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information listed in the Table of Contents, including the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and other supplementary information are presented for purposes of additional analysis and is not a required part of the basic financial statements.

The accompanying supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2017, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Vavinek Tume Day & Co. LLP

San Diego, California  
December 19, 2017

**Dr. Joi Blake**

Superintendent/President

**Governing Board**

Nina Deerfield

Mark R. Evilsizer

John J. Halcón, Ph.D.

Nancy Ann Hensch

Paul P. McNamara

Student Trustee:

ASG President

**Ron Ballesteros-Perez**

Assistant Superintendent/

Vice President

Finance & Administrative Services

The Management's Discussion and Analysis (MD&A) of Palomar Community College District of San Marcos, California (d/b/a Palomar College, the District, or the College) provides an overview of the District's financial activities and results of operations for the years ended June 30, 2017 and 2016. The District's administration prepared the financial statements and the related footnote disclosures along with the discussion and analysis. Since this MD&A is designed to focus on current activities, resulting change and currently known facts, it is best read in conjunction with the District's financial statements and the accompanying notes. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District's administration.

The California Community Colleges Chancellor's Office, through its Fiscal Standards and Accountability Committee, has recommended that all State community college districts follow the Business-Type Activity (BTA) model for financial statement reporting purposes. The District applied the BTA reporting model to fully comply with the recommendation. Financial statements are presented using the economic resources measurement focus and the full accrual basis of accounting. The District's financial statements are designed to resemble corporate financial models whereby all District activities are consolidated into one set of totals. The format of these financial statements incorporates Governmental Accounting Standards Board (GASB) principles and consists of three basic financial statements that focus on the District as a whole:

- Statement of Net Position
- Statement of Revenues, Expenses, and Changes in Net Position
- Statement of Cash Flows

### ***THE DISTRICT***

The California community colleges form the largest system of higher education in the nation composed of 72 districts encompassing 114 colleges serving approximately 2.1 million students per year. Community colleges supply certificate and degree programs, basic skills, and preparation for transfer to four-year institutions.

Palomar Community College District is a comprehensive single-college district and is the largest single community college district in San Diego County. The District is a political subdivision of the State of California and operates Palomar College, which has its main campus in the City of San Marcos, about 30 miles from the City of San Diego. The District also operates an education center in the City of Escondido and other outreach sites serving the northern part of the City of San Diego and communities in unincorporated portions of San Diego County, including Camp Pendleton, Fallbrook, Mt. Carmel, Ramona, and Pauma Valley. To increase educational opportunities and access to higher education, Palomar College has set in motion a plan to open two additional education centers in the under-served areas of the District. Officially known as the North Education Center (Fallbrook, CA) and the South Education Center (Rancho Bernardo, CA), both satellite campuses are expected to begin offering a variety programs and services in summer 2018.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2017

---

Rendering of South Education Center in Rancho Bernardo, CA



Rendering of North Education Center in Fallbrook, CA



Palomar Community College District is positioned to serve its communities as a leader in higher education and a responsible financial steward. Founded in 1946, the District has been an important provider of higher education and training to the 2,555 square miles of the District's service area. The District is a public, two-year community college, serving approximately 26,000 full-time and part-time students during fall and spring semesters. Approximately 30 percent of the students are enrolled full-time in credit courses, while about 63 percent are enrolled part-time in credit courses, and 7 percent are enrolled in noncredit courses. About 63 percent of our students are 24 and under, while 37 percent are 25 and older. The diversity of our students and employees creates a dynamic, exciting environment in which to work and learn. We are proud to have been designated by the U.S. Department of Education as a Hispanic-serving institution.

At Palomar, students may choose from a variety of courses and programs offered through face-to-face, distance education, or in a hybrid format that lead to associate degrees, certificates of achievement, and/or transfer to four-year institutions. The College is organized into five instructional divisions: 1) Arts, Media, Business and Computer Science; 2) Career, Technical, and Extended Education; 3) Languages and Literature; 4) Mathematics and the Natural and Health Sciences; and 5) Social and Behavioral Sciences. Within those five divisions, the College offers more than 150 Associate Degrees and certificates through programs that meet the California Education Code of Regulations, Title 5 curriculum requirements. It also provides noncredit community development and personal entitlement courses for lifelong learning. In fiscal year 2016-2017, a total of 4,086 degrees and certificates were earned by students through Palomar College.

A community-elected five-member Governing Board (the "Board") governs Palomar Community College District. Each member is elected to a four-year term. Elections for positions to the Board are held every two years, alternating between two or three available positions. The Board also seats an elected student trustee as a non-voting member. The management and policies of the District are administered by a Superintendent/President who is appointed by the Board and is responsible for the day-to-day operations of the District and supervision of the executive administrators. Currently, Dr. Joi Lin Blake serves as the Superintendent/President of the District.

The College's mission statement, consisting of the vision, mission, and values, was last revised in 2013 and adopted by the Board in January 2014. Palomar College's vision is "**Learning for Success**". The District's mission is "*to provide an engaging teaching and learning environment for students of diverse origins, experiences, needs, abilities, and goals. As a comprehensive community college, we support and encourage our students who are pursuing transfer-readiness, general education, basic skills, career and technical training, aesthetic and cultural enrichment, and lifelong education*". Palomar College is dedicated to empowering students to succeed and cultivating an appreciation of learning.

# **PALOMAR COMMUNITY COLLEGE DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2017**

---

### ***ACCREDITATION***

Palomar College is accredited through the Accrediting Commission for Community and Junior Colleges (ACCJC) and the Western Association of Schools and Colleges. The College has transfer agreements with the California State University and University of California systems, and its high-level coursework in transferable classes fully prepares students for success at four-year colleges and universities. In June 2015, the ACCJC reaffirmed Palomar College's accreditation, recognizing how well the College is achieving its stated purpose and meeting the Commission standards.

### ***BUDGETARY AND FINANCIAL INFORMATION***

The budgetary and financial accounts of the District are recorded and maintained in accordance with Title 5 of the Education Code § 70901, Title 5 § 59011 of the California Code of Regulations, and the Generally Accepted Accounting Principles (GAAP) for State and local governments as determined by the Governmental Accounting Standards Board. The District is mandated to adhere to the California Community Colleges Chancellor's Office *Budget and Accounting Manual*.

Palomar Community College District is primarily funded through the State of California based on a formula established in 2006 by Senate Bill 361. The *Basic Allocation* depends on the size of the district and the number of colleges and centers. The Basic Allocation for Palomar reflects a large district designation with over 20,000 FTES and one center with over 1,000 FTES. The *Base Revenue* is the amount of general purpose tax revenue per Full-time Equivalent Student (FTES) that the District is entitled by law. In fiscal year 2016-2017, the stipulated funding rate for credit FTES and non-credit Career Development and College Preparation (CDCP) FTES was \$5,005.74 as specified in the Principal Apportionment Reports. The non-credit FTES rate was \$3,010.09. Local revenues, such as property taxes and student enrollment fees, are applied first towards fulfilling the District's financial need before State funds are used. Local property taxes consist primarily of secured and unsecured taxes which are payable to the District in December and April of each year. The County of San Diego collects the taxes on behalf of the District. Student enrollment fees of \$46 per credit unit are collected by the District. The California Community Colleges Chancellor's Office calculates the total Base Revenue for the District, subtracts the amount of local property taxes and student enrollment fees, and the balance is paid from the State's General Fund, which is referred to as the State's apportionment. The State apportionment is subject to the appropriation of funds in the State's annual budget. Decreases in State revenues may affect the allocations made by the State Legislature to the District. The Chancellor's Office calculates the Base Revenue multiple times during the year and retroactively for each fiscal year. Each district does not know the final funding level until as late as the First Principal Apportionment (P1) following the end of the fiscal year.

The District's Annual Budget is built each year to support the District's mission and educational master plans, reflecting the shared vision of faculty, staff, students, and members of the community. The Strategic Planning Council is the College's recognized participatory governance body. In 2009, Palomar College established and formulated an Integrated Planning, Evaluation, and Resource Allocation Decision-Making Model (IPM) and a Resource Allocation Model (RAM). The IPM provides an ongoing, systematic, and cyclical process that integrates planning, evaluation, resource allocation, implementation, and re-evaluation. All fiscal and budget decisions are made with the College's core mission in mind. In fiscal year 2016-2017, the Board adopted a total budget of \$523,489,980, of which \$129,457,494 was the General Unrestricted Fund, the operating fund of the District.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2017

---

### *FACILITIES FUNDING MANAGEMENT – GENERAL OBLIGATION BONDS MEASURE M*

The District continues to grow and provide a significant return on investment for the community. In August 2003, Palomar Community College District completed the comprehensive Educational and Facilities Master Plan 2022 containing the identified needs of the District and the community: construction of new instructional and support buildings, modernization of existing buildings, infrastructure upgrades, equipping the District sites and facilities, and the development of two educational centers. In the November 2006 General Election, 57.9 percent of registered voters approved Measure M, a \$694 million educational facilities bond measure. The total proposition is funded through the sale of several series of bonds. The bonds are general obligations of the District payable solely from the proceeds of *ad valorem* property taxes levied by the San Diego County Board. The amount of the *ad valorem* taxes to repay the bonds is determined by the relationship between the assessed valuation of taxable property within the District's jurisdiction and the amount of debt service due on the bonds in any year. For fiscal year 2016-2017, the taxable property within the District's jurisdiction has an assessed valuation of \$114,754,627,719.

As a governmental unit, the District's financing activities and choices are bound by federal and State restrictions. An Independent Citizens' Oversight Committee (ICOC) reviews the expenditure of funds to ensure that Bond proceeds are expended only for projects to be conducted in completion of the Master Plan 2022.

The District has issued 100 percent of the \$694 million in General Obligation (GO) bonds that were approved by voters in 2006. In April 2017, the District issued \$139 million of General Obligation Bonds with a traditional near 30-year term at an all-in interest rate of 3.95 percent. The ability to achieve this low rate of funding was bolstered by the improved credit ratings assigned by Moody's Investors Service (Moody's) and S&P Global (S&P). Moody's upgraded the District to "Aa1" and S&P upgraded the District to "AA". This was the first time since the passage of Measure M in November 2006 that the District had achieved this high level

Prop M Bonds Issued	Moody's	S&P
April 27, 2017	Aa1	AA
April 8, 2015	Aa2	AA-
November 12, 2010	Aa2	AA-
May 2, 2007	Aa3	AA-

of credit ratings. The improved credit rating generated several benefits. First, it allowed the District to attract more demand from investors. This was evident during the sale as the aggregate bond issue had over \$4 of subscriptions from investors for every \$1 of bonds offered by the District for sale. Second, it allowed the District to market its credit strength and, combined with the increased investor demand, achieve lower interest rates that saved taxpayers approximately \$720,000.

The District's administration also made the decision to parlay its improved credit ratings and take advantage of the low interest rate environment to refinance almost \$100 million of its outstanding GO Bonds. The District was able to reduce the interest rates on the previously issued bonds from an average of almost 5.00 percent to an all-in interest rate of approximately 3.75 percent, saving District taxpayers nearly \$34.3 million in interest costs over the next 28 years as the savings translates to lower property taxes. The improved credit ratings are estimated to contribute approximately \$550,000 of this benefit. The District also structured the refinancing to preserve approximately \$7.3 million in future federal interest cost subsidies that were afforded by a program established under the Obama administration's American Recovery and Reinvestment Act of 2009. This refinancing is in addition to the one undertaken in January 2015, which saved taxpayers \$17.5 million in future property taxes.

The leadership of Palomar Community College District is proud to inform the community that its confidence has been rewarded with these results. The District intends to continue its practice of combining proactive fiscal and facilities funding management with strong strategic direction to help its students achieve their objectives in new and improved facilities made possible by Measure M.

# **PALOMAR COMMUNITY COLLEGE DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2017**

---

The Finance and Administrative Services Division is responsible for directing the District's fiscal services, administrative services, information services, and facilities operations. Management of resources with strict attention to dynamic funding, facility, technology, and staffing requirements has been the primary goal of the Division. The District maintains budgetary controls with an objective to ensure compliance with legal provisions embodied in the annual Adopted Budget approved by the Governing Board. The District also maintains an internal control structure designed to provide a reasonable, but not absolute, assurance that the assets of the District are protected from loss, theft, or misuse, and to ensure that the transactions are properly recorded to allow for the preparation of financial statements in conformity with the generally accepted accounting principles. Financial management has been strongly driven by the Board's financial policies, directives, and decisions.

### ***FINANCIAL HIGHLIGHTS FOR THE FISCAL YEAR 2016-2017***

- The 2016-2017 Budget Act focused primarily on three main areas of higher education: access, affordability, and performance. The State continued to provide increased resources for the community colleges system, including an increase of \$114 million for 2 percent growth in Full-Time Equivalent Students, an additional \$75 million of base funding to support increased operating expenses, and greater funding augmentations for various categorical programs. The District's 2016-2017 Budget was designed to fund faculty, staff, direct program expenditures and support services to serve 18,200 FTES for the State general apportionment purposes. No Cost of Living Allowance (COLA) was provided this year.
- The District reported on its CCFS-320 Apportionment Attendance Report ("recal report") 18,189 resident FTES in the fiscal year 2016-2017 as compared to 16,603 in 2015-16. The District ended the year with a strong unrestricted fund balance of 17.5 percent of expenditures. As of June 30, 2017, committed, assigned, and unassigned fund balances for the General Fund Unrestricted budget, including the Board-designated reserves for economic uncertainties, totaled \$21.8 million. The 5 percent general reserve requirement per the State Chancellor's Office has been met and exceeded.
- The District met or exceeded all federal and State mandate requirements including the 50 Percent Law and Faculty Obligation Numbers (FON).
- According to GASB statements, equity is reported as "net position" rather than "fund balance." The District's total net position, reported as a whole, decreased by \$19.1 million from the previous year.
- In April 2017, Palomar Community College District successfully sold \$139 million in General Obligation Bonds at low interest rates and commensurately refinanced prior bonds, saving taxpayers \$34.3 million in future property taxes. The District met all of its 2016-2017 repayment obligations for Proposition M General Obligation Bonds.
- The District's long-term credit rating was upgraded to "Aa1" by Moody's Investors Service and to "AA" by S&P Global. This important financial industry endorsement reflects and confirms our financial stability and sound stewardship of taxpayer resources.

# **PALOMAR COMMUNITY COLLEGE DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2017**

---

- Noteworthy, the Government Finance Officers Association of the United States and Canada (GFOA) awarded a Distinguished Budget Presentation Award to the Palomar Community College District for its fiscal year 2016-2017 Budget. The District's Annual Budget reports can be accessed at <https://www2.palomar.edu/pages/fiscalservices/annual-budgets/>.

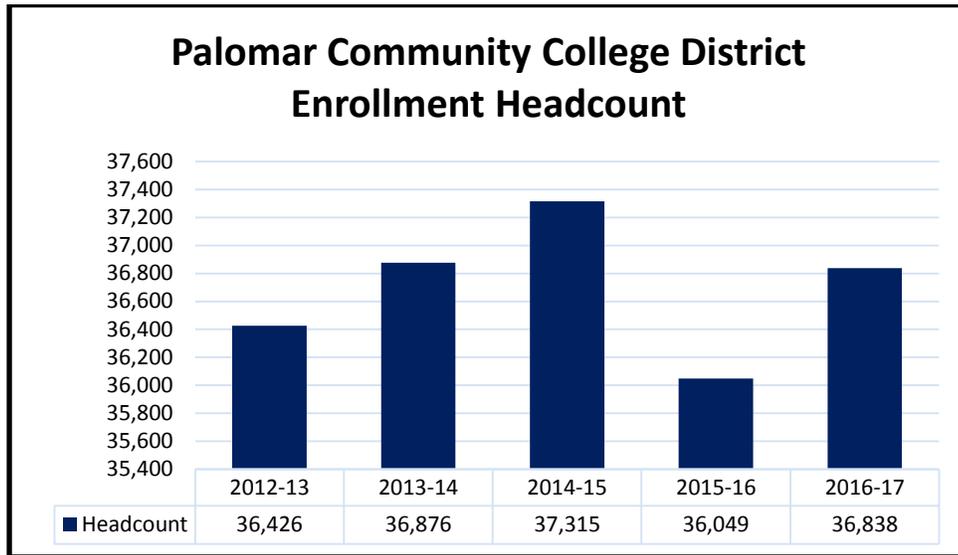
# PALOMAR COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

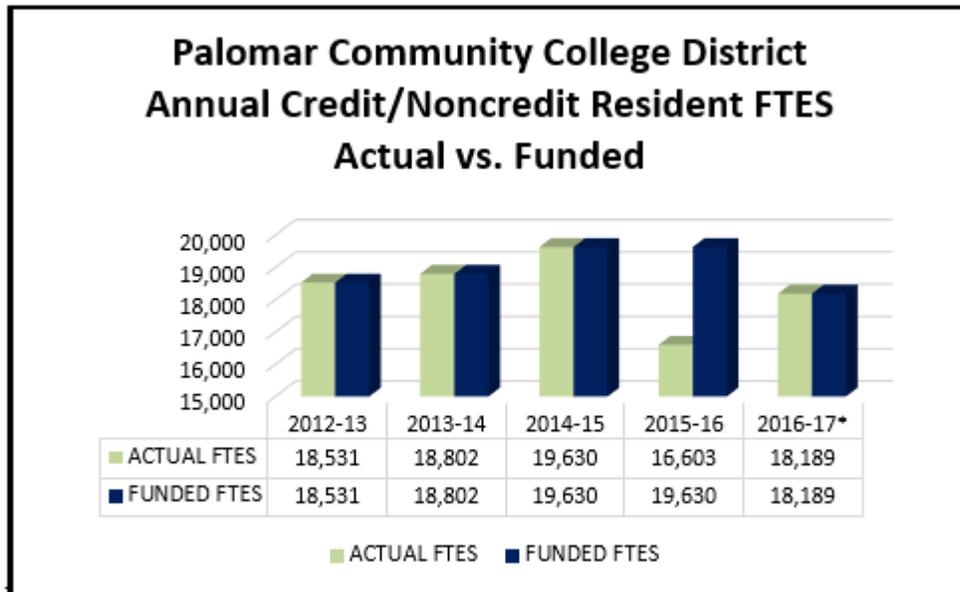
JUNE 30, 2017

### ATTENDANCE

*Student Headcount* is an unduplicated count of students. It is the actual number of individual students enrolled. Students may enroll in one or more courses in a term, but are counted only once for the term.



*Full-Time Equivalent Student (FTES)* is the primary funding workload measure for community colleges and represents 525 class (contact) hours of student instruction/activity in credit and noncredit courses, generally 15 semester credit hours.



\*Projected (Final numbers will be released by the Chancellor's Office at Recalculation, February 2018)

Palomar College entered into its first year of stabilization period in 2015-16 due to decline in FTES. SB 361 legislation provides for a "hold harmless" in the initial year of FTES decline, during which the District received no reductions to apportionment levels. Under California Regulations §58776, "Restoration" allows the District to fully restore FTES in the three years following the initial year of FTES decline and receive full funding based on the actual FTES earned.

# **PALOMAR COMMUNITY COLLEGE DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2017**

---

### ***OVERVIEW OF THE FINANCIAL STATEMENTS***

Palomar Community College District's financial statements are presented in accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, as amended by GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*. These entity-wide financial statements focus on the District as a whole, whereby all of the District's overall financial activities and results of operations are consolidated into one total rather than the traditional presentation of individual fund groups. Comparative data from the prior year is shown in a separate column on each of the statements. The financial position is presented as of June 30, 2017 and 2016 and consists of three primary statements: Statements of Net Position; Statements of Revenues, Expenses, and Changes in Net Position; and Statements of Cash Flows.

### ***STATEMENT OF NET POSITION***

The focus of the Statement of Net Position is to illustrate the financial position of the District at a point in time. The Statement of Net Position presents all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the District as a whole. It is prepared using the full accrual basis of accounting, which is similar to the accounting basis used by most private-sector organizations. The Statement of Net Position provides a snapshot of the District's overall financial condition as of June 30, 2017 and 2016.

GASB Concepts Statement No. 4 – *Elements of Financial Statements* defines deferred outflows of resources, deferred inflows of resources, and net position. Assets, deferred outflows of resources, liabilities, and deferred inflows of resources are generally measured using current values. One exception is capital assets, which are stated at historical cost less an allowance for depreciation. Deferred outflows and deferred inflows of resources are recognized through the consumption or acquisition of resources by the District that is applicable to a future reporting period.

### **Changes in Assets**

The District's assets consist of cash, investments, net accounts receivable, capital assets, and other assets. These assets are resources with present capability to enable the College to provide services and continue its operations.

Current cash and investments consist mainly of unrestricted and restricted cash invested primarily in the San Diego County investment pool. As provided for by California Education Code Section 41001, a significant portion of the District's cash balances, totaling \$515.9 million, is deposited with the County Treasurer for the purpose of increasing interest earnings through County investment activities. Interest earned on such pooled cash balances is allocated proportionately to all funds in the pool. The District's cash and investments increased from \$331.3 million to \$520.8 million primarily due to the issuance of the \$139 million Proposition M – Series D bonds in April 2017 and the aggregate increases in the restricted categorical funds.

Accounts receivables primarily represent funding owed to the District by students, by federal and State sources for grant and entitlement programs, and by local sources for all other purposes. The District provides for an allowance for uncollectible accounts as an estimation of amounts it may not receive. The total owed to the District by all sources is approximately \$13.8 million. Other current assets include prepayments to vendors for goods or services that will not be received until the following fiscal year.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2017

---

Capital assets represent the District's investment in land, site improvements, buildings, building improvements, construction in progress, and equipment, less the cost of accumulated depreciation. Capital assets are recorded at cost on the date of acquisition or fair value at the date of donation. The District's capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life of greater than one year. Renovations to buildings and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repair and maintenance are charged to operating expense in the year in which the expense was incurred. Depreciation is computed using the straight-line method over the estimated useful life of the assets, generally 50 years for buildings, 30 years for building improvements or additions, 10 years for land improvements, 8 years for equipment, 7 years for library books, and 3 years for technology equipment. Land and construction in progress are considered non-depreciable capital assets; therefore no depreciation is calculated. As of June 30, 2017, the District recorded \$488.3 million invested in capital assets, \$69.4 million in accumulated depreciation, totaling \$419.0 million recorded in net capital assets. Capital assets increased by approximately a net value of \$58.4 million from the previous year.

### Changes in Deferred Outflows of Resources

Deferred outflows of resources include amounts associated with the refunding of debt and pension contributions made during the fiscal year that are removed from expenses. The net increase of \$2.0 million from last year reflects increases in statutory rates for pension contributions and the accounting gain of the general obligation bond refunding.

### Changes in Liabilities

The District's total liabilities consist of current liabilities and long-term obligations. Current liabilities represent amounts owed to vendors for services and goods received during fiscal year 2016-2017 for which payment would not be made until fiscal year 2017-2018. Also included are accrued payroll and outstanding debt and related interest payable. Unearned revenue includes deferred enrollment fees for the 2017-2018 academic year and advances from federal, state, and local program funds received but not yet earned as of June 30, 2017. Most grant funds are earned when expended (up to the grant amount awarded). The District's current liabilities at June 30, 2017, were \$13.5 million more than at June 30, 2016.

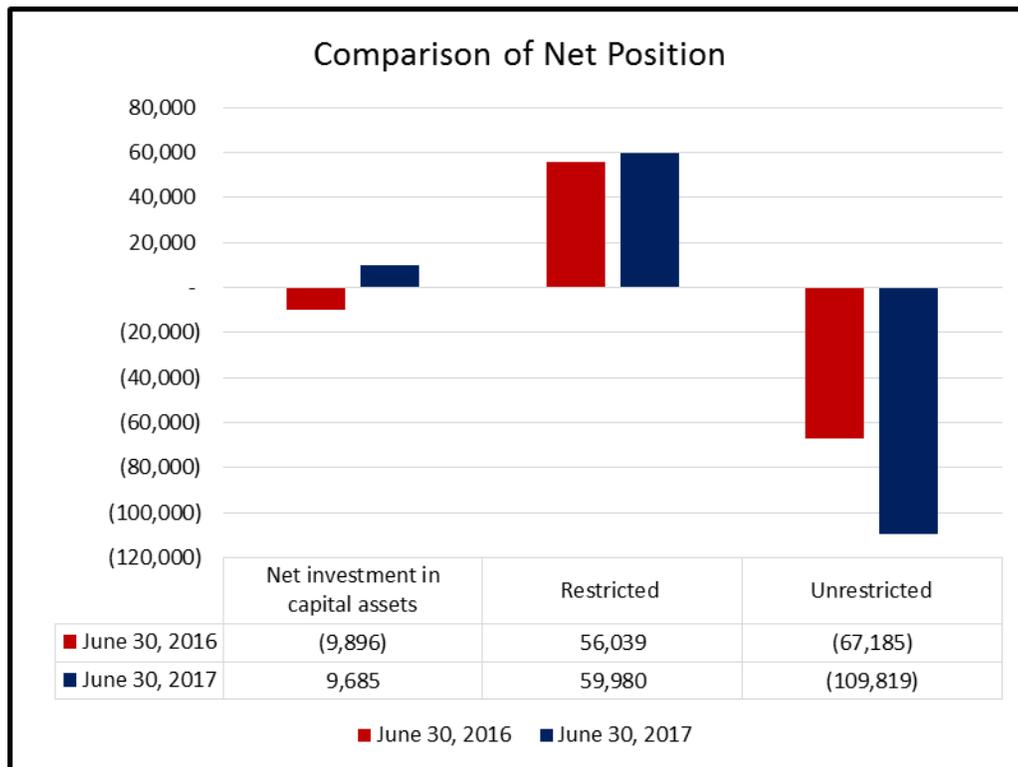
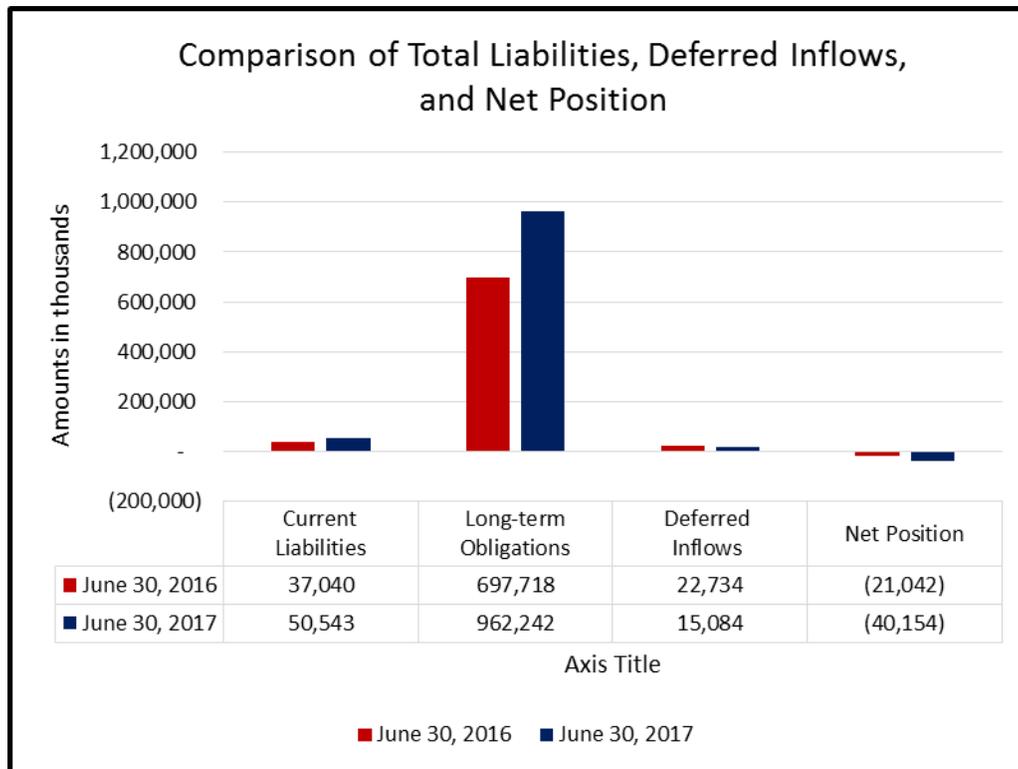
The District's long-term obligations are debt with maturities of more than one year, consisting of \$854.7 million in voter-approved general obligation and lease revenue bonds, \$109.3 in aggregate net pension liability resulting from GASB 68 - *Accounting and Financial Reporting for Pensions*; and \$12.0 million in other liabilities such as compensated absences, load banking, Public Agency Retirement Services (PARS) Supplemental Early Retirement Program (SERP) obligation, and net Other Post-Employment Benefits Obligation (OPEB) obligation. The net increase of \$265.4 million was due mainly to long-term general obligation and lease revenue bonds increasing by \$255.4 million and net pension liability increasing by \$9.5 million. The general obligation bonds are repaid through tax assessments on property located within the District boundaries and are not a direct obligation of the District's general fund. As of June 30, 2017, the District recorded \$976.0 million in long term obligations, of which \$13.7 thousand is due within one year.

### Changes in Deferred Inflows of Resources

Deferred inflows of resources represent pension costs, resulting from the difference between projected and actual earnings on pension plan investments. This amount is deferred and amortized over five years. Deferred inflows decreased by \$7.7 million.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2017**



# PALOMAR COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2017

---

### Changes in Net Position

Net position is an accounting concept defined as total assets and deferred outflows less total liabilities and deferred inflows. Changes in net position as presented on the Statement of Net Position are based on the activity presented in the Statement of Revenues, Expenses, and Changes in Net Position. Overall the District's expenditures exceeded revenues resulting in a decrease in net position of \$19.1 million, decreasing from \$(21.0) million to \$(40.2) million. The net position is categorized between net investment in capital assets, restricted net assets, and unrestricted net assets:

The Net Investment in Capital Assets represents the net amount invested in property, plant, and equipment owned by the District (capital assets less net of accumulated depreciation and outstanding capital-related debt) and deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets, or related debt. The Net Investment in Capital Assets of \$9.7 million reflects increased spending on capital assets and the impact of GASB Statements No. 63 – *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and No. 65 – *Items Previously Reported as Assets and Liabilities*. These funds are not liquid resources that can be used to fund ongoing operations.

Restricted Net Position represents funds that are constrained to a particular purpose and limited in terms of time for which the funds can be spent. It is subject to externally imposed restrictions governing their use. The Restricted Net Position of \$60.0 million consists of restricted assets less liabilities and deferred inflows of resources related to those assets. When an expense is incurred that can be paid using either restricted or unrestricted resources, the District first applies the expense toward restricted resources, and then towards unrestricted resources.

Unrestricted Net Position is defined by GASB Statements No. 34 and No. 35 as those assets that do not have external legal restrictions against them, including any amounts designated by the Governing Board. The Unrestricted Net Position of \$(109.8) million reflects the impact of GASB Statements No. 68 - *Accounting and Financial Reporting for Pensions* and No. 71 – *Pension Transition for Contributions Made Subsequent to the Measurement Date*, which require governmental agencies to report their proportional shares of net pension liabilities, resulting in a negative net position for the District. GASB 68 and 71 result in entries and adjustments regarding pension liabilities for reporting purposes only. Without these entries and adjustments, the financial picture would show that the District continues to maintain sufficient reserves and has adequate resources to meet all current obligations.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2017**

---

**STATEMENT OF NET POSITION FOR FISCAL YEARS 2017 AND 2016**

A summarized comparison of the District's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at June 30, 2017 and 2016, is presented below:

**THE DISTRICT AS A WHOLE**

**Net Position**

(Amounts in thousands)

	<u>2017</u>	<u>2016</u>	<u>Change</u>
<b>ASSETS</b>			
Current Assets			
Cash and investments	\$ 520,847	\$ 331,341	\$ 189,506
Accounts receivable (net)	13,802	12,663	1,139
Other current assets	776	478	298
Total Current Assets	<u>535,425</u>	<u>344,482</u>	<u>190,943</u>
Capital Assets (net)	<u>418,953</u>	<u>360,591</u>	<u>58,362</u>
Total Assets	<u>954,378</u>	<u>705,073</u>	<u>249,305</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred charge on refunding	9,402	10,028	(626)
Deferred outflows of resources related to pensions	23,935	21,349	2,586
Total Deferred Outflows	<u>33,337</u>	<u>31,377</u>	<u>1,960</u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts payable and accrued liabilities	25,296	19,034	6,262
Unearned revenue	11,523	5,172	6,351
Current portion of long-term debt	13,724	12,834	890
Total Current Liabilities	<u>50,543</u>	<u>37,040</u>	<u>13,503</u>
Long-Term Obligations	<u>962,242</u>	<u>697,718</u>	<u>264,524</u>
Total Liabilities	<u>1,012,785</u>	<u>734,758</u>	<u>278,027</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows of resources related to pensions	<u>15,084</u>	<u>22,734</u>	<u>(7,650)</u>
<b>NET POSITION</b>			
Net investment in capital assets	9,685	(9,896)	19,581
Restricted	59,980	56,039	3,941
Unrestricted	(109,819)	(67,185)	(42,634)
Total Net Position	<u>\$ (40,154)</u>	<u>\$ (21,042)</u>	<u>\$ (19,112)</u>

# PALOMAR COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2017

---

### *STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION*

The Statement of Revenues, Expenses, and Changes in Net Position presents the District's financial results of operations for the fiscal year. It reflects revenues and expenses recognized as of June 30, 2017 and 2016, and links the results of operations back to the Statement of Net Position by reconciling the beginning of the year net position to the end of the year net position amount.

The revenues and expenses are categorized as operating and nonoperating, and expenses are reported by natural and functional classification. Revenues decreased by \$9.1 million and expenditures increased by 14.5 million from the prior year, resulting in an overall decrease in net position by \$19.1 million.

#### **Revenues**

The two sources of operating revenues are tuition and fees and various auxiliary sales and charges. Tuition and fee revenue is reported net of discounts for tuition paid by various federal, State, and local grants, including those associated with the Title IV Higher Education Administration Program and State-mandated exemptions against tuition. Tuition and fee revenue increased by \$896 thousand in 2017 due mainly to the increase in student enrollment, the benefits of the new Payment Plan program providing students with an economical way to meet payment deadline requirements for registration, and the full year effect of an increase in non-resident tuition fee from \$211 to \$234 per unit. Auxiliary sales and charges are primarily bookstore and vending commissions.

State general apportionment, property taxes, grants and contracts, sales taxes and other revenues, and investment income, while budgeted for operations, are prescribed by GASB as nonoperating revenues. Thus, operating expenses exceed operating revenues, resulting in an operating loss of \$175.8 million.

State apportionments decreased for 2016-2017 by \$11.4 million from 2015-2016 as the District has not fully restored its pre-decline FTES base. Local property taxes increased by \$7.1 million as the taxable assessed value of properties within the District boundaries increased from \$104.7 billion in 2015-2016 to an all-time high of \$114.7 billion in 2016-2017; however, the amount received by the District for property taxes is deducted from the total apportionment amount calculated by the State for the District.

#### **Expenses**

Expenditures increased a net \$14.5 million from the prior year. The vast majority of operating expenses are for the salaries and benefits of academic, classified, and administrative personnel, comprising of \$127.4 million or 66.6 percent of the total operating expenses from a District-wide full accrual perspective. The \$15.7 million increase in salaries and benefits was primarily due to such factors as negotiated contractual increases, movement on step and column placements, reclassification of classified contract positions, replacement of vacated positions by the Supplemental Early Retirement Program (2015). Benefits increased in 2017 due to the effect of the salary increases on variable benefits, increases in health benefits rates, and increases in the District's pension contribution rates. The decrease in student financial aid of approximately \$2 million is attributable to changes to the Title IV eligibility requirements, reducing the number of students receiving grants. The \$631 thousand increase in depreciation is due to the continued completion, capitalization, and subsequent depreciation of projects primarily resulting from the District's General Obligation Bond program.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2017

---

A summarized comparison of the District's revenues, expenses, and changes in net position for the years ended June 30, 2017 and 2016, is presented below:

### Operating Results for Fiscal Years 2017 and 2016

(Amounts in thousands)

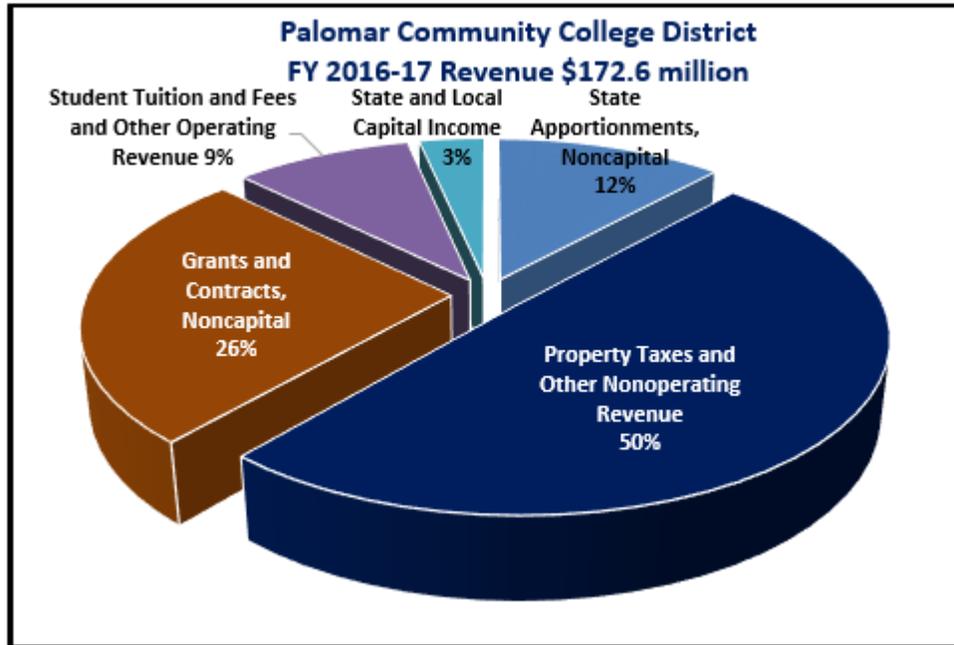
	<u>2017</u>	<u>2016</u>	<u>Change</u>
Operating Revenues			
Tuition and fees, net	\$ 15,855	\$ 14,959	\$ 896
Auxiliary sales and charges	84	112	(28)
Total Operating Revenues	<u>15,939</u>	<u>15,071</u>	<u>868</u>
Operating Expenses			
Salaries and benefits	127,366	111,639	15,727
Supplies, maintenance, and equipment	38,713	39,369	(656)
Student financial aid	18,330	20,293	(1,963)
Depreciation	7,288	6,657	631
Total Operating Expenses	<u>191,697</u>	<u>177,958</u>	<u>13,739</u>
Loss on Operations	<u>(175,758)</u>	<u>(162,887)</u>	<u>(12,871)</u>
Nonoperating Revenues (Expenses)			
State apportionments, noncapital	20,390	31,781	(11,391)
Property taxes	94,583	87,523	7,060
Grants and contracts, noncapital	44,889	45,583	(694)
State taxes and other revenues	3,836	4,953	(1,117)
Investment income	2,979	1,686	1,293
Other nonoperating revenues (expenses), net	<u>(15,881)</u>	<u>(20,480)</u>	<u>4,599</u>
Total Nonoperating Revenue (Expenses)	<u>150,796</u>	<u>151,046</u>	<u>(250)</u>
Other Revenues			
State and local capital income	5,878	15,557	(9,679)
Loss on disposal of assets	(28)	-	(28)
Total Other Revenue	<u>5,850</u>	<u>15,557</u>	<u>(9,707)</u>
Net Change in Net Position	<u>\$ (19,112)</u>	<u>\$ 3,716</u>	<u>\$ (22,828)</u>

# PALOMAR COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2017

### Revenue by Source

All revenues, both operating and non-operating, are presented in the chart below:



### Expenses by Functional Classification – All Funds

The following represents the fiscal year 2017 operating expenses by function:

	Salaries	Employee Benefits	Supplies, Material, and Other Expenses and Services	Equipment, Maintenance, and Repairs	Student Financial Aid	Depreciation	Total
Instructional activities	\$ 41,385	\$ 16,855	\$ 2,416	\$ 161	\$ -	\$ -	\$ 60,817
Academic support	14,533	6,621	5,710	205	-	-	27,069
Student services	14,001	4,793	2,384	81	82	-	21,341
Plant operations and maintenance	4,136	2,124	4,577	220	-	-	11,057
Instructional support services	10,620	7,624	6,755	77	8	-	25,084
Community services and economic development	227	79	11	4	-	-	321
Ancillary services and auxiliary operations	3,217	1,151	641	-	-	-	5,009
Student aid	-	-	7,567	7,609	18,240	-	33,416
Physical property and related acquisitions	-	-	295	-	-	-	295
Unallocated depreciation	-	-	-	-	-	7,288	7,288
<b>Total</b>	<b>\$ 88,119</b>	<b>\$ 39,247</b>	<b>\$ 30,356</b>	<b>\$ 8,357</b>	<b>\$ 18,330</b>	<b>\$ 7,288</b>	<b>\$ 191,697</b>

# PALOMAR COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2017

---

### STATEMENT OF CASH FLOWS

The Statement of Cash Flows is presented using the direct method and provides analysis related to cash inflows and outflows, summarized by operating, capital and noncapital financing, and investing activities, and illustrates the sources and uses of cash. This statement allows the reader to assess the District's ability to generate positive cash flows, meet obligations as they become due, and evaluate the need for external financing.

The Statement of Cash Flows is divided into five parts. The first part reflects operating cash flows and shows the net cash used by the operating activities of the District. Cash receipts from operating activities are from student tuition and from Federal, State, and local grants. The primary operating expense of the District is the payment of salaries and benefits to faculty, administrators, and classified staff.

The second part of the Cash Flow details cash received for nonoperating, non-investing, and noncapital financing purposes. General apportionments, property taxes, and Federal and State grants and contracts are the primary sources in noncapital financing activities.

The third part shows cash flows from capital and related financing activities. This part deals with the cash used for acquisition and construction of capital and related items.

The fourth part provides information on investing activities and the amount of interest received. Cash from investing activities consists of interest earned on cash in bank and cash invested through the San Diego County Treasury.

The last part reconciles the net cash provided by operating activities to the operating loss reflected on the Statement of Revenues, Expenses, and Changes in Net Position.

The Statement of Cash Flows for the fiscal years ended June 30, 2017 and 2016, is presented below:

(Amounts in thousands)

	2017	2016	Change
Cash Provided by (Used in)			
Operating activities	\$ (167,851)	\$ (161,273)	\$ (6,578)
Noncapital financing activities	152,042	147,133	4,909
Capital financing activities	202,336	(4,989)	207,325
Investing activities	2,979	1,686	1,293
Net Increase (Decrease) in Cash	189,506	(17,443)	206,949
Cash, Beginning of Year	331,341	348,784	(17,443)
Cash, End of Year	<u>\$ 520,847</u>	<u>\$ 331,341</u>	<u>\$ 189,506</u>

# PALOMAR COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2017

---

### *CAPITAL ASSET AND DEBT ADMINISTRATION*

#### **Capital Assets**

As of June 30, 2017, the District had in place \$419.0 million invested in net capital assets, net of accumulated depreciation of approximately \$69.4 million. The District continues to implement its long-range plan to modernize and renew its instructional and support services facilities to fulfill its mission. Construction in progress represents the ongoing expenditures of the long-term capital improvement projects related to the District's Master Plan 2022. As individual projects are completed and placed into service, they are listed as capital assets and depreciated accordingly.

The projects, listed below, were in progress during the fiscal year 2016-2017:

- Library and Learning Resource Center
- Parking Structure and Police Substation
- South Education Center
- Maintenance and Operations Building
- North Education Center
- A-Building Remodel



**PALOMAR COMMUNITY COLLEGE DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2017**

---

Note 6 to the financial statements provides additional information on capital assets. A summary of the District's investment in capital assets, net of depreciation, is presented below:

(Amounts in thousands)

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
Land and construction in progress	\$ 124,390	\$ 63,191	\$ 3,024	\$ 184,557
Buildings and improvements	278,170	4,229	-	282,399
Furniture and equipment	20,487	1,281	395	21,373
Subtotal	<u>423,047</u>	<u>68,701</u>	<u>3,419</u>	<u>488,329</u>
Accumulated depreciation	(62,456)	(7,288)	(367)	(69,377)
	<u>\$ 360,591</u>	<u>\$ 61,413</u>	<u>\$ 3,052</u>	<u>\$ 418,952</u>

**Obligations**

As of June 30, 2017, the District had \$976.0 million in debt primarily made up of general obligation and lease revenue bonds. Note 10 to the financial statements provides additional information on long-term obligations. A summary of long-term obligations is presented below:

(Amounts in thousands)

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
General obligation and lease revenue bonds	\$ 599,780	\$ 269,347	\$ 14,468	\$ 854,659
Aggregate net pension obligation	99,762	9,526	-	109,288
Other obligations	11,010	7,886	6,877	12,019
Total Long-Term Obligations	<u>\$ 710,552</u>	<u>\$ 286,759</u>	<u>\$ 21,345</u>	<u>\$ 975,966</u>
Amount due within one year				<u>\$ 13,724</u>

***DISTRICT FIDUCIARY RESPONSIBILITY***

The District is the trustee, or fiduciary, for certain amounts held on behalf of students, clubs, and donors for student loans and scholarships. The District's fiduciary activities are reported separately in the Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. Net position of fiduciary activities is excluded from the District's net position because the District cannot use fiduciary assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2017

---

### *2017-2018 BUDGET HIGHLIGHTS*

The State economy continues to improve and Community Colleges are receiving revenue increases to Apportionments and categorical programs. Governor Brown signed the California's 2017 Budget Act and related legislation on June 27, 2017. The Governor's commitment to a legacy of fiscal health continues, with the budget reflecting continued investments in public education, anti-poverty programs, and reducing state liabilities as part of the expanded government spending. The California Community Colleges Chancellor's Office reported that the 2017 Budget Act expands the Proposition 98 guarantee for 2017-2018 to \$74.5 billion, an increase of \$2.6 billion over the 2016 Budget Act level. When combined with adjustments to the fiscal years 2015-16 and 2016-2017, the 2017-2018 State Budget provides a \$587.8 million increased investments in community colleges over the three-year period. Major components of the 2017-2018 State Budget with respect to community colleges include:

- An increase of \$57.8 million Proposition 98 General Fund for a 1-percent Growth in Full-Time Equivalent Students. The District's 2017-2018 Adopted Budget does not include growth revenue. Palomar is not in a position to capture FTES growth while in Stabilization/Restoration period. In order to access Growth funds, the District's pre-decline FTES level must be fully restored.
- An increase of \$183.6 million Proposition 98 General Fund to support increased community college operating expenses in areas such as employee benefits, facilities, and other general expenses. Approximately \$2.9 million of base increase is in the District's budget.
- The State budget included a Cost-of-Living Adjustment (COLA) of 1.56 percent for apportionments.
- Additional categories of renewed funding includes Student Success, Student Equity, Proposition 39 Energy Efficiency funding, Scheduled Maintenance funding, Extended Opportunities Programs and Services, Disabled Students Programs and Services, Strong Workforce Initiatives, and CalWORKS.
- There is no change to the current enrollment fee amount of \$46 per credit unit (or \$1,380 for a full-time student taking 30 units per year). This fee has remained unchanged since 2011-2012. Community Colleges continue to offer noncredit instruction at no charge.

The most important element of the State funding is the General Apportionment allocation. Apportionment revenue is directly tied to the generation and reporting of FTES. Over the course of the year, the District revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. The 2017-2018 Adopted Budget is a balanced budget, with the District's reserves playing a key role in balancing expenditures with revenues. Revenues are budgeted at the amount certified with the Advance Principal Apportionment from the Chancellor's Office amended to the Target FTES, projected by Enrollment Services. The 2017-2018 Adopted Budget assumes class offerings to achieve 19,200 Full-Time Equivalent Students (FTES). The Governing Board approved the 2017-2018 Adopted Budget on September 12, 2017.

# **PALOMAR COMMUNITY COLLEGE DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2017**

---

### ***ECONOMIC FACTORS THAT MAY AFFECT THE FUTURE***

The financial position of the District is directly affected by the economic strength of California and local economies. The State's economy has strengthened and General Fund revenues have increased, driven primarily by increase in per capita personal income and capital gains taxes. Consequently, the State has made available additional funding for Proposition 98 priorities, to be allocated to districts based on the formula established by Senate Bill 361 for a combination of one-time and ongoing purposes.

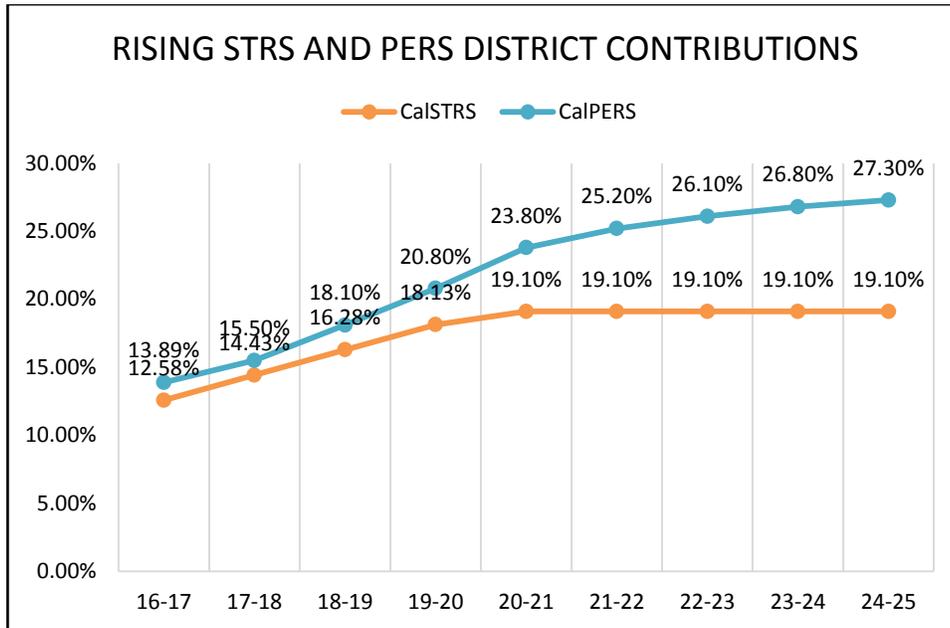
Whereas Proposition 98 sets an overall funding level, the District engages in an annual budget development process that involves all levels of the organization. While the District is in the Stabilization and Restoration period, the focus is on ensuring the acquisition of sufficient FTES to meet targeted goals. Steadfast in our mission to provide students with an engaging and supportive learning environment, particular emphasis is placed on maintaining the financial stability of the District and the annual budget is developed with this objective. The District will continue to explore innovative ideas and approaches that promote our students' success in the most cost-effective manner possible. We will continue to work towards the full restoration of FTES to our pre-decline base, achieve growth as well as long-term enrollment sustainability. Budget and financial policies, approved by the Governing Board, provide guidance for sufficient planning of resources, maintaining adequate reserve levels, and determining how efficiently and effectively we will carry out our mission.

One of the most significant budget challenges for the District is the increase in contribution rates for the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS), illustrated below. The District is also affected by costs of health benefits, which have been growing more quickly than inflation for many years. Additionally, growth in spending is also driven by increases in salary schedules that have been set through collective bargaining agreements. The District has active agreements with employee bargaining units: Palomar Faculty Federation (PFF) and Council of Classified Employees (CCE). The District recently implemented the classification/compensation study for CCE and plans to implement a classification study for its Confidential and Supervisory Team (CAST) and Administrative Association (AA).

# PALOMAR COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2017

---



The District will continue Measure M construction activities throughout the 2017-2018 fiscal year. Over the next 12 months, Measure M construction projects will include the North Education Center, the South Education Center, and the Maintenance and Operations Complex, all of which are expected to open in late spring 2018. Given the significant benefits to the environment and opportunities for long-term financial benefits, the District will continue to incorporate innovative features and sustainable design strategies into all construction programs.

Other than the items above, the District is not aware of any currently known facts, decisions, or conditions that are expected to have a significant effect on the financial position or results of operations during the fiscal year beyond those unknown variations having a global effect on virtually all types of business operations. Prudent fiscal management practices will remain in place to ensure the District has adequate reserves to sustain operations and ensure student success. Management will maintain a close watch over resources to maintain the ability to react to internal and external issues if and when they arise.

### ***CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT***

This financial report is designed to provide our citizens, taxpayers, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact Palomar Community College District, 1140 West Mission Road, San Marcos, California, 92069.

# **PALOMAR COMMUNITY COLLEGE DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2017**

---

### ***ACKNOWLEDGMENTS***

We wish to thank the members of the Governing Board for their continued guidance and support in planning and conducting the financial operations of the District in a highly responsible and progressive manner. The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire Fiscal Services staff. Appreciation is expressed to the external auditors, Vavrinek, Trine, & Day, LLP, for the contributions made in preparation and timely completion of the audit.

### ***OFFICIALS ISSUING REPORT:***

#### **Ron Ballesteros-Perez**

---

Ron Ballesteros-Perez  
Assistant Superintendent, Vice President, Finance and Administrative Services

#### **Carmen M. Coniglio**

---

Carmen M. Coniglio  
Director, Fiscal Services

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**STATEMENT OF NET POSITION - PRIMARY GOVERNMENT  
JUNE 30, 2017**

**ASSETS**

**Current Assets**

Cash and cash equivalents	\$ 4,908,150
Investments - unrestricted	150,303,549
Investments - restricted	365,635,181
Accounts receivable	9,644,718
Student loans receivable, net	4,157,471
Due from fiduciary funds	3,055
Prepaid expenses	773,168

**Total Current Assets** 535,425,292

**Noncurrent Assets**

Nondepreciable capital assets	184,557,029
Depreciable capital assets, net of depreciation	234,395,476

**Total Noncurrent Assets** 418,952,505

**TOTAL ASSETS** 954,377,797

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred charges on refunding	9,401,707
Deferred outflows of resources related to pensions	23,935,037

**Total Deferred Outflows of Resources** 33,336,744

**LIABILITIES**

**Current Liabilities**

Accounts payable	15,426,265
Accrued interest payable	9,869,325
Unearned revenue	11,523,384
General obligation payable - current portion	11,895,000
Lease revenue bond payable - current portion	560,000
PARS supplemental early retirement obligation - current portion	1,269,126

**Total Current Liabilities** 50,543,100

**Noncurrent Liabilities**

Compensated absences liability	3,156,460
Load banking	495,997
General obligation bonds	839,483,678
Lease revenue bond payable	2,720,000
PARS supplemental early retirement obligation	2,538,252
Net other postemployment benefits (OPEB) obligation	4,559,006
Aggregate net pension obligation	109,288,135

**Total Noncurrent Liabilities** 962,241,528

**TOTAL LIABILITIES** 1,012,784,628

**DEFERRED INFLOWS OF RESOURCES**

Deferred inflows of resources related to pensions	15,083,633
---	------------

**NET POSITION**

Net investment in capital assets, net of related debt	9,685,304
Restricted for:	
Debt service	34,698,515
Capital projects	18,445,273
Educational programs	6,836,497
Unrestricted	(109,819,309)

**TOTAL NET POSITION** \$ (40,153,720)

The accompanying notes are an integral part of these financial statements.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION - PRIMARY GOVERNMENT  
FOR THE YEAR ENDED JUNE 30, 2017**

---

<b>OPERATING REVENUES</b>	
Student Tuition and Fees	\$ 26,025,506
Less: Scholarship discount and allowance	<u>(10,170,232)</u>
Net tuition and fees	<u>15,855,274</u>
Other Operating Revenues	<u>83,644</u>
<b>TOTAL OPERATING REVENUES</b>	<u><u>15,938,918</u></u>
<b>OPERATING EXPENSES</b>	
Salaries	88,119,032
Employee benefits	39,246,999
Supplies, materials, and other operating expenses and services	30,355,677
Student financial aid	18,330,334
Equipment, maintenance, and repairs	8,357,242
Depreciation	<u>7,287,676</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>191,696,960</u>
<b>OPERATING LOSS</b>	<u>(175,758,042)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>	
State apportionments, noncapital	20,389,779
Local property taxes, levied for general purposes	72,280,439
Taxes levied for other specific purposes	22,302,296
Federal grants	22,353,648
State grants	22,535,502
State taxes and other revenues	3,836,882
Investment income	2,979,087
Interest expense on capital related debt	(20,241,470)
Investment expense on capital asset-related debt, net	(232,006)
Transfer from fiduciary funds	193,447
Transfer to fiduciary funds	(30,000)
Other nonoperating revenue	<u>4,428,755</u>
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<u>150,796,359</u>
<b>LOSS BEFORE OTHER REVENUES</b>	<u>(24,961,683)</u>
<b>OTHER REVENUES</b>	
State revenues, capital	2,136,405
Local revenues, capital	3,741,153
Loss on disposals of assets	<u>(27,974)</u>
<b>TOTAL OTHER REVENUES</b>	<u>5,849,584</u>
<b>CHANGE IN NET POSITION</b>	<u>(19,112,099)</u>
<b>NET POSITION, BEGINNING OF YEAR</b>	<u>(21,041,621)</u>
<b>NET POSITION, END OF YEAR</b>	<u><u>\$ (40,153,720)</u></u>

The accompanying notes are an integral part of these financial statements.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## STATEMENT OF CASH FLOWS - PRIMARY GOVERNMENT FOR THE YEAR ENDED JUNE 30, 2017

---

### CASH FLOWS FROM OPERATING ACTIVITIES

Tuition and fees	\$ 15,054,298
Auxiliary sales	83,644
Payments to or on behalf of employees	(126,889,201)
Payments to vendors for supplies and services	(37,769,398)
Payments to students for scholarships and grants	(18,330,334)
<b>Net Cash Flows From Operating Activities</b>	<b>(167,850,991)</b>

### CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

State apportionments	20,389,779
Property taxes - nondebt related	72,280,439
Grant and contracts	51,341,978
State taxes and other revenues	4,194,425
Other nonoperating	3,835,118
<b>Net Cash Flows From Noncapital Financing Activities</b>	<b>152,041,739</b>

### CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES

Purchase of capital assets	(63,130,366)
State revenue, capital projects	2,136,405
Local revenue, capital projects	3,741,153
Property taxes - related to capital debt	22,302,296
Proceeds from capital debt	269,347,010
Loss from sale of capital assets	(27,974)
Principal paid on capital debt	(14,468,073)
Interest paid on capital debt	(17,564,239)
<b>Net Cash Flows From Capital Financing Activities</b>	<b>202,336,212</b>

### CASH FLOWS FROM INVESTING ACTIVITIES

Interest received from investments	2,979,087
------------------------------------	-----------

### NET CHANGE IN CASH AND CASH EQUIVALENTS

189,506,047

### CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR

331,340,833

### CASH AND CASH EQUIVALENTS, END OF YEAR

\$ 520,846,880

The accompanying notes are an integral part of these financial statements.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## STATEMENT OF CASH FLOWS - PRIMARY GOVERNMENT, CONTINUED FOR THE YEAR ENDED JUNE 30, 2017

---

### RECONCILIATION OF NET OPERATING LOSS TO NET CASH FLOWS FROM OPERATING ACTIVITIES

Operating Loss	<u>\$ (175,758,042)</u>
Adjustments to Reconcile Operating Loss to Net Cash Flows From Operating Activities	
Depreciation expense	7,287,676
Changes in Assets, Deferred Outflows, Liabilities, and Deferred Inflows	
Receivables, net	(1,312,670)
Prepaid expenses	(310,117)
Accounts payable and accrued liabilities	1,432,718
Unearned revenue	511,694
Aggregate net pension obligation	9,526,108
Net OPEB obligation	1,993,439
PARS supplemental early retirement obligation	(1,269,126)
Load banking	(19,794)
Compensated absences	303,926
Deferred outflows of resources related to pensions	(2,586,275)
Deferred inflows of resources related to pensions	<u>(7,650,528)</u>
<b>Total Adjustments</b>	<u>7,907,051</u>
<b>Net Cash Flows From Operating Activities</b>	<u><u>\$ (167,850,991)</u></u>

### CASH AND CASH EQUIVALENTS CONSIST OF THE FOLLOWING:

Cash in banks	\$ 4,908,150
Cash in county treasury	515,938,730
<b>Total Cash and Cash Equivalents</b>	<u><u>\$ 520,846,880</u></u>

### NONCASH TRANSACTIONS

On behalf payments for benefits	<u><u>\$ 3,903,335</u></u>
---------------------------------	----------------------------

The accompanying notes are an integral part of these financial statements.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2017**

---

	<b>Retiree OPEB Trust</b>	<b>Other Trust Funds</b>
	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ -	\$ 174,199
Investments	4,476,205	1,723,165
Accounts receivable	-	9,927
Student loans receivable	-	67,810
<b>Total Assets</b>	<u>4,476,205</u>	<u>1,975,101</u>
 <b>LIABILITIES</b>		
Accounts payable	-	8,210
Due to primary government	-	3,055
Unearned revenue	-	136,757
<b>Total Liabilities</b>	<u>-</u>	<u>148,022</u>
 <b>NET POSITION</b>		
Restricted for postemployment benefits other than pensions	4,476,205	-
Unreserved	-	1,827,079
<b>Total Net Position</b>	<u>\$ 4,476,205</u>	<u>\$ 1,827,079</u>

The accompanying notes are an integral part of these financial statements.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2017**

	<b>Retiree OPEB Trust</b>	<b>Other Trust Funds</b>
<b>ADDITIONS</b>		
Local revenues	\$ 379,017	\$ 1,001,126
<b>DEDUCTIONS</b>		
Classified salaries	-	1,275
Services and operating expenditures	500	82,151
<b>Total Deductions</b>	<u>500</u>	<u>83,426</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfer from primary government	-	30,000
Transfer to primary government	-	(193,447)
Other uses	-	(699,814)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>(863,261)</u>
<b>CHANGE IN NET POSITION</b>	378,517	54,439
<b>NET POSITION, BEGINNING OF YEAR, as restated (see Note 16)</b>	<u>4,097,688</u>	<u>1,772,640</u>
<b>NET POSITION, END OF YEAR</b>	<u><u>\$ 4,476,205</u></u>	<u><u>\$ 1,827,079</u></u>

The accompanying notes are an integral part of these financial statements.

# **PALOMAR COMMUNITY COLLEGE DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2017**

---

### ***NOTE 1 - ORGANIZATION***

Palomar Community College District (the District) was established in January 1946 as a political subdivision of the State of California and is a comprehensive, public, two-year institution offering educational services to residents of the surrounding area. The District operates under a locally elected five member Board of Trustees form of government, which establishes the policies and procedures by which the District operates. The Board must approve the annual budgets for the General Fund, special revenue funds, and capital project funds, but these budgets are managed at the department level. Currently, the District operates one college and five education sites located within North San Diego County. While the District is a political subdivision of the State of California, it is legally separate and is independent of other State and local governments, and it is not a component unit of the State in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 61. The District has considered all potential component units in determining how to define the reporting entity using criteria set forth in accounting principles generally accepted in the United States of America. The basic criteria for including a component unit are (1) the economic resources held or received by the other entity are entirely or almost entirely for the direct benefit of the District, (2) the District is entitled to, or has the ability to otherwise access, a majority of the economic resources held or received by the other entity, and (3) the other entity's resources to which the District is entitled or has the ability to otherwise access are significant to the District. If any of these criteria are not met, the final criterion for including a component unit is whether the other entity is closely related to, or financially integrated with, the District. The District identified no component units. The District is classified as a Public Educational Institution under Internal Revenue Code Section 115 and is, therefore, exempt from Federal taxes.

### ***NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

#### **Retiree Health Benefit OPEB Trust**

The Palomar Community College District Retiree Health Benefit OPEB Trust (the Trust) is an irrevocable governmental trust pursuant to Section 115 of the IRC for the purpose of funding certain postemployment benefits other than pensions. The Trust is administered by the Community College League of California Retiree Health Benefits Program Joint Powers Agreement (JPA) as directed by the investment alternative choice selected by the District. The District retains the responsibility to oversee the management of the Trust, including the requirement that investments and assets held within the Trust continually adhere to the requirements of the California Government Code Section 53600.5 which specifies that the trustee's primary role is to preserve capital, to maintain investment liquidity, and to protect investment yield. As such, the District acts as the fiduciary of the Trust. The financial activity of the Trust has been discretely presented. Separate financial statements are not prepared for the Trust.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

---

### Measurement Focus, Basis of Accounting, and Financial Statement Presentation

For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities as defined by GASB Statements No. 34 and No. 35 as amended by GASB Statements No. 37, No. 38, and No. 39. This presentation provides a comprehensive entity-wide perspective of the District's assets, liabilities, activities, and cash flows and replaces the fund group perspective previously required. Fiduciary activities, with the exception of the Student Financial Aid Fund, are excluded from the basic financial statements. Accordingly, the District's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. The significant accounting policies followed by the District in preparing these financial statements are in accordance with accounting principles generally accepted in the United States of America as prescribed by GASB. Additionally, the District's policies comply with the California Community Colleges Chancellor's Office *Budget and Accounting Manual*. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All material intra-agency and intra-fund transactions have been eliminated.

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are classified as operating revenues. These transactions are recorded on the accrual basis when the exchange takes place. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, operating revenues consist primarily of student fees.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include State apportionments, property taxes, grants, entitlements, and donations. Federal and State grants received to provide direct grants to students are classified as nonoperating revenues because the District does not generally receive any direct benefit from the grants. Property tax revenue is recognized in the fiscal year in which they are received. State apportionment revenue is earned based upon criteria set forth from the Community Colleges Chancellor's Office and includes reporting of full-time equivalent students (FTES) attendance. The corresponding apportionment revenue is recognized in the period the FTES are generated.

Operating expenses are costs incurred to provide instructional services including support costs, auxiliary services, and depreciation of capital assets. All other expenses not meeting this definition are reported as nonoperating. Expenses are recorded on the accrual basis as they are incurred, when goods are received, or services are rendered.

The financial statements are presented in accordance with the reporting model as prescribed in GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, and GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*, as amended by GASB Statements No. 37, No. 38, No. 39, and No. 61. The business-type activities model followed by the District requires the following components of the District's financial statements:

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2017**

---

- Management's Discussion and Analysis
- Basic Financial Statements for the District as a whole including:
  - Statement of Net Position - Primary Government
  - Statement of Revenues, Expenses, and Changes in Net Position - Primary Government
  - Statement of Cash Flows - Primary Government
  - Financial Statements for the Fiduciary Funds including:
    - Statement of Fiduciary Net Position
    - Statement of Changes in Fiduciary Net Position
- Notes to the Financial Statements

### **Cash and Cash Equivalents**

The District's cash and cash equivalents are considered to be unrestricted cash on hand, demand deposits, and short-term unrestricted investments with original maturities of one year or less from the date of acquisition. Cash equivalents also include unrestricted cash with the County treasury for purposes of the Statement of Cash Flows. Restricted cash and cash equivalents represent balances restricted by external sources such as grants and contracts or specifically restricted for the repayment of capital debt.

### **Investments**

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, investments held at June 30, 2017, are stated at fair value. Fair value is estimated based on quoted market prices at year end. Short-term investments have an original maturity date greater than three months, but less than one year at time of purchase. Long-term investments have an original maturity of greater than one year at the time of purchase.

### **Restricted Investments**

Restricted investments arise when restrictions on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. Restricted investments also represent investments required by debt covenants to be set aside by the District for the purpose of satisfying certain requirements of the bonded debt issuance.

### **Accounts Receivable**

Accounts receivable include amounts due from the Federal, State and/or local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the District's grants and contracts. Accounts receivable also consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, and staff; the majority of each residing in the State of California. The District provides for an allowance for uncollectible accounts as an estimation of amounts that may not be received. This allowance is based upon management's estimates and analysis. The allowance was estimated at \$1,937,114 for the year ended June 30, 2017.

### **Prepaid Expenses**

Prepaid expenses represent payments made to vendors and others for services that will benefit periods beyond June 30.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

---

### Capital Assets and Depreciation

Capital assets are recorded at cost at the date of acquisition or fair value at the date of gift. The District's capitalization policy includes all items with a unit cost of \$5,000 (for equipment) and an estimated useful life of greater than one year. Buildings, renovations to buildings, and infrastructure, that cost more than \$150,000, and land improvements that cost more than \$100,000, and significantly increase the value, or extend the useful life of the structure, are capitalized. Routine repair and maintenance costs are charged to operating expenses in the year in which the expense is incurred. Depreciation of equipment and vehicles, facilities, and other physical properties is provided using the straight-line method over the estimated useful lives of the respective assets, or in the case of assets acquired under capital leases, the shorter of the lease term or useful life. Costs for construction in progress are capitalized when incurred.

The following estimated useful lives are used to compute depreciation:

Land improvements	50 years
Buildings and improvements	50 years
Machinery and equipment	5-20 years

### Debt Issuance Costs, Premiums, and Discounts

Debt premiums and discounts, as well as issuance costs related to prepaid insurance costs, are amortized over the life of the bonds using the straight-line method.

### Deferred Charge on Refunding

Deferred charge on refunding is amortized using the straight-line method over the remaining life of the new debt.

### Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position also reports deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The District reports deferred outflows of resources for deferred charges on refunding of debt and pension related items.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The District reports deferred inflows of resources for pension related items.

### Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) plan for schools (the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalSTRS and CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Member contributions are recognized in the period in which they are earned. Investments are reported at fair value.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

---

### Unearned Revenue

Unearned revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the District prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the combined balance sheet and revenue is recognized. Unearned revenue includes (1) amounts received for tuition and fees prior to the end of the fiscal year that are related to the subsequent fiscal year and (2) amounts received from Federal and State grants received before the eligibility requirements are met.

### Noncurrent Liabilities

Noncurrent liabilities include general obligation and lease revenue bonds, compensated absences, load banking, PARS supplemental early retirement, OPEB obligation, and the aggregate net pension obligation with maturities greater than one year.

### Compensated Absences

Compensated absences are accrued when earned by employees. Accumulated unpaid employee vacation benefits are recognized at year end as liabilities of the District. The District also participates in and accrues "load banking" with eligible academic employees whereby the employee may teach extra courses in one period in exchange for time off in another period. The liability for this benefit is reported on the entity-wide financial statements.

Accumulated sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expense in the period taken since such benefits do not vest nor is payment probable; however, unused sick leave is added to the creditable service period for calculation of retirement benefits for eligible employees when they retire.

### Net Position

GASB Statements No. 34 and No. 35 report equity as "Net Position" and represent the difference between assets and liabilities. The net position is classified according to imposed restrictions or availability of assets for satisfaction of District obligations according to the following net asset categories:

**Net Investment in Capital Assets:** Net position consists of capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets. To the extent debt has been incurred, but not yet expended for capital assets, such accounts are not included as a component invested in capital assets – net of related debt.

**Restricted:** Net position is reported as restricted when there are limitations imposed on their use, either through enabling legislation adopted by the District, or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2017**

---

**Unrestricted:** Net position that is not subject to externally imposed constraints. Unrestricted net position may be designated for specific purposes by action of the Board of Trustees or may otherwise be limited by contractual agreements with outside parties.

When both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first and the unrestricted resources when they are needed. The financial statements report \$59,980,285 of restricted net position.

### **State Apportionments**

Certain current year apportionments from the State are based on financial and statistical information of the previous year. Any corrections due to the recalculation of the apportionment are made in February of the subsequent year and are recorded in the District's financial records when received. When known and measurable, these recalculations and corrections are accrued in the year in which the FTES are generated.

### **Property Taxes**

Property taxes are assessed and levied by the County of San Diego on the fourth Monday of September of each year, and they become an enforceable lien on real property on January 1 of the same year. Secured taxes are payable to the District in two installments, on November 15 and March 15. Unsecured property taxes are payable in one installment on or before August 31. Tax remittances are paid net of a County administrative charge.

The District has reported property tax revenue only for taxes levied and due within the fiscal year. The District participates in the San Diego County Teeter Plan and is paid all current year taxes in the year levied. The Teeter Plan allows the County to follow the accrual method of accounting to allocate property tax revenues based on the total amount of property taxes billed, but not yet collected. A receivable has not been recognized in the basic financial statements for property taxes due to the fact that any receivable would be offset by a payable to the State for State apportionment purposes.

The voters of the District passed a General Obligation Bond in November 2006 for the acquisition, construction, and rehabilitation of facilities. As a result of the passage of the Bond, property taxes are assessed on the property within the District specifically for the repayment of the debt incurred. The taxes are assessed, billed, and collected by the San Diego County and remitted to the District.

### **Scholarships, Discounts, and Allowances**

Student tuition and fee revenue is reported net of scholarships, discounts, and allowances. Fee waivers approved by the Board of Governors are included within the scholarships, discounts, and allowances in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship discounts and allowances represent the difference between stated charges for enrollment fees and the amount that is paid by students or third parties making payments on the students' behalf.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

---

### **Federal Financial Assistance Programs**

The District participates in federally funded Pell Grants, SEOG Grants, and Federal Work-Study programs, as well as other programs funded by the Federal government. Financial aid to students is either reported as operating expenses or scholarship allowances, which reduce revenues. The amount reported as operating expense represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to students in the form of reduced tuition. These programs are audited in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

### **Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

### **Interfund Activity**

Interfund transfers and interfund receivables and payables are eliminated during the consolidation process in the Primary Government and Fiduciary Funds' financial statements, respectively.

### **Change in Accounting Principles**

In June 2015, the GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of State and local governmental OPEB plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

This Statement replaces GASB Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in GASB Statements No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, No. 43, and No. 50, *Pension Disclosures*.

The District has implemented the provisions of this Statement as of June 30, 2017.

As the result of implementing GASB Statement No. 74, the District has restated the beginning net position of the Fiduciary funds Statement of Net Position, effectively increasing the District's Fiduciary Net Position as of July 1, 2016, by \$4,097,688.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2017**

---

In August 2015, the GASB issued Statement No. 77, *Tax Abatement Disclosures*. This Statement requires governments that enter into tax abatement agreements to disclose the following information about the agreements:

- Brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients;
- The gross dollar amount of taxes abated during the period;
- Commitments made by a government, other than to abate taxes, as part of a tax abatement agreement.

The District has implemented the provisions of this Statement as of June 30, 2017.

In December 2015, the GASB issued Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. The objective of this Statement is to address a practice issue regarding the scope and applicability of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment to GASB Statement No. 27*. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to State or local governmental employers whose employees are provided with such pensions.

Prior to the issuance of this Statement, the requirements of GASB Statement No. 68 applied to the financial statements of all State and local governmental employers whose employees are provided with pensions through pension plans that are administered through trusts that meet the criteria in paragraph 4 of that Statement.

This Statement amends the scope and applicability of GASB Statement No. 68 to exclude pensions provided to employees of State or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a State or local governmental pension plan; (2) is used to provide defined benefit pensions both to employees of State or local governmental employers and to employees of employers that are not State or local governmental employers; and (3) has no predominant State or local governmental employer (either individually or collectively with other State or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above.

The District has implemented the provisions of this Statement as of June 30, 2017.

In January 2016, the GASB issued Statement No. 80, *Blending Requirements for Certain Component Units—an amendment to GASB Statement No. 14*. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of GASB Statement No. 14, *The Financial Reporting Entity*. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units—an amendment to GASB Statement No. 14*.

The District has implemented the provisions of this Statement as of June 30, 2017.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2017**

---

In March 2016, the GASB issued Statement No. 82, *Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73*. The objective of this Statement is to address certain issues that have been raised with respect to GASB Statement No. 67, *Financial Reporting for Pension Plans—an amendment to GASB Statement No. 25*, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment to GASB Statement No. 27*, and GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information; (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes; and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

The District has implemented the provisions of this Statement as of June 30, 2017, except for the requirements of this Statement for the selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017.

### **New Accounting Pronouncements**

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*. The primary objective of this Statement is to improve accounting and financial reporting by State and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by State and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

This Statement replaces the requirements of GASB Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans.

The requirements of this Statement are effective for financial statements for periods beginning after June 30, 2017. Early implementation is encouraged.

In March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2017**

---

This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period.

The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016, and should be applied retroactively. Early implementation is encouraged.

In November 2016, the GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement.

This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. This Statement requires that recognition occur when the liability is both incurred and reasonably estimable. The determination of when the liability is incurred should be based on the occurrence of external laws, regulations, contracts, or court judgments, together with the occurrence of an internal event that obligates a government to perform asset retirement activities. Laws and regulations may require governments to take specific actions to retire certain tangible capital assets at the end of the useful lives of those capital assets, such as decommissioning nuclear reactors and dismantling and removing sewage treatment plants. Other obligations to retire tangible capital assets may arise from contracts or court judgments. Internal obligating events include the occurrence of contamination, placing into operation a tangible capital asset that is required to be retired, abandoning a tangible capital asset before it is placed into operation, or acquiring a tangible capital asset that has an existing ARO.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Early implementation is encouraged.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

This Statement establishes criteria for identifying fiduciary activities of all State and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Early implementation is encouraged.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2017**

---

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). Specifically, this Statement addresses the following topics:

- Blending a component unit in circumstances in which the primary government is a business-type activity that reports in a single column for financial statement presentation;
- Reporting amounts previously reported as goodwill and "negative" goodwill;
- Classifying real estate held by insurance entities;
- Measuring certain money market investments and participating interest-earning investment contracts at amortized cost;
- Timing of the measurement of pension or OPEB liabilities and expenditures recognized in financial statements prepared using the current financial resources measurement focus;
- Recognizing on-behalf payments for pensions or OPEB in employer financial statements;
- Presenting payroll-related measures in required supplementary information for purposes of reporting by OPEB plans and employers that provide OPEB;
- Classifying employer-paid member contributions for OPEB;
- Simplifying certain aspects of the alternative measurement method for OPEB;
- Accounting and financial reporting for OPEB provided through certain multiple-employer defined benefit OPEB plans.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Early implementation is encouraged.

In May 2017, the GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Early implementation is encouraged.

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

The requirements of this Statement are effective for the reporting periods beginning after December 15, 2019. Early implementation is encouraged.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

### NOTE 3 - DEPOSITS AND INVESTMENTS

#### Policies and Practices

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations.

**Investment in San Diego County Treasury** - The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (*Education Code* Section (ECS) 41001). The fair value of the District's investment in the County of San Diego Investment pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

#### General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

---

### Authorized Under Debt Agreements

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements rather than the general provisions of the California Government Code. These provisions allow for the acquisition of investment agreements with maturities of up to 30 years.

### Summary of Deposits and Investments

Deposits and investments as of June 30, 2017, consist of the following:

Primary government	\$ 520,846,880
Fiduciary funds	6,373,569
Total Deposits and Investments	<u>\$ 527,220,449</u>

Cash on hand and in banks	\$ 5,061,379
Cash in revolving	20,970
Investments	522,138,100
Total Deposits and Investments	<u>\$ 527,220,449</u>

### Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District manages its exposure to interest rate risk by investing in the County of San Diego Investment Pool, US Treasury Bonds, and Master Trust.

### Specific Identification

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuation is provided by the following schedule that shows the distribution of the District's investment by maturity:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average to Maturity</u>
County of San Diego Investment Pool	\$ 406,789,000	417
US Treasury Bonds	109,489,535	1,090
Master Trust	4,476,205	N/A
	<u>\$ 520,754,740</u>	

# **PALOMAR COMMUNITY COLLEGE DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2017**

---

### **Credit Risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investment in the County of San Diego Investment Pool is not required to be rated. However, as of year end, the County of San Diego Investment Pool and US Treasury Bonds reflected an AAf/S1 and Aaa ratings by Standard and Poor's Rating Service, respectively. The District's investment in the Master Trust is not required to be rated, nor has it been rated.

### **Custodial Credit Risk - Deposits**

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk. However, the California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agency. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2017, the District's bank balance of \$2,230,403 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the name of the District.

### **NOTE 4 - FAIR VALUE MEASUREMENTS**

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets that the District has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 - Observable inputs, other than Level 1 prices, such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonably available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2017**

Uncategorized - Investments in the County of San Diego Investment Pool are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

The District's fair value measurements are as follows at June 30, 2017:

Investment Type	Fair Value	Fair Value Measurements Using		Uncategorized
		Level 1 Inputs	Level 3 Inputs	
County of San Diego Investment Pool	\$ 406,789,000	\$ -	\$ -	\$ 406,789,000
US Treasury Bonds	109,489,535	109,489,535	-	-
Master Trust	4,476,205	-	4,476,205	-
Total	<u>\$ 520,754,740</u>	<u>\$ 109,489,535</u>	<u>\$ 4,476,205</u>	<u>\$ 406,789,000</u>

	Level 3 Inputs
Investments at Fair Value	
Balance at July 1, 2016	\$ 4,097,688
Fees	(500)
Unrealized Gains	379,017
Balance at June 30, 2017	<u>\$ 4,476,205</u>

All assets have been valued using a market approach, with quoted market prices.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

---

### NOTE 5 - ACCOUNTS RECEIVABLE

Accounts receivable for the District consisted primarily of intergovernmental grants, entitlements, interest, and other local sources.

The accounts receivable are as follows:

	<u>Primary Government</u>	<u>Fiduciary Funds</u>
Federal Government		
Categorical aid	\$ 776,143	\$ -
State Government		
Categorical aid	2,384,555	-
Lottery	1,455,546	-
Other State sources	3,044,565	-
Local Sources		
Property taxes	278,248	-
Interest	1,129,079	9,927
Other local sources	576,582	-
Total	<u>\$ 9,644,718</u>	<u>\$ 9,927</u>
Student receivables	\$ 6,094,585	\$ 67,810
Less: Allowance for doubtful accounts	(1,937,114)	-
Total	<u>\$ 4,157,471</u>	<u>\$ 67,810</u>

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 6 - CAPITAL ASSETS**

Capital asset activity for the District for the fiscal year ended June 30, 2017, was as follows:

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
Capital Assets Not Being Depreciated				
Land	\$ 63,014,087	\$ -	\$ -	\$ 63,014,087
Construction in progress	61,297,214	63,190,630	3,023,952	121,463,892
Works of art	79,050	-	-	79,050
Total Capital Assets Not Being Depreciated	<u>124,390,351</u>	<u>63,190,630</u>	<u>3,023,952</u>	<u>184,557,029</u>
Capital Assets Being Depreciated				
Land improvements	34,655,287	2,791,415	-	37,446,702
Buildings and improvements	243,514,478	1,437,728	-	244,952,206
Furniture and equipment	20,487,316	1,280,931	394,827	21,373,420
Total Capital Assets Being Depreciated	<u>298,657,081</u>	<u>5,510,074</u>	<u>394,827</u>	<u>303,772,328</u>
Total Capital Assets	<u>423,047,432</u>	<u>68,700,704</u>	<u>3,418,779</u>	<u>488,329,357</u>
Less Accumulated Depreciation				
Land improvements	13,501,845	1,152,614	-	14,654,459
Buildings and improvements	32,177,131	4,939,117	-	37,116,248
Furniture and equipment	16,777,053	1,195,945	366,853	17,606,145
Total Accumulated Depreciation	<u>62,456,029</u>	<u>7,287,676</u>	<u>366,853</u>	<u>69,376,852</u>
Net Capital Assets	<u>\$ 360,591,403</u>	<u>\$ 61,413,028</u>	<u>\$ 3,051,926</u>	<u>\$ 418,952,505</u>

Depreciation expense for the year was \$7,287,676.

Interest expense on capital related debt for the year ended June 30, 2017, was \$22,682,459. Of this amount, \$2,440,989 was capitalized.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

---

**NOTE 7 - ACCOUNTS PAYABLE**

Accounts payable for the District consisted of the following:

	<u>Primary Government</u>	<u>Fiduciary Funds</u>
Accrued payroll	\$ 3,343,803	\$ -
Apportionment	1,311,031	-
Construction	7,993,988	-
State categoricals	22,233	-
Other	2,755,210	8,210
Total	<u>\$ 15,426,265</u>	<u>\$ 8,210</u>

**NOTE 8 - UNEARNED REVENUE**

Unearned revenue consisted of the following:

	<u>Primary Government</u>	<u>Fiduciary Funds</u>
State categorical aid	\$ 5,531,747	\$ -
Enrollment fees	5,547,964	136,757
Other local	443,673	-
Total	<u>\$ 11,523,384</u>	<u>\$ 136,757</u>

**NOTE 9 - INTERFUND TRANSACTIONS**

**Interfund Receivables and Payables (Due To/Due From)**

Interfund receivable and payable balances arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. Interfund activity within the governmental funds and fiduciary funds has been eliminated respectively in the consolidation process of the basic financial statements. Balances owing between the primary government and the fiduciary funds are not eliminated in the consolidation process. As of June 30, 2017, the fiduciary funds owed the primary government \$3,055.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2017**

**Interfund Operating Transfers**

Operating transfers between funds of the District are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use restricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Operating transfers within the funds of the District have been eliminated in the consolidation process. Transfers between the primary government and the fiduciary funds are not eliminated in the consolidation process. During the 2017 fiscal year, the amount transferred to the primary government from the fiduciary fund amounted to \$193,447, and the amount transferred to the fiduciary funds from the primary government amounted to \$30,000.

**NOTE 10 - LONG-TERM OBLIGATIONS**

**Summary**

The changes in the District's long-term obligations during the 2017 fiscal year consisted of the following:

	Balance Beginning of Year	Additions	Deductions	Balance End of Year	Due in One Year
<b>Bonds Payable</b>					
General obligation bonds	\$ 595,954,741	\$ 269,347,010	\$ 13,923,073	\$ 851,378,678	\$ 11,895,000
Lease revenue bonds	3,825,000	-	545,000	3,280,000	560,000
Total Bonds	<u>599,779,741</u>	<u>269,347,010</u>	<u>14,468,073</u>	<u>854,658,678</u>	<u>12,455,000</u>
<b>Other Obligations</b>					
Compensated absences	2,852,534	303,926	-	3,156,460	-
Load banking	515,791	-	19,794	495,997	-
PARS supplemental early retirement obligation	5,076,504	-	1,269,126	3,807,378	1,269,126
Net OPEB obligation	2,565,567	7,582,181	5,588,742	4,559,006	-
Aggregate net pension obligation	99,762,027	9,526,108	-	109,288,135	-
Total Other Obligations	<u>110,772,423</u>	<u>17,412,215</u>	<u>6,877,662</u>	<u>121,306,976</u>	<u>1,269,126</u>
<b>Total Long-Term Obligations</b>	<u>\$ 710,552,164</u>	<u>\$ 286,759,225</u>	<u>\$ 21,345,735</u>	<u>\$ 975,965,654</u>	<u>\$ 13,724,126</u>

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

---

### Description of Debt

Payments on the general obligation bonds are made by the bond interest and redemption fund with local property tax revenues. The lease revenue bonds will be paid by the other debt service fund. The compensated absences and load banking liability will be paid by the fund for which the employee worked. The pay-as-you-go portion of the net OPEB obligation will be paid by the Internal Service Fund. The PARS supplemental early retirement obligation will be paid by the unrestricted general fund. Pension expense related to the aggregate net pension obligation will be paid by the fund for which the employee works. See Note 13 for further details of the aggregate net pension obligation.

### Bonded Debt

On November 7, 2006 the voters of the District approved the issuance of \$694,000,000 general obligation bonds to be used to finance the acquisition, construction, and modernization of certain property and District facilities.

#### General Obligation Bonds, Election 2006, Series A

On April 14, 2007, the District issued General Obligation Bonds, Election 2006, Series A in the aggregate principal amount of \$160,000,000. Bonds were issued with a final maturity date of May 1, 2032, and interest rates ranging from 4.00 percent to 5.00 percent, depending on the maturity of the related bonds. Interest is payable semiannually on May 1 and November 1 of each year. The remaining outstanding principal balance of these bonds were paid during the 2016-2017 fiscal year.

#### General Obligation Bonds, Election 2006, Series B

On October 28, 2010, the District issued General Obligation Bonds, Election 2006, Series B in the aggregate principal amount of \$91,498,901. The Bonds consisted of \$1,500,000 in Current Interest Serial Bonds, \$27,883,490 in Capital Appreciation Serial Bonds, and \$62,115,411 in Convertible Capital Appreciation Term Bonds. Bonds were issued with a final maturity date of August 1, 2045, and interest rates ranging from 2.36 percent to 6.72 percent, depending on the maturity of the related bonds. Interest is payable semiannually on August 1 and February 1 of each year. During the 2016-2017 fiscal year, the District issued 2017 General Obligation Refunding (Crossover) Bonds. These bonds were issued to refund a portion of the remaining outstanding obligation of the District's General Obligation Bonds, Election 2006, Series B. Monies were placed in an escrow account in the District's name to pay a portion of the remaining balance of the bonds on the crossover date, August 1, 2020. The debt was not considered defeased, therefore, the outstanding balance remains the District's obligation until the crossover date. The outstanding principal balance of these bonds at June 30, 2017, was \$133,745,097.

# **PALOMAR COMMUNITY COLLEGE DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2017**

---

### **General Obligation Bonds, Election 2006, Series B-1**

On October 28, 2010, the District issued General Obligation Bonds, Election 2006, Series B-1 (federally taxable) in the aggregate principal amount of \$83,500,000. Bonds were issued with a final maturity date of August 1, 2045, with a current interest 7.94 percent. Interest is payable semiannually on August 1 and February 1 of each year. During the 2016-2017 fiscal year, the District issued 2017 General Obligation Refunding (Crossover) Bonds. These bonds were issued to refund the remaining outstanding obligation of the District's General Obligation Bonds, Election 2006, Series B-1. Monies were placed in an escrow account in the District's name to pay the remaining balance of the bonds on the crossover date, August 1, 2020. The debt was not considered defeased, therefore, the outstanding balance remains the District's obligation until the crossover date. The outstanding principal balance of these bonds at June 30, 2017, was \$83,500,000.

### **2015 General Obligation Refunding Bonds**

On January 13, 2015, the District issued 2015 General Obligation Refunding Bonds in the aggregate principal amount of \$115,675,000. Bonds were issued with a final maturity date of May 1, 2032, and interest rates ranging from 2.00 percent to 5.00 percent, depending on the maturity of the related bonds. The Bonds were issued to advance refund and defease a portion of the District's obligation related to the General obligation Bonds, 2006 Series A. Interest is payable semiannually on May 1 and November 1 of each year. The outstanding principal balance of these bonds at June 30, 2017, was \$114,100,000.

### **General Obligation Bonds, Election 2006, Series C**

On March 17, 2015, the District issued General Obligation Bonds, Election 2006, Series C in the aggregate principal amount of \$220,000,000. Bonds were issued with a final maturity date of August 1, 2044, and interest rates ranging from 4.00 percent to 5.00 percent, depending on the maturity of the related bonds. Interest is payable semiannually on August 1 and February 1 of each year. The outstanding principal balance of these bonds at June 30, 2017, was \$213,570,000.

### **General Obligation Bonds, Election 2006, Series D**

On March 22, 2017, the District issued General Obligation Bonds, Election 2006, Series A in the aggregate principal amount of \$139,000,000. Bonds were issued with a final maturity date of August 1, 2046, and interest rates ranging from 3.25 percent to 5.00 percent, depending on the maturity of the related bonds. Interest is payable semiannually on May 1 and November 1 of each year. The outstanding principal balance of these bonds at June 30, 2017, was \$139,000,000.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

### 2017 General Obligation Refunding (Crossover) Bonds

On April 22, 2017, the District issued 2017 General Obligation Refunding (Crossover) Bonds in the aggregate principal amount of \$101,770,000. Bonds were issued with a final maturity date of August 1, 2045, with an interest rate of 5.00 percent. Interest is paid semiannually on May 1 and November 1 of each year. These bonds were issued to refund a portion of the outstanding District's General Obligation Bonds, Election 2006, Series B and the remaining outstanding obligation of the District's General Obligation Bonds, Election 2006, Series B-1. Monies were placed in an escrow account in the District's name to pay the refunded bonds on the crossover date, August 1, 2020. The debt was not considered defeased, therefore, the outstanding balance related to the refunded bonds remains the District's obligation until the crossover date. As of June 30, 2017, the amount that remains in the escrow account to satisfy the obligations on the crossover date of August 1, 2020 was \$109,489,535.

### Debt Maturity

#### General Obligation Bonds

Series	Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds				Bonds
					Outstanding July 1, 2016	Issued	Accretion	Redeemed	Outstanding June 30, 2017
2006 A	4/17/2007	5/1/2017	4.00%-5.00%	\$ 160,000,000	\$ 4,160,000	\$ -	\$ -	\$ 4,160,000	\$ -
2006 B	10/28/2010	8/1/2045	2.36%-6.72%	91,498,901	126,205,143	-	7,969,954	430,000	133,745,097
2006 B-1	10/28/2010	8/1/2045	7.94%	83,500,000	83,500,000	-	-	-	83,500,000
2006 C	3/17/2015	8/1/2044	4.00%-5.00%	220,000,000	220,000,000	-	-	6,430,000	213,570,000
2006 D	3/22/2017	8/1/2046	3.25%-5.00%	139,000,000	-	139,000,000	-	-	139,000,000
<b>Subtotal Election 2006</b>					<b>433,865,143</b>	<b>139,000,000</b>	<b>7,969,954</b>	<b>11,020,000</b>	<b>569,815,097</b>
2015 Refunding	1/13/2015	5/1/2032	2.00%-5.00%	115,675,000	114,100,000	-	-	-	114,100,000
2017 Refunding	4/22/2017	8/1/2045	5.00%	101,770,000	-	101,770,000	-	-	101,770,000
Premium on Debt					47,989,598	20,607,056	-	2,903,073	65,693,581
<b>Total General Obligation Bonds</b>					<b>\$ 595,954,741</b>	<b>\$ 261,377,056</b>	<b>\$ 7,969,954</b>	<b>\$ 13,923,073</b>	<b>\$ 851,378,678</b>

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2017**

The General Obligation Bonds, Election 2006, Series B Bonds mature through 2046 as follows:

<u>Fiscal Year</u>	<u>Principal (Including accreted interest to date)</u>	<u>Accreted Interest</u>	<u>Current Interest to Maturity</u>	<u>Total</u>
2018	\$ 866,008	\$ 13,992	\$ -	\$ 880,000
2019	1,111,468	63,532	-	1,175,000
2020	1,421,280	153,720	-	1,575,000
2021	1,520,654	259,346	-	1,780,000
2022	2,249,610	750,390	-	3,000,000
2023-2027	12,164,345	7,165,655	6,058,020	25,388,020
2028-2032	5,686,426	6,093,574	35,199,488	46,979,488
2033-2037	31,581,910	41,448,090	54,359,638	127,389,638
2038-2042	59,401,735	47,713,265	32,482,973	139,597,973
2043-2046	17,741,661	22,373,339	4,511,588	44,626,588
Total	<u>\$ 133,745,097</u>	<u>\$ 126,034,903</u>	<u>\$ 132,611,707</u>	<u>\$ 392,391,707</u>

The General Obligation Bonds, Election 2006, Series B-1 Bonds mature through 2046 as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest to Maturity</u>	<u>Total</u>
2018	\$ -	\$ 6,006,990	\$ 6,006,990
2019	-	6,006,990	6,006,990
2020	-	6,006,990	6,006,990
2021	-	6,006,990	6,006,990
2022	-	6,006,990	6,006,990
2023-2027	-	30,034,950	30,034,950
2028-2032	-	30,034,950	30,034,950
2033-2037	-	30,034,950	30,034,950
2038-2042	-	30,034,950	30,034,950
2043-2046	83,500,000	18,128,880	101,628,880
Total	<u>\$ 83,500,000</u>	<u>\$ 168,303,630</u>	<u>\$ 251,803,630</u>

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2017**

The General Obligation Bonds, Election 2006, Series C Bonds mature through 2045 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2018	\$ 7,105,000	\$ 9,648,275	\$ 16,753,275
2019	1,060,000	9,525,800	10,585,800
2020	180,000	9,506,300	9,686,300
2021	735,000	9,488,000	10,223,000
2022	410,000	9,463,050	9,873,050
2023-2027	6,080,000	46,620,750	52,700,750
2028-2032	13,855,000	44,266,375	58,121,375
2033-2037	24,365,000	40,023,025	64,388,025
2038-2042	79,685,000	31,024,375	110,709,375
2042-2045	80,095,000	5,935,375	86,030,375
Total	\$ 213,570,000	\$ 215,501,325	\$ 429,071,325

The 2015 General Obligation Refunding Bonds mature through 2032 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2018	\$ 3,910,000	\$ 5,665,900	\$ 9,575,900
2019	4,265,000	5,509,500	9,774,500
2020	4,715,000	5,296,250	10,011,250
2021	5,170,000	5,060,500	10,230,500
2022	5,650,000	4,802,000	10,452,000
2023-2027	36,615,000	19,232,250	55,847,250
2028-2032	53,775,000	8,458,750	62,233,750
Total	\$ 114,100,000	\$ 54,025,150	\$ 168,125,150

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2017**

The General Obligation Bonds, Election 2006, Series D Bonds mature through 2047 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2018	\$ -	\$ 1,627,316	\$ 1,627,316
2019	2,900,000	6,232,275	9,132,275
2020	2,065,000	6,116,275	8,181,275
2021	-	6,033,675	6,033,675
2022	-	6,033,675	6,033,675
2023-2027	4,170,000	29,871,875	34,041,875
2028-2032	11,220,000	28,154,875	39,374,875
2033-2037	3,225,000	25,675,875	28,900,875
2038-2042	-	25,514,625	25,514,625
2042-2047	115,420,000	23,035,313	138,455,313
Total	\$ 139,000,000	\$ 158,295,779	\$ 297,295,779

The 2017 General Obligation Refunding (Crossover) Bonds mature through 2046 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2018	\$ -	\$ 1,158,707	\$ 1,158,707
2019	-	4,437,600	4,437,600
2020	-	4,437,600	4,437,600
2021	-	4,437,600	4,437,600
2022	-	4,437,600	4,437,600
2023-2027	-	22,188,000	22,188,000
2028-2032	-	22,188,000	22,188,000
2033-2037	36,680,000	18,397,750	55,077,750
2038-2042	-	13,018,000	13,018,000
2043-2046	65,090,000	8,157,000	73,247,000
Total	\$ 101,770,000	\$ 102,857,857	\$ 204,627,857

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

---

### Lease Revenue Bonds 2001 Series

The District issued Lease Revenue Bonds Series 2001 on July 18, 2001, in the amount of \$3,095,000 to be used to remodel and expand the Student Center. Interest rates on the bonds range from 5.0 percent to 5.625 percent depending on the maturity of the related bonds. The bonds will mature on April 1, 2031. The source of revenue to pay off the debt will come from the Student Center Fee Fund. Future principal and interest payments are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest to Maturity</u>	<u>Total</u>
2018	\$ 100,000	\$ 104,850	\$ 204,850
2019	105,000	99,850	204,850
2020	110,000	94,600	204,600
2021	115,000	89,100	204,100
2022	120,000	83,350	203,350
2023-2027	720,000	306,219	1,026,219
2028-2031	720,000	94,812	814,812
Total	<u>\$ 1,990,000</u>	<u>\$ 872,781</u>	<u>\$ 2,862,781</u>

### Lease Revenue Bonds 2010B Series

The District issued Lease Revenue Refunding Bonds, Series 2010B in the amount of \$3,780,000 on September 16, 2010. The proceeds were used to refund the District's Certificates of Participation (COPs). The principal amount paid was \$4,320,000 with the remaining proceeds deposited in an escrow account for future repayments. The refunding was considered an in-substance defeasance and, therefore, amounts held in escrow are not reported as District assets. Interest rates on the bonds range from 3.0 percent to 4.0 percent for the length of issuance. The bonds will mature on October 1, 2019. The source of revenue to pay off the debt will come from the General Fund. Future principal and interest payments are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest to Maturity</u>	<u>Total</u>
2018	\$ 460,000	\$ 31,800	\$ 491,800
2019	475,000	17,775	492,775
2020	355,000	5,325	360,325
Total	<u>\$ 1,290,000</u>	<u>\$ 54,900</u>	<u>\$ 1,344,900</u>

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

---

### PARS Supplemental Early Retirement Obligation

In June 2015, the District has entered into a PARS Supplemental Early Retirement Plan for employees retiring as of June 30, 2015, and met certain eligibility requirements. The District will pay the liability over five year periods per the agreement as follows:

<u>Fiscal Year</u>	<u>Payment</u>
2018	\$ 1,269,126
2019	1,269,126
2020	1,269,126
Total	<u>\$ 3,807,378</u>

### Compensated Absences

The compensated absences liability outstanding at June 30, 2017, was \$3,156,460.

### Load Banking

The load banking liability outstanding at June 30, 2017, was \$495,997.

### Other Postemployment Benefits Obligation

The District's annual required contribution for the year ended June 30, 2017, was \$7,866,793, and contributions made by the District during the year were \$5,588,742. Interest on the net OPEB obligation, adjustments to the annual required contribution, and the change in value of the irrevocable trust was \$148,803, \$(54,898), and \$(378,517), respectively, which resulted in an increase to the net OPEB obligation of \$1,993,439. As of June 30, 2017, the net OPEB obligation was \$4,559,006. See Note 11 for additional information regarding the OPEB obligation and the postemployment benefits plan.

### Aggregate Net Pension Obligation

The aggregate net pension obligation outstanding at June 30, 2017, was \$109,288,135. See Note 13 for additional information regarding the aggregate net pension obligation.

### ***NOTE 11 - POSTEMPLOYMENT HEALTH CARE PLAN AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) OBLIGATION***

The District provides postemployment health care benefits for retired employees in accordance with negotiated contracts with the various bargaining units of the District.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

---

### Plan Description

*Plan administration.* The Palomar Community College District Board of Trustees administers the Postemployment Benefits Plan (the Plan) — a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for the District.

Management of the Plan is vested in the Community College League of California Retiree Health Benefits Program Joint Powers Agreement (JPA), which consists of representatives from twelve community college districts within California.

*Plan membership.* At June 30, 2017, Plan membership consisted of the following:

Inactive Plan members or beneficiaries currently receiving benefit payments	512
Active Plan members	672
	<u>1,184</u>

*Benefits provided.* The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Benefits are provided through a third-party insurer, and the full cost of benefits is covered by the Plan to age 65. The District's Governing Board has the authority to establish and amend the benefit terms as contained within the negotiated labor agreements.

*Contributions.* The contribution requirements of Plan members and the District are established and may be amended by the District and the Teachers Association (CEA), the local California Service Employees Association (CSEA), and unrepresented groups. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits. For fiscal year 2016-2017, the District contributed \$5,588,742 to the Plan, all of which was used for current premiums. Plan members are not required to contribute to the Plan.

### Investments

*Investment policy.* The Plan's policy in regard to the allocation of invested assets is established and may be amended by the District's Governing Board by a majority vote of its members. It is the policy of the JPA to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2017:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic equity	50%
Fixed income	50%
Total	<u>100%</u>

*Rate of return.* For the year ended June 30, 2017, the annual money-weighted rate of return on investments, net of investment expense, was 9.20 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2017**

---

**Net OPEB of the District**

The component of the net OPEB liability of the District as June 30, 2017, was as follows:

Total Actuarial Accrued OPEB liability	\$ 98,880,070
Plan fiduciary net position	4,476,205
District's net OPEB liability	<u>\$ 94,403,865</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>5%</u>

*Actuarial assumptions.* The total OPEB liability was determined by an actuarial valuation as of July 1, 2016, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75 percent
Salary increases	2.75 percent, average, including inflation
Investment rate of return	5.80 percent, net of OPEB plan investment expense, including inflation
Health care cost trend rates	4.00 percent

The actuarial assumptions used in the July 1, 2016, valuation were based on the results of an actuarial experience study for the period July 1, 2014 – April 30, 2016.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2017, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	2.0%
Fixed income	4.3%

*Discount rate.* The discount rate used to measure the total OPEB liability was 5.80 percent. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2017**

---

*Sensitivity of the net OPEB liability to changes in the discount and health care trend rates.* The net OPEB liability of the District is based on the actuarial report that relies on estimates and assumptions that affect the amounts reported. Particularly, changes in the discount and health care cost trend rates used can have a significant impact on the resulting actuarially determined OPEB liability. Actual results may differ from these estimates and assumptions.

The above noted actuarial accrued liability was based on the July 1, 2016 actuarial valuation. Actuarial valuation of an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend. Amounts determined regarding the funded status of the Plan and the annual required contribution of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Other Postemployment Benefits Funding Progress, presented as required supplementary information, follows the notes to the financial statements and presents multi-year trend information about whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

### ***NOTE 12 - RISK MANAGEMENT***

#### **Property and Liability Insurance Coverages**

The District is exposed to various risks of loss related to torts and liability; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. The District obtains coverage for these risks as a member of various joint powers authorities or through the purchase of coverage from a risk retention group. The District uses Schools Association for Excess Risk (SAFER) for excess property limits of \$250,000,000 per occurrence, with no aggregate and a \$5,000 member retained limit. Then, their excess liability has the first \$1,000,000 worth of coverage through the Statewide Association of Community Colleges (SWACC) and \$25,000,000 excess coverage of \$1,000,000 is in SAFER with a \$50,000 Member Retained Limit.

#### **Joint Powers Authority Risk Pools**

During fiscal year ending June 30, 2017, the District contracted with SWACC Joint Powers Authority (JPA) for property and liability insurance coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2017**

**Workers' Compensation**

For fiscal year 2016-2017, the District participated in the Protected Insurance Programs for Schools (PIPS) JPA, an insurance purchasing pool. The intent of the JPA is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the JPA. The workers' compensation experience of the participating districts is calculated as one experience, and a common premium rate is applied to all districts in the JPA. Each participant pays its workers' compensation premium based on its individual rate. Total savings are then calculated, and each participant's individual performance is compared to the overall saving. A participant will then either receive money from or be required to contribute to the "equity-pooling fund." This "equity pooling" arrangement ensures that each participant shares equally in the overall performance of the JPA. Participation in the JPA is limited to K-12 and community college districts that can meet the JPA's selection criteria.

<u>Insurance Program / Company Name</u>	<u>Type of Coverage</u>	<u>Limits</u>
Protected Insurance Program for Schools (PIPS)	Workers' Compensation	\$ 150,000,000
Schools Association For Excess Risk (SAFER)	Excess Workers' Compensation	25,000,000
Statewide Association of Community Colleges (SWACC)	Property and Liability	250,000,000

**NOTE 13 - EMPLOYEE RETIREMENT SYSTEMS**

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Academic employees are members of CalSTRS and classified employees are members of CalPERS.

For the fiscal year ended June 30, 2017, the District reported the net pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources for each of the above plans as follows:

<u>Pension Plan</u>	<u>Collective Net Pension Liability</u>	<u>Collective Deferred Outflows of Resources</u>	<u>Collective Deferred Inflows of Resources</u>	<u>Collective Pension Expense</u>
CalSTRS	\$ 65,416,466	\$ 11,216,670	\$ 8,341,391	\$ 5,416,457
CalPERS	43,871,669	12,718,367	6,742,242	3,566,910
Total	<u>\$ 109,288,135</u>	<u>\$ 23,935,037</u>	<u>\$ 15,083,633</u>	<u>\$ 8,983,367</u>

The details of each plan are as follows:

**California State Teachers' Retirement System (CalSTRS)**

**Plan Description**

The District contributes to the State Teachers' Retirement Plan (STRP) administered by CalSTRS. STRP is a cost-sharing multiple-employer public employee retirement system defined benefit pension plan. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2017**

---

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2015, annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publically available reports that can be found on the CalSTRS website under Publications at: <http://www.calstrs.com/member-publications>.

### Benefits Provided

The STRP provides retirement, disability, and survivor benefits to beneficiaries. Benefits are based on members' final compensation, age, and years of service credit. Members hired on or before December 31, 2012, with five years of credited service are eligible for the normal retirement benefit at age 60. Members hired on or after January 1, 2013, with five years of credited service are eligible for the normal retirement benefit at age 62. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service.

The STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program, and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the State is the sponsor of the STRP and obligor of the trust. In addition, the State is both an employer and nonemployer contributing entity to the STRP.

The District contributes exclusively to the STRP Defined Benefit Program, thus disclosures are not included for the other plans.

The STRP provisions and benefits in effect at June 30, 2017, are summarized as follows:

	STRP Defined Benefit Program	
	On or before December 31, 2012	On or after January 1, 2013
Hire date	On or before December 31, 2012	On or after January 1, 2013
Benefit formula	2% at 60	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	60	62
Monthly benefits as a percentage of eligible compensation	2.0% - 2.4%	2.0% - 2.4%
Required employee contribution rate	10.25%	9.205%
Required employer contribution rate	12.58%	12.58%
Required State contribution rate	8.828%	8.828%

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

---

### Contributions

Required member, District, and State of California contribution rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contribution rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with AB 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1 percent of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2017, are presented above, and the District's total contributions were \$5,691,588.

### Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2017, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

Total net pension liability, including State share:

District's proportionate share of net pension liability	\$ 65,416,466
State's proportionate share of net pension liability associated with the District	37,240,427
Total	<u>\$ 102,656,893</u>

The net pension liability was measured as of June 30, 2016. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating college districts and the State, actuarially determined. The District's proportionate share for the measurement periods of June 30, 2016 and June 30, 2015, was 0.0809 percent and 0.0915 percent, respectively, resulting in a net decrease in the proportionate share of 0.0106 percent.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2017**

For the year ended June 30, 2017, the District recognized pension expense of \$5,416,457. In addition, the District recognized pension expense and revenue of \$3,599,679 for support provided by the State. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 5,691,588	\$ -
Net change in proportionate share of net pension liability	324,505	6,745,631
Differences between projected and actual earnings on the pension plan investments	5,200,577	-
Differences between expected and actual experience in the measurement of the total pension liability	-	1,595,760
Total	<u>\$ 11,216,670</u>	<u>\$ 8,341,391</u>

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The deferred outflows/(inflows) of resources related to the difference between projected and actual earning on pension plan investments will be amortized over a closed five-year period and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2018	\$ 113,459
2019	113,459
2020	3,023,114
2021	1,950,545
Total	<u>\$ 5,200,577</u>

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2017**

---

The deferred outflows/(inflows) of resources related to the net change in proportionate share of net pension liability and differences between expected and actual experience in the measurement of the total pension liability will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is seven years and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2018	\$ (1,350,606)
2019	(1,350,606)
2020	(1,350,606)
2021	(1,350,606)
2022	(1,350,605)
Thereafter	(1,263,857)
Total	<u>\$ (8,016,886)</u>

### Actuarial Methods and Assumptions

Total pension liability for STRP was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2015, and rolling forward the total pension liability to June 30, 2016. The financial reporting actuarial valuation as of June 30, 2015, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2015
Measurement date	June 30, 2016
Experience study	July 1, 2006 through June 30, 2010
Actuarial cost method	Entry age normal
Discount rate	7.60%
Investment rate of return	7.60%
Consumer price inflation	3.00%
Wage growth	3.75%

CalSTRS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are based on RP2000 series tables adjusted to fit CalSTRS experience.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2017**

---

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. The best estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant. Based on the model for CalSTRS consulting actuary's investment practice, a best estimate range was determined by assuming the portfolio is re-balanced annually and that the annual returns are lognormally distributed and independent from year to year to develop expected percentiles for the long-term distribution of annualized returns. The assumed asset allocation is based on the Teachers' Retirement Board of the California State Teachers' Retirement System (board) policy for target asset allocation in effect on February 2, 2012, the date the current experience study was approved by the board. Best estimates of 10-year geometric real rates of return and the assumed asset allocation for each major asset class used as input to develop the actuarial investment rate of return are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Global equity	47%	6.30%
Fixed income	12%	0.30%
Real estate	13%	5.20%
Private equity	13%	9.30%
Absolute Return/Risk Mitigating Strategies	9%	2.90%
Inflation sensitive	4%	3.80%
Cash/liquidity	2%	-1.00%

### Discount Rate

The discount rate used to measure the total pension liability was 7.60 percent. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.60 percent) and assuming that contributions, benefit payments, and administrative expense occurred midyear. Based on these assumptions, the STRP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2017**

---

The following presents the District's proportionate share of the net pension liability calculated using the current discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

<u>Discount Rate</u>	<u>Net Pension Liability</u>
1% decrease (6.60%)	\$ 94,149,048
Current discount rate (7.60%)	65,416,466
1% increase (8.60%)	41,552,854

### **California Public Employees' Retirement System (CalPERS)**

#### **Plan Description**

Qualified employees are eligible to participate in the School Employer Pool (SEP) under CalPERS, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2015, annual actuarial valuation report, Schools Pool Actuarial Valuation. This report and CalPERS audited financial information are publically available reports that can be found on the CalPERS website under Forms and Publications at:  
<https://www.calpers.ca.gov/page/forms-publications>.

#### **Benefits Provided**

CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members who must be public employees and beneficiaries. Benefits are based on years of service credit, a benefit factor, and the member's final compensation. Members hired on or before December 31, 2012, with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. Members hired on or after January 1, 2013, with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The Basic Death Benefit is paid to any member's beneficiary if the member dies while actively employed. An employee's eligible survivor may receive the 1957 Survivor Benefit if the member dies while actively employed, is at least age 50 (or age 52 for members hired on or after January 1, 2013), and has at least five years of credited service. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

---

The CalPERS provisions and benefits in effect at June 30, 2017, are summarized as follows:

	School Employer Pool (CalPERS)	
	On or before December 31, 2012	On or after January 1, 2013
Hire date		
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	55	62
Monthly benefits as a percentage of eligible compensation	1.1% - 2.5%	1.0% - 2.5%
Required employee contribution rate	7.00%	6.00%
Required employer contribution rate	13.888%	13.888%

### Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. Total plan contributions are calculated through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contribution rates are expressed as a percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2017, are presented above, and the total District contributions were \$4,002,474.

### Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of June 30, 2017, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling \$43,871,669. The net pension liability was measured as of June 30, 2016. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating college districts, actuarially determined. The District's proportionate share for the measurement periods of June 30, 2016 and June 30, 2015, was 0.2221 percent and 0.2588 percent, respectively, resulting in a net decrease in the proportionate share of 0.0367 percent.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

For the year ended June 30, 2017, the District recognized pension expense of \$3,566,910. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 4,002,474	\$ -
Net change in proportionate share of net pension liability	21,518	5,424,160
Differences between projected and actual earnings on the pension plan investments	6,807,473	-
Differences between expected and actual experience in the measurement of the total pension liability	1,886,902	-
Changes of assumptions	-	1,318,082
Total	<u>\$ 12,718,367</u>	<u>\$ 6,742,242</u>

The deferred outflow of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2018	\$ 954,839
2019	954,839
2020	3,121,106
2021	1,776,689
Total	<u>\$ 6,807,473</u>

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2017**

---

The deferred outflows/(inflows) of resources related to the net change in proportionate share of net pension liability, changes of assumptions, and differences between expected and actual experience in the measurement of the total pension liability will be amortized over the EARSL of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is 3.9 years and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2018	\$ (1,896,813)
2019	(1,847,551)
2020	(1,089,458)
Total	<u>\$ (4,833,822)</u>

### Actuarial Methods and Assumptions

Total pension liability for the SEP was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2015, and rolling forward the total pension liability to June 30, 2016. The financial reporting actuarial valuation as of June 30, 2015, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2015
Measurement date	June 30, 2016
Experience study	July 1, 1997 through June 30, 2011
Actuarial cost method	Entry age normal
Discount rate	7.65%
Investment rate of return	7.65%
Consumer price inflation	2.75%
Wage growth	Varies by entry age and services

Mortality assumptions are based on mortality rates resulting from the most recent CalPERS experience study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include five years of projected ongoing mortality improvement using Scale AA published by the Society of Actuaries.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2017**

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations, as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first ten years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global equity	51%	5.71%
Global debt securities	20%	2.43%
Inflation assets	6%	3.36%
Private equity	10%	6.95%
Real estate	10%	5.13%
Infrastructure and Forestland	2%	5.09%
Liquidity	1%	-1.05%

**Discount Rate**

The discount rate used to measure the total pension liability was 7.65 percent. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Based on these assumptions, the School Employer Pool fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

The following presents the District's proportionate share of the net pension liability calculated using the current discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

<u>Discount Rate</u>	<u>Net Pension Liability</u>
1% decrease (6.65%)	\$ 65,456,775
Current discount rate (7.65%)	43,871,669
1% increase (8.65%)	25,897,821

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

---

### **On Behalf Payments**

The State of California makes contributions to CalSTRS and CalPERS on behalf of the District. These payments consist of State General Fund contributions to CalSTRS for the fiscal year ended June 30, 2017, which amounted to \$3,903,335 (8.828 percent) of salaries subject to CalSTRS. Contributions are no longer appropriated in the annual *Budget Act* for the legislatively mandated benefits to CalPERS. Therefore, there is no on behalf contribution rate for CalPERS. No contributions were made for CalPERS for the year ended June 30, 2017. Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. These amounts have been reflected in the basic financial statements as a component of nonoperating revenue and employee benefit expense.

### ***NOTE 14 - PARTICIPATION IN PUBLIC ENTITY RISK POOLS AND JOINT POWERS AUTHORITIES***

The District participates in five joint powers agreement (JPA) entities: the San Diego County Schools Fringe Benefits Consortium (SDCSFBC); the Statewide Association of Community Colleges (SWACC); the Schools Association for Excess Risk (SAFER); the Statewide Educational Wrap-Up Program (SEWUP); and the Community College League's Retiree Health Benefit JPA (CCLC). The relationship between the District and the JPAs is such that none of the JPAs are a component unit of the District for financial reporting purposes, as explained below.

The San Diego County Schools Fringe Benefits Consortium (SDCSFBC) provides employee fringe benefits to various school districts and community college districts throughout San Diego County. The San Diego County Schools Fringe Benefits Consortium's governing board is made up of one representative from each member district.

The Statewide Association of Community Colleges (SWACC) provides property and liability coverage to various community college districts throughout California. SWACC is governed by a board consisting of one representative from each member district.

The Schools Association for Excess Risk (SAFER) arranges for and provides a self-funded or additional insurance for excess liability coverage to various school districts and community college districts throughout California.

The Statewide Educational Wrap-Up Program (SEWUP) is a consolidated construction insurance program covering the job-site risks of: District as Owner, Construction Manager, General Contractor, contractors and sub-contractors of all tiers. Membership is comprised of 400 California school and community college districts. Premiums are determined for each construction project or projects.

The District joined the Community College League of California's (CCLC) Retiree Health Benefit JPA Program in September 2006. The CCLC Retiree Health Benefit JPA was created to assist districts in responding to the GASB Statement No. 45 accounting standards, which require districts to place funds in an irrevocable trust or acknowledge, in their annual financial statements, their unfunded liability.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

---

Financial information for CCLC is not readily available.

Separate financial statements for each JPA may be obtained from the respective entity.

### *NOTE 15 - COMMITMENTS AND CONTINGENCIES*

#### **Grants**

The District receives financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2017.

#### **Litigation**

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2017.

#### **Construction Commitments**

As of June 30, 2017, the District had the following commitments with respect to the unfinished capital projects:

<u>Capital Project</u>	<u>Remaining Construction Commitment</u>	<u>Expected Date of Completion</u>
Humanities Building	\$ 73,492	7/1/2017
Parking Improvements	8,149,384	1/1/2018
Maintenance and Operations Building	10,870,264	4/1/2018
Library/LRC	203,599	6/1/2018
North Education Center	137,962	6/1/2018
South Education Center	31,929,782	6/1/2018
Arboretum	87,770	8/1/2018
Landscape Improvements - San Marcos	219,108	8/1/2018
LL Building - Student Services One-Stop	10,173	12/1/2019
Kinesiology/Athletics	37,502	12/1/2020
	<u>\$ 51,719,036</u>	

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2017**

---

***NOTE 16 - RESTATEMENT OF PRIOR YEAR NET POSITION***

The District adopted GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, in the current year. The implementation of this standard required a change in accounting principle and restatement of the beginning net position of the fiduciary funds by:

<b>Fiduciary Funds</b>	
Net Position - Beginning of Year	\$ 1,772,640
Restatement of the District's OPEB Plan Fiduciary Net Position for the implementation of GASB Statement No. 74	<u>4,097,688</u>
Net Position - Beginning of Year, as Restated	<u><u>\$ 5,870,328</u></u>

---

---

***REQUIRED SUPPLEMENTARY INFORMATION***

---

---

# PALOMAR COMMUNITY COLLEGE DISTRICT

## SCHEDULE OF CHANGES IN THE DISTRICT'S NET OPEB LIABILITY AND RELATED RATIOS FOR THE YEAR ENDED JUNE 30, 2017

---

	<u>2017</u>
<b>Total Net OPEB Liability*</b>	
Annual required contribution	\$ 7,866,793
Adjustment of amortization of unfunded liability	(54,898)
Interest on net OPEB liability	148,803
Change in value of irrevocable trusts	(378,517)
Pay as you go contribution	(5,588,742)
<b>Net Changes in Total OPEB Liability</b>	<u>1,993,439</u>
<b>Total Net OPEB Liability - beginning</b>	<u>2,565,567</u>
<b>Total Net OPEB Liability - ending</b>	<u><u>\$ 4,559,006</u></u>
<b>Plan Fiduciary Net Position**</b>	
Net investment income	\$ 379,017
Administrative expense	(500)
<b>Net Change in Plan Fiduciary Net Position</b>	<u>378,517</u>
<b>Plan Fiduciary Net Position - beginning</b>	<u>4,097,688</u>
<b>Plan Fiduciary Net Position - ending</b>	<u><u>\$ 4,476,205</u></u>

*Note*: In the future, as data become available, ten years of information will be presented.

\* The Total Net OPEB Liability was measured in accordance with GASB Statement No. 45.

\*\* The Plan Fiduciary Net Position was measured in accordance with GASB Statement No. 74.

See accompanying note to required supplementary information.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF DISTRICT CONTRIBUTIONS FOR OPEB  
FOR THE YEAR ENDED JUNE 30, 2017**

---

	<u>2017</u>
Actuarially determined contribution	\$ 7,866,793
Contributions in relations to the actuarially determined contribution	<u>(5,588,742)</u>
Contribution deficiency (excess)	<u>\$ 2,278,051</u>
Covered-employee payroll	<u>\$ 58,826,928</u>
Contribution as a percentage of covered-employee payroll	<u>9.50%</u>

*Note:* In the future, as data become available, ten years of information will be presented.

See accompanying note to required supplementary information.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF OPEB INVESTMENT RETURNS  
FOR THE YEAR ENDED JUNE 30, 2017**

---

	<u>2017</u>
Annual money-weighted rate of return, net of investment expense	9.20%

*Note:* In the future, as data become available, ten years of information will be presented.

See accompanying note to required supplementary information.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF OTHER POSTEMPLOYMENT BENEFITS (OPEB) FUNDING  
PROGRESS  
FOR THE YEAR ENDED JUNE 30, 2017**

---

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) - Method *Used (b)</b>	<b>Unfunded AAL (UAAL) (b - a)</b>	<b>Funded Ratio (a / b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll ([b - a] / c)</b>
August 1, 2012	\$ 1,950,000	\$ 84,229,998	\$ 82,279,998	2.32%	\$ 56,569,280	145%
August 1, 2014	3,950,994	90,841,984	86,890,990	4.35%	55,493,128	157%
July 1, 2016	4,097,688	98,880,070	94,782,382	4.14%	58,826,928	161%

\* Entry age normal

See accompanying note to required supplementary information.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE  
NET PENSION LIABILITY  
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>CalSTRS</b>			
District's proportion of the net pension liability	<u>0.0809%</u>	<u>0.0915%</u>	<u>0.0909%</u>
District's proportionate share of the net pension liability	\$ 65,416,466	\$ 61,617,589	\$ 53,119,316
State's proportionate share of the net pension liability associated with the District	<u>37,240,427</u>	<u>32,588,912</u>	<u>32,075,736</u>
Total	<u>\$ 102,656,893</u>	<u>\$ 94,206,501</u>	<u>\$ 85,195,052</u>
District's covered-employee payroll	<u>\$ 41,606,198</u>	<u>\$ 38,026,419</u>	<u>\$ 40,938,175</u>
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	<u>157.23%</u>	<u>162.04%</u>	<u>129.75%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>70%</u>	<u>74%</u>	<u>77%</u>
<b>CalPERS</b>			
District's proportion of the net pension liability	<u>0.2221%</u>	<u>0.2588%</u>	<u>0.2756%</u>
District's proportionate share of the net pension liability	<u>\$ 43,871,669</u>	<u>\$ 38,144,438</u>	<u>\$ 31,291,747</u>
District's covered-employee payroll	<u>\$ 26,587,887</u>	<u>\$ 31,818,546</u>	<u>\$ 28,936,290</u>
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	<u>165.01%</u>	<u>119.88%</u>	<u>108.14%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>74%</u>	<u>79%</u>	<u>83%</u>

*Note* : In the future, as data become available, ten years of information will be presented.

See accompanying note to required supplementary information.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF DISTRICT CONTRIBUTIONS FOR PENSIONS  
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>CalSTRS</b>			
Contractually required contribution	\$ 5,691,588	\$ 4,464,345	\$ 3,376,746
Contributions in relation to the contractually required contribution	<u>(5,691,588)</u>	<u>(4,464,345)</u>	<u>(3,376,746)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	<u>\$ 45,243,148</u>	<u>\$ 41,606,198</u>	<u>\$ 38,026,419</u>
Contributions as a percentage of covered-employee payroll	<u>12.58%</u>	<u>10.73%</u>	<u>8.88%</u>
<b>CalPERS</b>			
Contractually required contribution	\$ 4,002,474	\$ 3,149,867	\$ 3,745,361
Contributions in relation to the contractually required contribution	<u>(4,002,474)</u>	<u>(3,149,867)</u>	<u>(3,745,361)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	<u>\$ 28,819,657</u>	<u>\$ 26,587,887</u>	<u>\$ 31,818,546</u>
Contributions as a percentage of covered-employee payroll	<u>13.888%</u>	<u>11.847%</u>	<u>11.771%</u>

*Note* : In the future, as data become available, ten years of information will be presented.

See accompanying note to required supplementary information.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTE TO REQUIRED SUPPLEMENTARY INFORMATION JUNE 30, 2017

---

### *NOTE 1 - PURPOSE OF SCHEDULES*

#### **Schedule of Changes in the District's Net OPEB Liability and Related Ratios**

This schedule presents information on the District's changes in the net OPEB liability, including beginning and ending balances, the plan's fiduciary net position, and the net OPEB liability. In the future, as data becomes available, ten years of information will be presented. There were no changes in benefit terms or assumptions in the current year.

#### **Schedule of District Contributions for OPEB**

This schedule presents information on the District's actuarially determined contribution, contributions in relation to the actuarially determined contribution, and any excess or deficiency related to the actuarially determined contribution. In the future, as data becomes available, ten years of information will be presented.

*Valuation Date:* Actuarially determined contribution rates are calculated as of July 1, 2016, two years prior to the end of the fiscal year in which contributions are reported.

*Methods and assumptions used to determine contribution rates:*

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Amortization period	24 years
Asset Valuation method	5-year smoothed market
Inflation	2.75 percent
Health care cost trend rates	4.0 percent
Salary increases	2.75 percent, average
Investment rate of return	5.8 percent
Retirement age	Expected retirement ages of general employees were adjusted to more closely reflect actual experience
Mortality	Certificated : 2009 CalSTRS Mortality Classified: 2014 CalPERS Active Mortality for Miscellaneous Employees

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTE TO REQUIRED SUPPLEMENTARY INFORMATION JUNE 30, 2017

---

### **Schedule of OPEB Investment Returns**

This schedule presents information on the annual money weighted rate of return on OPEB plan investments. In future years, as data becomes available, ten years of information will be presented.

### **Schedule of Other Postemployment Benefits (OPEB) Funding Progress**

This schedule is intended to show trends about the funding progress of the District's actuarially determined liability for postemployment benefits other than pensions.

### **Schedule of the District's Proportionate Share of the Net Pension Liability**

This schedule presents information on the District's proportionate share of the net pension liability (NPL), the plans' fiduciary net positions and, when applicable, the State's proportionate share of the NPL associated with the District. In the future, as data becomes available, ten years of information will be presented.

*Changes in Benefit Terms* – There were no changes in benefit terms since the previous valuations for both CalSTRS and CalPERS.

*Changes in Assumptions* – There were no changes in economic assumptions for either the CalSTRS or CalPERS plans from the previous valuations.

### **Schedule of District Contributions for Pensions**

This schedule presents information on the District's required contribution, the amounts actually contributed, and any excess or deficiency related to the required contribution. In the future, as data becomes available, ten years of information will be presented.

---

---

***SUPPLEMENTARY INFORMATION***

---

---

# PALOMAR COMMUNITY COLLEGE DISTRICT

## DISTRICT ORGANIZATION JUNE 30, 2017

---

Palomar Community College District was established in January 1946 and is comprised of an area of approximately 2,555 square miles located in North San Diego County. There were no changes in the boundaries of the District during the current year. The District is accredited by the Western Association of Schools and Colleges, which is one of six regional associations that accredit public and private schools, colleges, and universities in the United States.

### BOARD OF TRUSTEES

<u>MEMBER</u>	<u>OFFICE</u>	<u>TERM EXPIRES</u>
Nancy Ann Hensch, B.A.	President	2020
Paul P. McNamara, B.A.	Vice President	2018
Mark R. Evilsizer, M.A.	Secretary	2018
John J. Halcón, Ph.D.	Trustee	2020
Nina Deerfield	Trustee	2020
Malik Spence	Student Trustee	2017

### ADMINISTRATION

Joi Lin Blake, Ed.D.	Superintendent/President
Jack Khan, Ph.D.	Assistant Superintendent/ Vice President, Instruction
Adrian Gonzales	Assistant Superintendent/ Vice President, Student Services
Ronald E. Ballesteros-Perez	Assistant Superintendent/ Vice President, Finance and Administration Services and Human Resources

See accompanying note to supplementary information.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2017**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Amounts Passed to Subrecipients
<b>U.S. DEPARTMENT OF EDUCATION</b>				
Student Financial Assistance Cluster				
Federal Pell Grant Program	84.063		\$ 14,651,448	\$ -
Federal Pell Administrative Allowance	84.063		55,569	-
Federal Work Study Program	84.033		275,962	-
Federal Work Study Administrative Allowance	84.033		42,389	-
Federal Supplemental Educational Opportunity Grants	84.007		394,200	-
Federal Direct Student Loans	84.268		970,058	-
Total Student Financial Assistance Cluster			16,389,626	-
TRIO Cluster				
Palomar College North County Educational Opportunity Centers	84.066A		179,948	-
Student Support Services - San Marcos	84.042A		249,654	-
Student Support Services - Escondido	84.042A		295,140	-
Upward Bound	84.047A		238,272	-
Upward Bound Rural	84.047A		208,718	-
Talent Search - Escondido	84.044A		133,111	-
Talent Search - Vista	84.044A		75,931	-
Total TRIO Cluster			1,380,774	-
Increasing HLI Student Participation, Persistence, and Completion in STEM Education	84.031S		398,547	42,729
Determined to Achieve: Successful Pathways to a STEM Degree	84.031C		656,839	-
Gear-Up Partnership in Escondido and San Marcos	84.334A		2,331,997	-
Gear-Up Rural Reservation Collaborative in Pauma, Vista, and Fallbrook	84.334A		409,707	-
Passed through from the California Community Colleges Chancellor's Office (CCCCO)				
Career and Technical Education Act, Perkins, IV	84.048	16-C01-039	615,857	-
Career and Technical Education, Transitions	84.048A	16-C01-039	43,748	-
<b>Total U.S. Department of Education</b>			22,227,095	42,729
<b>U.S. DEPARTMENT OF VETERANS AFFAIRS</b>				
Veterans Educational Assistance	64.028		8,689	-
<b>Total U.S. Department of Veterans Affairs</b>			8,689	-

[1] Pass-Through Entity Identifying Number not available.

\*\* Research and Development Grant

See accompanying note to supplementary information.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2017, CONTINUED**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Amounts Passed to Subrecipients
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
Passed through the California Department of Education Child and Adult Care Food Program	10.558	13666	\$ 54,569	\$ -
<b>Total U.S. Department of Agriculture</b>			<u>54,569</u>	<u>-</u>
<b>NATIONAL SCIENCE FOUNDATION</b>				
Passed through the University Auxiliary and Research Services Corporation Increasing STEM Talent - STEP**	47.076	UARSC-85774-CD	14,441	-
<b>Total National Science Foundation</b>			<u>14,441</u>	<u>-</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
Passed through from the California Community Colleges Chancellor's Office Temporary Assistance for Needy Families (TANF)	93.558	[1]	56,338	-
Passed through Yosemite Community College District Child Development Training Consortium	93.575	[1]	26,116	-
<b>Total U.S. Department of Health and Human Services</b>			<u>82,454</u>	<u>-</u>
<b>Total Federal Expenditures</b>			<u>\$ 22,387,248</u>	<u>\$ 42,729</u>

[1] Pass-Through Entity Identifying Number not available.

\*\* Research and Development Grant

See accompanying note to supplementary information.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2017**

Program	Program Entitlements		
	Current Year	Prior Year	Total Entitlement
Board Financial Assistance Program	\$ 472,246	\$ -	\$ 472,246
CalWorks	277,126	-	277,126
Full-Time Student Success Grant	404,024	49,756	453,780
Disabled Students Programs and Services (DSPS)	947,186	3,582	950,768
Deaf and Hard of Hearing (DHH)	53,453	-	53,453
Access to Print	11,652	-	11,652
Cooperative Agencies Resources for Education	125,215	-	125,215
Extended Opportunities, Programs, and Services (EOPS)	1,257,601	-	1,257,601
Student Success and Support Program	3,305,678	951,167	4,256,845
Student Success Equity	1,815,640	1,694,655	3,510,295
Strong Workforce	2,072,427	-	2,072,427
Nursing Education	165,400	-	165,400
Assessment, Remediation, Retention Nursing Grant	57,000	-	57,000
Telecommunications and Technology Infrastructure	3,929,029	-	3,929,029
Telecommunications and Technology Infrastructure FY1516	-	626,132	626,132
Basic Skills	194,250	-	194,250
Basic Skills FY1516	-	105,453	105,453
Innovation in Higher Education	2,000,000	-	2,000,000
Total			

See accompanying note to supplementary information.

Program Revenues

Cash Received	Accounts Receivable (Payables)	Unearned Revenue	Total Revenue	Program Expenditures
\$ 472,246	\$ -	\$ -	\$ 472,246	\$ 472,246
277,127	(18,224)	-	258,903	258,903
404,024	-	117,630	286,394	286,394
950,768	-	-	950,768	950,768
53,453	-	-	53,453	53,453
13,040	(1,388)	-	11,652	11,652
125,218	(3)	-	125,215	125,215
1,257,969	(368)	-	1,257,601	1,257,601
3,305,678	(68)	848,584	2,457,026	2,457,026
1,815,640	(22)	1,088,066	727,552	727,552
2,072,427	-	1,385,700	686,727	686,727
147,608	17,792	-	165,400	165,400
57,000	-	-	57,000	57,000
1,496,058	1,740,631	-	3,236,689	3,236,689
-	626,132	-	626,132	626,132
194,250	-	104,509	89,741	89,741
107,613	(2,160)	-	105,453	105,453
2,000,000	-	1,987,258	12,742	12,742
<u>\$ 14,750,119</u>	<u>\$ 2,362,322</u>	<u>\$ 5,531,747</u>	<u>\$ 11,580,694</u>	<u>\$ 11,580,694</u>

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF WORKLOAD MEASURES FOR STATE GENERAL  
APPORTIONMENT  
FOR THE YEAR ENDED JUNE 30, 2017**

<b>CATEGORIES</b>	*(Revised) Reported Data	Audit Adjustments	Audited Data
<b>A. Summer Intersession (Summer 2016 only)</b>			
1. Noncredit**	110.21	-	110.21
2. Credit	1,495.44	-	1,495.44
<b>B. Summer Intersession (Summer 2017 - Prior to July 1, 2017)</b>			
1. Noncredit**	8.02	-	8.02
2. Credit	233.72	-	233.72
<b>C. Primary Terms (Exclusive of Summer Intersession)</b>			
1. Census Procedure Courses			
(a) Weekly Census Contact Hours	10,636.11	-	10,636.11
(b) Daily Census Contact Hours	910.21	-	910.21
2. Actual Hours of Attendance Procedure Courses			
(a) Noncredit**	648.48	-	648.48
(b) Credit	641.03	-	641.03
3. Independent Study/Work Experience			
(a) Weekly Census Contact Hours	2,642.13	-	2,642.13
(b) Daily Census Contact Hours	863.33	-	863.33
(c) Noncredit Independent Study/Distance Education Courses	-	-	-
<b>D. Total FTES</b>	<b>18,188.68</b>	<b>-</b>	<b>18,188.68</b>
<b>SUPPLEMENTAL INFORMATION (Subset of Above Information)</b>			
<b>E. In-Service Training Courses (FTES)</b>	126.62	-	126.62
<b>H. Basic Skills Courses and Immigrant Education</b>			
1. Noncredit**	732.21	-	732.21
2. Credit	588.66	-	588.66
<b><u>CCFS-320 Addendum</u></b>			
CDCP Noncredit FTES	504.25	-	504.25
<b>Centers FTES</b>			
1. Noncredit**	292.53	-	292.53
2. Credit	1,321.30	-	1,321.30

\* Annual report revised as of October 27, 2017.

\*\* Including Career Development and College Preparation (CDCP) FTES.

See accompanying note to supplementary information.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**RECONCILIATION OF EDUCATION CODE SECTION 84362 (50 PERCENT LAW) CALCULATION  
FOR THE YEAR ENDED JUNE 30, 2017**

	Object/TOP Codes	ECS 84362 A Instructional Salary Cost AC 0100 - 5900 and AC 6110			ECS 84362 B Total CEE AC 0100 - 6799		
		Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
<b><u>Academic Salaries</u></b>							
<b>Instructional Salaries</b>							
Contract or Regular	1100	\$ 22,036,597	\$ -	\$ 22,036,597	\$ 22,036,597	\$ -	\$ 22,036,597
Other	1300	16,963,846	-	16,963,846	16,963,846	-	16,963,846
<b>Total Instructional Salaries</b>		<b>39,000,443</b>	<b>-</b>	<b>39,000,443</b>	<b>39,000,443</b>	<b>-</b>	<b>39,000,443</b>
<b>Noninstructional Salaries</b>							
Contract or Regular	1200	-	-	-	8,015,796	-	8,015,796
Other	1400	-	-	-	743,920	-	743,920
<b>Total Noninstructional Salaries</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>8,759,716</b>	<b>-</b>	<b>8,759,716</b>
<b>Total Academic Salaries</b>		<b>39,000,443</b>	<b>-</b>	<b>39,000,443</b>	<b>47,760,159</b>	<b>-</b>	<b>47,760,159</b>
<b><u>Classified Salaries</u></b>							
<b>Noninstructional Salaries</b>							
Regular Status	2100	-	-	-	21,172,633	-	21,172,633
Other	2300	-	-	-	1,519,526	-	1,519,526
<b>Total Noninstructional Salaries</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>22,692,159</b>	<b>-</b>	<b>22,692,159</b>
<b>Instructional Aides</b>							
Regular Status	2200	1,512,198	-	1,512,198	1,512,198	-	1,512,198
Other	2400	515,262	-	515,262	515,262	-	515,262
<b>Total Instructional Aides</b>		<b>2,027,460</b>	<b>-</b>	<b>2,027,460</b>	<b>2,027,460</b>	<b>-</b>	<b>2,027,460</b>
<b>Total Classified Salaries</b>		<b>2,027,460</b>	<b>-</b>	<b>2,027,460</b>	<b>24,719,619</b>	<b>-</b>	<b>24,719,619</b>
Employee Benefits	3000	16,039,899	-	16,039,899	31,652,649	-	31,652,649
Supplies and Material	4000	-	-	-	877,860	-	877,860
Other Operating Expenses	5000	-	-	-	10,915,916	-	10,915,916
Equipment Replacement	6420	-	-	-	3,483	-	3,483
<b>Total Expenditures Prior to Exclusions</b>		<b>57,067,802</b>	<b>-</b>	<b>57,067,802</b>	<b>115,929,686</b>	<b>-</b>	<b>115,929,686</b>

See accompanying note to supplementary information.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**RECONCILIATION OF *EDUCATION CODE* SECTION 84362 (50 PERCENT LAW) CALCULATION, CONTINUED  
FOR THE YEAR ENDED JUNE 30, 2017**

	Object/TOP Codes	ECS 84362 A Instructional Salary Cost AC 0100 - 5900 and AC 6110			ECS 84362 B Total CEE AC 0100 - 6799		
		Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
<b><u>Exclusions</u></b>							
<b>Activities to Exclude</b>							
Instructional Staff - Retirees' Benefits and Retirement Incentives	5900	\$ 461,582	\$ -	\$ 461,582	\$ 461,582	\$ -	\$ 461,582
Student Health Services Above Amount Collected	6441	-	-	-	-	-	-
Student Transportation	6491	-	-	-	327,367	-	327,367
Noninstructional Staff - Retirees' Benefits and Retirement Incentives	6740	-	-	-	-	-	-
<b>Objects to Exclude</b>							
Rents and Leases	5060	-	-	-	304,272	-	304,272
Lottery Expenditures							
Academic Salaries	1000	-	-	-	-	-	-
Classified Salaries	2000	-	-	-	-	-	-
Employee Benefits	3000	-	-	-	-	-	-
Supplies and Materials	4000	-	-	-	-	-	-
Software	4100	-	-	-	-	-	-
Books, Magazines, and Periodicals	4200	-	-	-	-	-	-
Instructional Supplies and Materials	4300	-	-	-	-	-	-
Noninstructional Supplies and Materials	4400	-	-	-	-	-	-
<b>Total Supplies and Materials</b>		-	-	-	-	-	-

See accompanying note to supplementary information.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**RECONCILIATION OF EDUCATION CODE SECTION 84362 (50 PERCENT LAW) CALCULATION, CONTINUED  
FOR THE YEAR ENDED JUNE 30, 2017**

	Object/TOP Codes	ECS 84362 A Instructional Salary Cost AC 0100 - 5900 and AC 6110			ECS 84362 B Total CEE AC 0100 - 6799		
		Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
Other Operating Expenses and Services	5000	\$ -	\$ -	\$ -	\$ 2,019,971	\$ -	\$ 2,019,971
Capital Outlay							
Library Books	6300	-	-	-	-	-	-
Equipment	6400	-	-	-	-	-	-
Equipment - Additional	6410	-	-	-	-	-	-
Equipment - Replacement	6420	-	-	-	-	-	-
<b>Total Equipment</b>		-	-	-	-	-	-
<b>Total Capital Outlay</b>							
Other Outgo	7000	-	-	-	-	-	-
<b>Total Exclusions</b>		461,582	-	461,582	3,113,192	-	3,113,192
<b>Total for ECS 84362, 50 Percent Law</b>		\$ 56,606,220	\$ -	\$ 56,606,220	\$ 112,816,494	\$ -	\$ 112,816,494
<b>Percent of CEE (Instructional Salary Cost/Total CEE)</b>		50.18%		50.18%	100.00%		100.00%
<b>50% of Current Expense of Education</b>					\$ 56,408,247		\$ 56,408,247

See accompanying note to supplementary information.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT (CCFS-311)  
WITH FUND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017**

---

There were no adjustments to the Annual Financial and Budget Report (CCFS-311) which required reconciliation to the audited financial statements at June 30, 2017.

See accompanying note to supplementary information.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**PROPOSITION 30 EDUCATION PROTECTION ACT (EPA) EXPENDITURE REPORT  
FOR THE YEAR ENDED JUNE 30, 2017**

<b>Activity Classification</b>	<b>Object Code</b>	<b>Unrestricted</b>			
EPA Proceeds:	8630				\$ 13,745,715
<b>Activity Classification</b>	<b>Activity Code</b>	<b>Salaries and Benefits (Obj 1000-3000)</b>	<b>Operating Expenses (Obj 4000-5000)</b>	<b>Capital Outlay (Obj 6000)</b>	<b>Total</b>
Instructional Activities	1000-5900	\$ 13,745,715	-	-	\$ 13,745,715
<b>Total Expenditures for EPA</b>		\$ 13,745,715	-	-	\$ 13,745,715
<b>Revenues Less Expenditures</b>					\$ -

See accompanying note to supplementary information.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**RECONCILIATION OF GOVERNMENTAL FUNDS TO THE  
STATEMENT OF NET POSITION  
JUNE 30, 2017**

---

**Amounts Reported for Governmental Activities in the Statement  
of Net Position are Different Because:**

**Total Fund Balance:**

General Funds	\$ 28,207,990	
Special Revenue Funds	482,287	
Capital Project Funds	320,077,516	
Debt Service Funds	145,460,852	
Internal Service Funds	14,243,211	
Fiduciary Funds	<u>3,787</u>	
<b>Total Fund Balance</b>		<b>\$ 508,475,643</b>

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.

The cost of capital assets is	488,329,357	
Accumulated depreciation is	<u>(69,376,852)</u>	418,952,505

The District has refunded debt obligations. The difference between the amount that was sent to escrow agent for the payment of the old debt and the actual remaining debt obligations will be amortized as an adjustment to interest expense.

9,401,707

In governmental funds, unmatured interest on long-term debt is recognized in the period when it is due. On the government-wide statements, unmatured interest on long-term debt is recognized when it is incurred.

(9,869,325)

Deferred outflows of resources related to pensions represent a consumption of net position in a future period and is not reported in the District's funds. Deferred outflows of resources related to pensions at year end consist of:

Pension contributions subsequent to measurement date	9,694,062	
Net change in proportionate share of net pension liability	346,023	
Difference between projected and actual earnings on pension plan investments	12,008,050	
Differences between expected and actual experience in the measurement of the total net pension liability	<u>1,886,902</u>	
<b>Total Deferred Outflows of Resources Related to Pensions</b>		<b>23,935,037</b>

See accompanying note to supplementary information.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## RECONCILIATION OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION, CONTINUED JUNE 30, 2017

---

Deferred inflows of resources related to pensions represent an acquisition of net position that applies to a future period and is not reported in the District's funds. Deferred inflows of resources related to pensions at year end consist of:

Net change in proportionate share of net pension liability	\$ (12,169,791)	
Differences between expected and actual experience in the measurement of the total pension liability	(1,595,760)	
Changes in assumptions	<u>(1,318,082)</u>	
Total Deferred Inflows of Resources Related to Pensions		\$ (15,083,633)

Long-term obligations at year end consist of:

Bonds payable	851,378,678	
Lease revenue bonds	3,280,000	
OPEB obligation	4,559,006	
PARS supplemental early retirement obligation	3,807,378	
Compensated absences	3,156,460	
Load banking	495,997	
Aggregate net pension obligation	<u>109,288,135</u>	<u>(975,965,654)</u>
<b>Total Net Position</b>		<b><u><u>\$ (40,153,720)</u></u></b>

See accompanying note to supplementary information.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## NOTE TO SUPPLEMENTARY INFORMATION JUNE 30, 2017

---

### NOTE 1 - PURPOSE OF SCHEDULES

#### District Organization

This schedule provides information about the District's governing board members and administration members.

#### Schedule of Expenditures of Federal Awards

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant activity of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (Part 200), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. The District has not elected to use the ten percent de minimis cost rate as covered in Section 200.414 Indirect (F&A) costs of the Uniform Guidance.

The following schedule provides reconciliation between revenues reported on the Statement of Revenues, Expenses, and Changes in Net Position - Primary Government and the related expenditures reported on the Schedule of Expenditures of Federal Awards:

Description	CFDA Number	Amount
Total Federal Revenues per Statement of Revenues, Expenses, and Changes in Net Position:		\$ 22,353,648
Federal Pell Administrative Allowance	84.063	32,044
Federal Work Study Administrative Allowance	84.033	2,211
Veterans Educational Assistance	64.028	(359)
Child Development Training Consortium	95.575	(296)
Total Expenditures of Federal Awards		<u>\$ 22,387,248</u>

#### Schedule of Expenditures of State Awards

The accompanying Schedule of Expenditures of State Awards includes the State grant activity of the District and is presented on the modified accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. The information in this schedule is presented to comply with reporting requirements of the California State Chancellor's Office.

#### Schedule of Workload Measures for State General Apportionment

FTES is a measurement of the number of pupils attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of State funds, including restricted categorical funding, are made to community college districts. This schedule provides information regarding the annual attendance measurements of students throughout the District.

# **PALOMAR COMMUNITY COLLEGE DISTRICT**

## **NOTE TO SUPPLEMENTARY INFORMATION**

**JUNE 30, 2017**

---

### **Reconciliation of *Education Code* Section 84362 (50 Percent Law) Calculation**

ECS 84362 requires the District to expend a minimum of 50 percent of the unrestricted General Fund monies on salaries of classroom instructors. This is reported annually to the State Chancellor's Office. This schedule provides a reconciliation of the amount reported to the State Chancellor's Office and the impact of any audit adjustments and/or corrections noted during the audit.

### **Reconciliation of Annual Financial and Budget Report (CCFS-311) With Fund Financial Statements**

This schedule provides the information necessary to reconcile the fund balance of all funds reported on the Form CCFS-311 to the District's internal fund financial statements.

### **Proposition 30 Education Protection Act (EPA) Expenditure Report**

This schedule provides the District's summary of receipts and uses of the monies received through the EPA.

### **Reconciliation of Governmental Funds to the Statement of Net Position**

This schedule provides a reconciliation of the adjustments necessary to bring the District's internal fund financial statements, prepared on a modified accrual basis, to the entity-wide full accrual basis financial statements required under GASB Statements No. 34 and No. 35 business-type activities reporting model.

---

---

***INDEPENDENT AUDITOR'S REPORTS***

---

---



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Trustees  
Palomar Community College District  
San Marcos, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the financial statements of the business-type activities and the aggregate remaining fund information of Palomar Community College District (the District) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 19, 2017.

**Emphasis of Matter - Change in Accounting Principles**

As discussed in Note 2 and Note 16 to the financial statements, in 2017, the District adopted new accounting guidance, GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. Our opinion is not modified with respect to this matter.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the District in a separate letter dated December 19, 2017.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Vavinek Tume Day & Co. LLP". The signature is written in a cursive, slightly slanted style.

San Diego, California  
December 19, 2017



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Trustees  
Palomar Community College District  
San Marcos, California

**Report on Compliance for Each Major Federal Program**

We have audited Palomar Community College District's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major Federal programs for the year ended June 30, 2017. The District's major Federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of Federal statutes, regulations, and the terms and conditions of its Federal awards applicable to its Federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the District's major Federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major Federal program. However, our audit does not provide a legal determination of the District's compliance.

## **Opinion on Each Major Federal Program**

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2017.

## **Other Matters**

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2017-001. Our opinion on each major Federal program is not modified with respect to these matters.

The District's response to the noncompliance finding identified in our audit is described in the accompanying Management's Response and Corrective Action Plan. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## **Report on Internal Control Over Compliance**

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as item 2017-001, that we consider to be a significant deficiency.

The District's response to the internal control over compliance finding identified in our audit is described in the accompanying Management's Response and Corrective Action Plan. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Vavinek Tume Day & Co. LLP*

San Diego, California  
December 19, 2017



**VAVRINEK, TRINE, DAY & CO., LLP**  
Certified Public Accountants

VALUE THE *difference*

## INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

Board of Trustees  
Palomar Community College District  
San Marcos, California

### Report on State Compliance

We have audited Palomar Community College District's (the District) compliance with the types of compliance requirements as identified in the California Community Colleges Chancellor's Office *District Audit Manual* issued in March 2017 that could have a direct and material effect on each of the District's programs as noted below for the year ended June 30, 2017.

### Management's Responsibility

Management is responsible for compliance with the requirements of State laws and regulations, and the terms and conditions identified in the California Community Colleges Chancellor's Office *District Audit Manual* issued in March 2017.

### Auditor's Responsibility

Our responsibility is to express an opinion on compliance of each of the District's State programs based on our audit of the types of compliance requirements referred to above. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the standards and procedures identified in the California Community Colleges Chancellor's Office *District Audit Manual* issued in March 2017. These standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above could have a material effect on the applicable programs noted below. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such procedures as we consider necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

### Unmodified Opinion

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that are applicable to the programs noted below that were audited for the year ended June 30, 2017.

In connection with the audit referred to above, we selected and tested transactions and records to determine the District's compliance with State laws and regulations applicable to the following:

- Section 421 Salaries of Classroom Instructors (50 Percent Law)
- Section 423 Apportionment for Instructional Service Agreements/Contracts
- Section 424 State General Apportionment Funding System
- Section 425 Residency Determination for Credit Courses
- Section 426 Students Actively Enrolled
- Section 427 Dual Enrollment of K-12 Students in Community College Credit Courses
- Section 428 Student Equity
- Section 429 Student Success and Support Program (SSSP)
- Section 430 Schedule Maintenance Program
- Section 431 Gann Limit Calculation
- Section 435 Open Enrollment
- Section 439 Proposition 39 Clean Energy
- Section 440 Intersession Extension Programs
- Section 475 Disabled Student Programs and Services (DSPS)
- Section 479 To Be Arranged (TBA) Hours
- Section 490 Proposition 1D and 51 State Bond Funded Projects
- Section 491 Proposition 55 Education Protection Account Funds

The District reports no Instructional Service Agreements/Contracts for Apportionment Funding; therefore, the compliance tests within this section are not applicable.

The District did not offer any Intersession Extension Programs; therefore, the compliance tests within this section are not applicable.

The District did not offer any To Be Arranged (TBA) Hours courses; therefore, the compliance tests within this section are not applicable.

The District did not expend any Proposition 1D and 51 State Bond Funded Projects; therefore, the compliance tests within this section are not applicable.

*Vavinec Tume Day & Co. LLP*

San Diego, California  
December 19, 2017

---

---

***SCHEDULE OF FINDINGS AND QUESTIONED COSTS***

---

---

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**SUMMARY OF AUDITOR'S RESULTS  
FOR THE YEAR ENDED JUNE 30, 2017**

---

**FINANCIAL STATEMENTS**

Type of auditor's report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified?	<u>None reported</u>
Noncompliance material to financial statements noted?	<u>No</u>

**FEDERAL AWARDS**

Internal control over major Federal programs:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified?	<u>Yes</u>
Type of auditor's report issued on compliance for major Federal programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with Section 200.516(a) of the Uniform Guidance?	<u>Yes</u>

Identification of major Federal programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
<u>84.007, 84.033, 84.063, 84.268</u>	<u>Student Financial Assistance Cluster</u>
<u>84.334A</u>	<u>Gear-Up Partnership in Escondido and San Marcos</u>
<u>84.334A</u>	<u>Gear-Up Rural Reservation Collaborative in Pauma, Vista, and Fallbrook</u>
<u>84.031S</u>	<u>Increasing HLI Student Participation, Persistence, and Completion in STEM Education</u>
<u>84.031C</u>	<u>Determined to Achieve: Successful Pathways to a STEM Degree</u>

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 750,000</u>
Auditee qualified as low-risk auditee?	<u>Yes</u>

**STATE AWARDS**

Type of auditor's report issued on compliance for State programs:	<u>Unmodified</u>
---	-------------------

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**FINANCIAL STATEMENT FINDINGS AND RECOMMENDATIONS  
FOR THE YEAR ENDED JUNE 30, 2017**

---

None reported.

# PALOMAR COMMUNITY COLLEGE DISTRICT

## FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2017

---

The following finding represents significant deficiencies and instances of noncompliance that are required to be reported by the Uniform Guidance.

### **2017-001 Special Tests and Provisions - Return to Title IV**

#### **Federal Program Affected**

Program Name: Student Financial Assistance Cluster

CFDA Numbers: 84.007, 84.033, 84.063, and 84.268

Direct funded by U.S. Department of Education

Federal Agency: U.S. Department of Education

#### **Criteria or Specific Requirement**

34 CFR § 668.22(j)(2)

An institution must determine the withdrawal date for a student who withdraws without providing notification to the institution no later than 30 days after the end of the earlier of the (i) payment period or period of enrollment, as appropriate, in accordance with paragraph (e)(5) of this section; (ii) academic year in which the student withdrew; or (iii) educational program from which the student withdrew.

#### **Condition**

The District did not perform the Return to Title IV calculation within 30 days after the end of the academic term.

#### **Questioned Costs**

No questioned costs.

#### **Context**

There were 9 students out of 40 tested where the Return to Title IV calculation was not performed within the 30 day time frame.

#### **Effect**

Without proper monitoring of the Return to Title IV funds, the District risks noncompliance with the above referenced criteria.

# **PALOMAR COMMUNITY COLLEGE DISTRICT**

## **FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2017**

---

### **Cause**

The District has not implemented policies and procedures to monitor the calculation of Return to Title IV funds.

### **Recommendation**

It is recommended that the District implement procedures to ensure that the Return to Title IV calculations are performed in a timely manner.

### **Management's Response and Corrective Action Plan**

The District will review and revise, as necessary, existing procedures to identify areas of improvement and ensure the Title IV funds are properly and timely returned. The Office of Student Financial Aid, in coordination with Enrollment Services and the Office of Instruction, will develop monitoring procedures to identify and track official and unofficial withdrawals, as well as the number of days remaining to return funds.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**STATE AWARDS FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2017**

---

None reported.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2017**

---

None reported.



**VAVRINEK, TRINE, DAY & CO., LLP**  
Certified Public Accountants

VALUE THE *difference*

To the Board of Trustees, Management,  
and the Citizens' Oversight Committee  
Palomar Community College District  
San Marcos, California

We have audited the financial statements of the Palomar Community College District's (the District) Measure M General Obligation Bond Fund for the year ended June 30, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated March 9, 2017. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Findings

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year ended June 30, 2017. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive estimates affecting the District's Measure M General Obligation Bond Fund's financial statements.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. No such misstatements were noted in completing our audit.

#### *Disagreements With Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December 19, 2017.

*Management Consultations With Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition to our retention. We have included the Schedule of Findings and Questioned Costs on page 5 of the Performance Audit.

Restriction on Use

This information is intended solely for the use of the Board of Trustees, management, and the Citizens' Oversight Committee of the Palomar Community College District. It is not intended to be, and should not be, used by anyone other than these specified parties.

*Vavinek Tume Day & Co. LLP*

San Diego, California  
December 19, 2017

**PALOMAR COMMUNITY COLLEGE DISTRICT**

---

**MEASURE M GENERAL OBLIGATION BONDS  
ELECTION 2006**

**FINANCIAL AND PERFORMANCE AUDITS**

---

**JUNE 30, 2017**

**PALOMAR COMMUNITY COLLEGE DISTRICT**

---

**MEASURE M GENERAL OBLIGATION BONDS  
ELECTION 2006**

**FINANCIAL AUDIT**

---

**JUNE 30, 2017**

**PALOMAR COMMUNITY COLLEGE DISTRICT  
MEASURE M GENERAL OBLIGATION BOND FUND**

**FINANCIAL AUDIT  
TABLE OF CONTENTS  
JUNE 30, 2017**

---

***FINANCIAL SECTION***

Independent Auditor's Report	2
Measure M General Obligation Bond Fund	
Balance Sheet	4
Statement of Revenues, Expenditures, and Changes in Fund Balance	5
Notes to Financial Statements	6

***INDEPENDENT AUDITOR'S REPORT***

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	14
---	----

***SCHEDULE OF FINDINGS AND QUESTIONED COSTS***

Financial Statement Findings	17
Summary Schedule of Prior Audit Findings	18

---

---

***FINANCIAL SECTION***

---

---



**VAVRINEK, TRINE, DAY & CO., LLP**  
Certified Public Accountants

VALUE THE *difference*

## INDEPENDENT AUDITOR'S REPORT

Board of Trustees and Citizens' Oversight Committee  
Palomar Community College District  
San Marcos, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the Palomar Community College District's (the District) Measure M General Obligation Bond Fund (General Obligation Bonds, Election 2006) as of and for the year ended June 30, 2017, and the related notes to the financial statements, as listed in the Table of Contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Measure M General Obligation Bond Fund (General Obligation Bonds, Election 2006) of the District at June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As discussed in Note 1, the financial statements present only the Measure M General Obligation Bond Fund specific to General Obligation Bonds, Election 2006, and are not intended to present fairly the financial position and changes in financial position of the District in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2017, on our consideration of the District's Measure M General Obligation Bond Fund's (General Obligation Bonds, Election 2006) internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's Measure M General Obligation Bond Fund's (General Obligation Bonds, Election 2006) internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's Measure M General Obligation Bond Fund's (General Obligation Bonds, Election 2006) internal control over financial reporting and compliance.

*Vavinek Tume Day & Co. LLP*

San Diego, California  
December 19, 2017

**PALOMAR COMMUNITY COLLEGE DISTRICT  
MEASURE M GENERAL OBLIGATION BOND FUND**

**BALANCE SHEET  
JUNE 30, 2017**

---

**ASSETS**

Investments	\$ 307,653,499
Accounts receivable	840,632
Prepaid expenditures	210,240
Due from other funds	62
<b>Total Assets</b>	<b><u>\$ 308,704,433</u></b>

**LIABILITIES AND FUND BALANCE**

**LIABILITIES**

Accounts payable	\$ 7,038,826
Due to other funds	33,364
<b>Total Liabilities</b>	<b><u>7,072,190</u></b>

**FUND BALANCE**

Restricted for bond capital projects	<u>301,632,243</u>
<b>Total Fund Equity</b>	<b><u>301,632,243</u></b>
<b>Total Liabilities and Fund Balance</b>	<b><u>\$ 308,704,433</u></b>

The accompanying notes are an integral part of these financial statements.

**PALOMAR COMMUNITY COLLEGE DISTRICT  
MEASURE M GENERAL OBLIGATION BOND FUND**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2017**

---

**REVENUES**

Local revenues \$ 2,375,736

**EXPENDITURES**

Classified salaries 372,754  
Employee benefits 185,184  
Other expenses and services 3,317,728  
Capital outlay 65,160,260  
**Total Expenditures** 69,035,926

**OTHER FINANCING SOURCES**

Other sources - bond proceeds 139,000,000

**NET CHANGE IN FUND BALANCE**

72,339,810

**FUND BALANCE, BEGINNING OF YEAR**

229,292,433

**FUND BALANCE, END OF YEAR**

\$ 301,632,243

The accompanying notes are an integral part of these financial statements.

# **PALOMAR COMMUNITY COLLEGE DISTRICT MEASURE M GENERAL OBLIGATION BOND FUND**

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017**

---

### ***NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

The accounting policies of Palomar Community College District's (the District) Measure M General Obligation Bond Fund conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA). The District's Measure M General Obligation Bond Fund accounts for the financial transactions in accordance with the policies and procedures of the California Community Colleges Budget and Accounting Manual.

#### **Financial Reporting Entity**

The audited financial statements include only the Measure M General Obligation Bond Fund of the District. This Fund was established to account for the receipt of proceeds of general obligation bond issuances and the expenditures of the proceeds under the General Obligation Bond Election of 2006. These financial statements are not intended to present fairly the financial position and the changes in financial position of the District in compliance with accounting principles generally accepted in the United States of America.

#### **Fund Accounting**

The operations of the Measure M General Obligation Bond Fund are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. Resources are allocated to, and accounted for, in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

#### **Basis of Accounting**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

Governmental funds are generally accounted for using the modified accrual basis of accounting. Their revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current fiscal period. Expenditures are recognized in the accounting period in which the liability is incurred (when goods are received or services rendered), except for unmatured interest on the general obligation bonds, which are recognized when due.

#### **Budgets and Budgetary Accounting**

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. The District's governing board adopts an operating budget in accordance with State law. A public hearing must be conducted to receive comments prior to adoption. The District's governing board satisfied these requirements. The Board revises this budget during the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

# PALOMAR COMMUNITY COLLEGE DISTRICT MEASURE M GENERAL OBLIGATION BOND FUND

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

---

### Encumbrances

The District utilizes an encumbrance accounting system under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrances are liquidated when the commitments are paid and all outstanding encumbrances lapse at June 30.

### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

### Prepaid Expenditures

Prepaid expenditures (expenses) represent amounts paid in advance of receiving goods or services. The District has the option of reporting an expenditure in governmental funds for prepaid items either when purchased or during the benefiting period. The District has chosen to report the expenditures when paid.

### Fund Balance - Governmental Funds

As of June 30, 2017, the fund balance of the Measure M General Obligation Bond Fund was classified as follows:

**Restricted** - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation, or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

### Change in Accounting Principles

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). Specifically, this Statement addresses the following topics:

- Blending a component unit in circumstances in which the primary government is a business-type activity that reports in a single column for financial statement presentation;
- Reporting amounts previously reported as goodwill and "negative" goodwill;
- Classifying real estate held by insurance entities;
- Measuring certain money market investments and participating interest-earning investment contracts at amortized cost;
- Timing of the measurement of pension or OPEB liabilities and expenditures recognized in financial statements prepared using the current financial resources measurement focus;
- Recognizing on-behalf payments for pensions or OPEB in employer financial statements;

# **PALOMAR COMMUNITY COLLEGE DISTRICT MEASURE M GENERAL OBLIGATION BOND FUND**

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017**

---

- Presenting payroll-related measures in required supplementary information for purposes of reporting by OPEB plans and employers that provide OPEB;
- Classifying employer-paid member contributions for OPEB;
- Simplifying certain aspects of the alternative measurement method for OPEB;
- Accounting and financial reporting for OPEB provided through certain multiple-employer defined benefit OPEB plans.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Early implementation is encouraged.

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

The requirements of this Statement are effective for the reporting periods beginning after December 15, 2019. Early implementation is encouraged.

### ***NOTE 2 - INVESTMENTS***

#### **Policies and Practices**

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations.

#### **Investment in San Diego County Treasury**

The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (*Education Code* Section 41001). The fair value of the District's investment in the pool is reported in the accompanying financial statements based on the fair value provided by the San Diego County Treasurer. The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

**PALOMAR COMMUNITY COLLEGE DISTRICT  
MEASURE M GENERAL OBLIGATION BOND FUND**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

---

**General Authorizations**

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

**Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District manages its exposure to interest rate risk by investing in the San Diego County Investment Pool. The District maintains an investment of \$307,653,499 with the San Diego County Investment Pool with an average maturity of 417 days.

**Credit Risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investment in the San Diego County Investment Pool is rated AA Af/S1 by Standard & Poor's Investor Service.

**PALOMAR COMMUNITY COLLEGE DISTRICT  
MEASURE M GENERAL OBLIGATION BOND FUND**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

---

**NOTE 3 - FAIR VALUE MEASUREMENTS**

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets that the District has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 - Observable inputs, other than Level 1 prices, such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonably available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

Uncategorized - Investments in the San Diego County Investment Pool are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

The District's fair value measurements are as follows at June 30, 2017:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Uncategorized</u>
San Diego County Investment Pool	<u>\$ 306,610,813</u>	<u>\$ 306,610,813</u>

All assets have been valued using a market approach, with quoted market prices.

**PALOMAR COMMUNITY COLLEGE DISTRICT  
MEASURE M GENERAL OBLIGATION BOND FUND**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

---

***NOTE 4 - ACCOUNTS RECEIVABLE***

Receivables at June 30, 2017, consist of the following:

Interest	\$ 839,582
Other receivables	1,050
Total Receivables	<u>\$ 840,632</u>

***NOTE 5 - INTER-FUND RECEIVABLES/BORROWINGS***

The Unrestricted General Fund owes the Measure M General Obligation Bond Fund \$62 for reimbursement of construction related expenditures.

The Measure M General Obligation Bond Fund owes the Unrestricted General Fund \$9,426 for salaries.

The Measure M General Obligation Bond Fund owes the Internal Service Fund \$23,938 for benefit and insurance payments.

***NOTE 6 - ACCOUNTS PAYABLE***

Accounts payable at June 30, 2017, consist of the following:

Construction payables	\$ 7,031,977
Accrued benefits	6,849
Total Payables	<u>\$ 7,038,826</u>

***NOTE 7 - FUND BALANCE***

Fund balance is composed of the following element:

Restricted Bond capital projects	<u>\$ 301,632,243</u>
-------------------------------------	-----------------------

**PALOMAR COMMUNITY COLLEGE DISTRICT  
MEASURE M GENERAL OBLIGATION BOND FUND**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

---

**NOTE 8 - COMMITMENTS AND CONTINGENCIES**

As of June 30, 2017, the Measure M General Obligation Bond Fund had the following significant construction commitments with respect to unfinished capital projects:

<u>CAPITAL PROJECT</u>	<u>Remaining Construction Commitment</u>	<u>Expected Date of Completion</u>
Parking Improvements	\$ 8,149,384	1/1/2018
Maintenance and Operations Building	10,870,264	4/1/2018
Library/LRC	203,599	6/1/2018
North Education Center	137,962	6/1/2018
South Education Center	31,929,782	6/1/2018
Arboretum	87,770	8/1/2018
Landscape Improvements - San Marcos	219,108	8/1/2018
LL Building - Student Services One-Stop	10,173	12/1/2019
Kinesiology/Athletics	37,502	12/1/2020
	<u>\$ 51,645,544</u>	

**Litigation**

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the Measure M General Obligation Bond Fund at June 30, 2017.

---

---

***INDEPENDENT AUDITOR'S REPORT***

---

---



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED  
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Trustees and Citizens' Oversight Committee  
Palomar Community College District  
San Marcos, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the accompanying financial statements of the Palomar Community College District's (the District) Measure M General Obligation Bond Fund (General Obligation Bonds, Election 2006), as of and for the year ended June 30, 2017, and the related notes to the financial statements, and have issued our report thereon dated December 19, 2017.

**Emphasis of Matter**

As discussed in Note 1, the financial statements present only the Measure M General Obligation Bond Fund specific to General Obligation Bonds, Election 2006, and are not intended to present fairly the financial position and changes in financial position of the District in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's Measure M General Obligation Bond Fund (Measure M) internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's Measure M General Obligation Bond Fund (Measure M) internal control. Accordingly, we do not express an opinion on the effectiveness of the District's Measure M General Obligation Bond Fund (Measure M) internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Measure M General Obligation Bond Fund (General Obligation Bonds, Election 2006) financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's Measure M General Obligation Bond Fund (General Obligation Bonds, Election 2006) financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our testing disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Measure M General Obligation Bond Fund (General Obligation Bonds, Election 2006) internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Measure M General Obligation Bond Fund (General Obligation Bonds, Election 2006) internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Vavinek Tume Day & Co LLP

San Diego, California  
December 19, 2017

---

---

***SCHEDULE OF FINDINGS AND QUESTIONED COSTS***

---

---

**PALOMAR COMMUNITY COLLEGE DISTRICT  
MEASURE M GENERAL OBLIGATION BOND FUND**

**FINANCIAL STATEMENT FINDINGS  
JUNE 30, 2017**

---

None reported.

**PALOMAR COMMUNITY COLLEGE DISTRICT  
MEASURE M GENERAL OBLIGATION BOND FUND**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
JUNE 30, 2017**

---

There were no audit findings reported in the prior year's Financial Statement Findings.

**PALOMAR COMMUNITY COLLEGE DISTRICT**

---

**MEASURE M GENERAL OBLIGATION BONDS  
ELECTION 2006**

**PERFORMANCE AUDIT**

---

**JUNE 30, 2017**

**PALOMAR COMMUNITY COLLEGE DISTRICT  
MEASURE M GENERAL OBLIGATION BOND FUND**

**PERFORMANCE AUDIT  
TABLE OF CONTENTS  
JUNE 30, 2017**

---

Independent Auditor's Report on Performance	1
Authority for Issuance	2
Purpose of Issuance	2
Authority for the Audit	2
Objectives of the Audit	3
Scope of the Audit	3
Procedures Performed	3
Conclusion	4
Schedule of Findings and Questioned Costs	5
Summary Schedule of Prior Audit Findings	7



**VAVRINEK, TRINE, DAY & CO., LLP**  
Certified Public Accountants

VALUE THE *difference*

## INDEPENDENT AUDITOR'S REPORT ON PERFORMANCE

Board of Trustees and Citizens' Oversight Committee  
Palomar Community College District  
San Marcos, California

We were engaged to conduct a performance audit of Palomar Community College District's (the District) Measure M General Obligation Bond Fund (General Obligation Bonds, Election 2006) for the year ended June 30, 2017.

We conducted this performance audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our conclusion based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our conclusions based on our audit objectives.

Our audit was limited to the objectives listed within the report which includes determining the District's compliance with the performance requirements as referred to in Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution. Management is responsible for the District's compliance with those requirements.

In planning and performing our performance audit, we obtained an understanding of the District's internal control in order to determine if the internal controls were adequate to help ensure the District's compliance with the requirements of Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

The results of our tests indicated that the District expended Proposition 39 Measure M General Obligation Bond Funds only for the specific projects approved by the voters, in accordance with Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution.

*Vavrinek Trine Day & Co. LLP*

San Diego, California  
December 19, 2017

# **PALOMAR COMMUNITY COLLEGE DISTRICT MEASURE M GENERAL OBLIGATION BOND FUND**

**JUNE 30, 2017**

---

## ***AUTHORITY FOR ISSUANCE***

The Measure M General Obligation Bonds (the Bonds) were issued pursuant to the Constitution and laws of the State of California (the State), including the provisions of Chapters 1 and 1.5 of Part 10 of the California *Education Code*, and other applicable provisions of law. The Bonds were authorized to be issued by a resolution adopted by the Board of Supervisors of North San Diego County (the County Resolution), pursuant to a request of the Palomar Community College District (the District) made by a resolution adopted by the Board of Education of the District (the District Resolution).

The District received authorization from an election held in November 2006 to issue bonds of the District in an aggregate principal amount not to exceed \$694,000,000 to finance specific acquisition, construction, and modernization projects approved by eligible voters within the District. The Measure required approval by at least 55 percent of the votes cast by eligible voters within the District. The Measure M Bond Funds represent the authorized bond issuance of the Series 2006A, Series 2006B, Series 2006C, Series 2006D, and 2015 Refunding bonds.

## ***PURPOSE OF ISSUANCE***

Pursuant to the 2006 Authorization, the proceeds of the Bonds will be used to finance the repair, renovation, and construction of facilities noted on a specific Project List for facilities of the District. The bond project list includes:

- Upgrade nursing and emergency medical career training labs
- Modernize outdated science, computer and job training labs/equipment
- Upgrade electrical and technology infrastructure
- Repair/replace deteriorated roofs, plumbing, lighting, heating, and ventilation systems
- Improve energy efficiency
- Modernize/replace outdated classrooms and student support facilities
- Complete safety upgrades to college buildings and grounds

## ***AUTHORITY FOR THE AUDIT***

On November 7, 2000, California voters approved Proposition 39, the Smaller Classes, Safer Schools, and Financial Accountability Act. Proposition 39 amended portions of the California Constitution to provide for the issuance of general obligation bonds by school districts, community college districts, or county offices of education, "for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of rental property for school facilities", upon approval by 55 percent of the electorate. In addition to reducing the approval threshold from two-thirds to 55 percent, Proposition 39 and the enacting legislation (AB 1908 and AB 2659) requires the following accountability measures as codified in *Education Code* Sections 15278-15282:

1. Requires that the proceeds from the sale of the bonds be used only for the purposes specified in Article XIII A, Section 1(b)(3)(C) of the California Constitution, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

# **PALOMAR COMMUNITY COLLEGE DISTRICT MEASURE M GENERAL OBLIGATION BOND FUND**

**JUNE 30, 2017**

---

2. The community college district must list the specific school facilities projects to be funded in the ballot measure, and must certify that the governing board has evaluated safety, class size reduction, and information technology needs in developing the project list.
3. Requires the community college district to appoint a Citizens' Oversight Committee.
4. Requires the community college district to conduct an annual independent financial audit and performance audit in accordance with the *Government Auditing Standards* issued by the Comptroller General of the United States of the bond proceeds until all of the proceeds have been expended.
5. Requires the community college district to conduct an annual independent performance audit to ensure that the funds have been expended only on the specific projects listed.

## ***OBJECTIVES OF THE AUDIT***

- Determine whether expenditures charged to the Bonds have been made in accordance with the Bond project list approved by the voters through the approval of the Measure M.
- Determine whether proceeds received from the issuance of the Bonds has been deposited into the specific fund used to account for Measure M approved projects or for the refunding of previously issued bonds.
- Determine whether salary transactions charged to the Bonds were in support of Measure M and not for District general administration or operations.
- Determine if the Citizens' Oversight Committee was appropriately appointed and met during the year.

## ***SCOPE OF THE AUDIT***

The scope of our performance audit covered the period of July 1, 2016 to June 30, 2017. The population of expenditures tested included all object and project codes associated with the Bond projects. The propriety of expenditures for capital projects and maintenance projects funded through other State or local funding sources, other than proceeds of the bonds, were not included within the scope of the audit. Expenditures incurred subsequent to June 30, 2017, were not reviewed or included within the scope of our audit or in this report.

## ***PROCEDURES PERFORMED***

We obtained the general ledger and the project expenditure reports prepared by the District for the fiscal year ended June 30, 2017, for the Bonds. Within the fiscal year audited, we obtained the actual invoices and other supporting documentation for a sample of expenditures to ensure compliance with the requirements of Article XIII A, Section 1(b)(3)(C) of the California Constitution and Measure M as to the approved Bond projects list. We performed the following procedures:

1. We verified that a separate Bond Fund of the District has been established to account for the receipt of Bond proceeds and expenditure of the funds for the period July 1, 2016 through June 30, 2017.

**PALOMAR COMMUNITY COLLEGE DISTRICT  
MEASURE M GENERAL OBLIGATION BOND FUND**

**JUNE 30, 2017**

---

2. We verified interest revenue in the amount of \$2,375,736 was appropriately deposited into the Bond fund for use for the approved Measure M projects.
3. We reviewed the Citizens' Bond Oversight Committee members and noted that they did not have all of the established members required by the Proposition.
4. We verified the Citizens' Bond Oversight committee met regularly during the year with agendas and/or minutes of the meetings maintained.
5. We selected a sample of expenditures for the period starting July 1, 2016 and ending June 30, 2017, and reviewed supporting documentation to ensure that such funds were properly expended on the specific projects listed in the ballot text.
6. Our sample included transactions totaling \$49,984,768. This represents 72 percent of the total expenditures of \$69,035,926.
7. We verified that funds from the Bonds were expended for the voter authorized Bond projects as listed in the Approved Bond Project Listing.
8. We verified that the District used formal bid procedures for those contracts over the construction bid level requirements in accordance with the Education Code requirements and District policies.

***CONCLUSION***

The results of our tests indicated that, in all significant respects, the District has properly accounted for the expenditures held in the Bond Funds and that such expenditures were made for authorized Bond projects. Further, it was noted that salaries of administrators were charged to the Bonds only to the extent they perform administrative oversight work on construction projects as allowable per Opinion 04-110 issued on November 9, 2004, by the State of California Attorney General. District procedures for disbursement of funds were applied in accordance with laws and regulations, as well as policies approved by the Board of Trustees.

**PALOMAR COMMUNITY COLLEGE DISTRICT  
MEASURE M GENERAL OBLIGATION BOND FUND**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2017**

---

**2017-001 CITIZENS' BOND OVERSIGHT COMMITTEE**

**Criteria or Specific Requirement**

Pursuant to the Constitution and laws of the State of California, including the provisions of Chapter 1.5 of Part 10, Article 2, Section 15282 of the California *Education Code*, the Citizens' Oversight Committee shall consist of at least seven members to serve for a term of two years without compensation and for no more than two consecutive terms. While consisting of a minimum of at least seven members, the Citizens' Oversight Committee shall be comprised as follows:

1. One member shall be active in a business organization representing the business community located within the district.
2. One member shall be active in a senior citizens' organization.
3. One member shall be active in a bona fide taxpayers' organization.
4. For a school district, one member shall be the parent or guardian of a child enrolled in the district. For a community college district, one member shall be a student who is both currently enrolled in the community college district and active in a community college group, such as student government. The community college student member may, at the discretion of the board, serve up to six months after his or her graduation.
5. For a school district, one member shall be both a parent and guardian of a child enrolled in the district and active in a parent-teacher organization, such as the Parent Teacher Association or schoolsite council. For a community college district, one member shall be active in the support and organization of a community college or the community colleges of the district, such as a member of an advisory council or foundation.

In addition, no employee or official of the District shall be appointed to the Citizens' Oversight Committee. No vendor, contractor, or consultant of the District shall be appointed to the Citizens' Oversight Committee.

**Condition**

During our review of the Citizens' Oversight Committee members, it was noted that the District currently does not have the minimum required number of Citizens' Oversight Committee members. The District does not have an active member in a bona fide taxpayers' organization or an active member of a senior citizen's organization.

**Recommendation**

It is recommended that the Board of Trustees search for and appoint the required members to the Citizens' Oversight Committee to represent the noted constituencies as required by the California Constitution.

**PALOMAR COMMUNITY COLLEGE DISTRICT  
MEASURE M GENERAL OBLIGATION BOND FUND**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2017**

---

**Management's Response and Corrective Action Plan**

In November 2017, the District's Governing Board appointed the required members to the Citizens' Oversight Committee.

**PALOMAR COMMUNITY COLLEGE DISTRICT  
MEASURE M GENERAL OBLIGATION BOND FUND**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
JUNE 30, 2017**

---

**2016-001 CITIZENS' BOND OVERSIGHT COMMITTEE**

**Criteria or Specific Requirement**

Pursuant to the Constitution and laws of the State of California, including the provisions of Chapter 1.5 of Part 10, Article 2, Section 15282 of the California *Education Code*, the Citizens' Oversight Committee shall consist of at least seven members to serve for a term of two years without compensation and for no more than two consecutive terms. While consisting of a minimum of at least seven members, the Citizens' Oversight Committee shall be comprised as follows:

1. One member shall be active in a business organization representing the business community located within the district.
2. One member shall be active in a senior citizens' organization.
3. One member shall be active in a bona fide taxpayers' organization.
4. For a school district, one member shall be the parent or guardian of a child enrolled in the district. For a community college district, one member shall be a student who is both currently enrolled in the community college district and active in a community college group, such as student government. The community college student member may, at the discretion of the board, serve up to six months after his or her graduation.
5. For a school district, one member shall be both a parent and guardian of a child enrolled in the district and active in a parent-teacher organization, such as the Parent Teacher Association or schoolsite council. For a community college district, one member shall be active in the support and organization of a community college or the community colleges of the district, such as a member of an advisory council or foundation.

In addition, no employee or official of the District shall be appointed to the Citizens' Oversight Committee. No vendor, contractor, or consultant of the District shall be appointed to the Citizens' Oversight Committee.

**Condition**

The District currently does not have the minimum required number of Citizens' Oversight Committee members. The District does not have an active member in a bona fide taxpayers' organization or a student who is both concurrently enrolled in the community college district and active in a community college group.

**Recommendation**

It is recommended that the Board of Trustees search for and appoint the required members to the Citizens' Oversight Committee to represent the noted constituencies as required by the California Constitution.

**PALOMAR COMMUNITY COLLEGE DISTRICT  
MEASURE M GENERAL OBLIGATION BOND FUND**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
JUNE 30, 2017**

---

**Current Status**

Not implemented. See current year finding 2017-001.

**PALOMAR COLLEGE**  
**Facilities Department**

**Palomar South Education Center**

**SUBJECT:** Governing Board Approval: January 2018 Change Order  
DSA Application Number: 04-113069  
DSA File No: 37-C1

**PROJECT DESCRIPTION:**

This project is the new South Education Center site. The project includes the renovation of the existing 4 story Office Building into a new education center site complete with structural upgrades, all new interiors and mechanical, Electrical and Plumbing systems and equipment. The project also includes structural upgrades to the existing 3 story parking structure as well as landscape and site improvements. The project was awarded by the Governing Board on September 13, 2016.

**DESCRIPTION OF CHANGE:**

**Swinerton Builders:**

This Change Order accounts for unforeseen conditions including the repair to structural steel due to existing shot pins, replacement of the elevator shafts due to existing construction defects, the addition of 7 new fire/smoke dampers and fire wrap on all laboratory fume hood exhaust ductwork.

Unforeseen Conditions	\$ 503,882
Total Change Order #04	\$ 503,882

<b><u>Swinerton Builders</u></b>	
Original Contract Value:	\$43,487,149
Adjusted GMP Amount	\$1,351,769
Change Orders to Date:	\$761,038
Proposed Change Orders:	\$503,882
<b>Revised Contract Amount:</b>	<b>\$46,103,838</b>

**FINANCIAL IMPLICATIONS:**

The South Education Center project is being funded through Proposition M.

The above changes are included in Project Change order #04 and represent a total increase to the overall project in the amount of **\$503,882**.

**RECOMMENDATION:**

It is recommended that the Governing Board approve the SEC Owner Change Order #04 for \$503,882 and 0 calendar days.

**PALOMAR COLLEGE**  
**Facilities Department**

**Maintenance & Operations Building**

**SUBJECT:**           Governing Board Approval:           January 2018 Change Order  
                  DSA Application Number:           04-115315  
                  DSA File No:                         37-C1

**PROJECT DESCRIPTION:**

The Maintenance & Operations Building provides a new space for the Facilities, Building Services, Grounds, Maintenance, and Custodial Departments as well as the Shipping & Receiving and Warehouse areas. It is approximately 26, 953 sf in size.  
The project is being delivered via Design /Build and was awarded to Level 10/BNIM on September 9, 2016.

**DESCRIPTION OF CHANGE:**

**Level 10, Inc.:**

This Change Order includes costs for metering and PV panels to ensure the building attains “zero net energy” status as well as Vallecitos Water District required imported back fill material for new sewer connection not shown on plans and safety flaggers for students using the temporary CVS overflow lot.

Sustainability	\$ 92,348
Unforeseen Conditions	\$ 36,250
Total Change Order #02	\$ 128,598

<b><u>Level 10, Inc.</u></b>	
Original Contract Value:	\$14,435,964
Change Orders to Date:	\$43,418
Proposed Change Orders:	\$128,598
<b>Revised Contract Amount:</b>	<b>\$14,607,980</b>

**FINANCIAL IMPLICATIONS:**

The Maintenance & Operations Project is being funded through Proposition M.

The above changes are included in Project Change Order #02 and represent a total increase to the overall project in the amount of **\$128,598.00**

**RECOMMENDATION:**

It is recommended that the Governing Board approve the Maintenance & Operations project Owner Change Order #02 for **\$128,598.00**

**PALOMAR COLLEGE**  
**Facilities Department**

**Parking Structure and College Police**

**SUBJECT:** Governing Board Approval: January 2018 Change Order  
DSA Application Number: 04-114713 & 04-114714  
DSA File No: 37-C1

**PROJECT DESCRIPTION:**

This project is the Parking Structure and College Police Building. The project includes the construction of a 5 level, 1600 space parking structure and a 7,600 SF new single story College Police building. The project also includes renovating the balance of parking lot #12 to improve traffic flow and add landscaping. The project was awarded by the Governing Board on March 10, 2015.

**DESCRIPTION OF CHANGE:**

**McCarthy Building Companies, Inc.:**

This Change Order accounts for underground water encountered during grading, schedule and related impacts due to heavy rain impacts of 2017, network fiber upgrades, and soil compaction issues.

CO10 underground water	\$129,873
CO24 redesign stairs around infrastructure vault	\$50,000
CO28 additional scope for lot 12 surface parking	\$475,000
CO33 fiber revision for future	\$5,246
CO35 rock removal for bio-swale retention basin	\$30,000
CO36 Fiber manufacturer change	\$(494)
CO37 Soft soil compaction issues	\$9,833
Total Change Order #5	\$699,458

<b>McCarthy Building Companies, Inc.:</b>	
Original Contract Value:	\$28,318,352.00
Change Orders to Date:	497,938.00
Proposed Change Orders:	\$699,458.00
Revised Contract Amount:	\$29,515,748.00

**FINANCIAL IMPLICATIONS:**

The Parking Structure & College Police Project is being funded through Proposition M. The above changes are included in Project Change Order #5 and represent a total increase to the overall project in the amount of **\$699,458.00**

**RECOMMENDATION:**

It is recommended that the Governing Board approve the Parking Structure & College Police Project Owner Change Order #5 for **\$699,458.00**



## 2017-19 Integrated Plan: Basic Skills Initiative, Student Equity, and Student Success and Support Program

### Part I – Deadlines and Important Information

### Part II – Program Goals and Planning

#### PREVIOUS ACCOMPLISHMENTS

Questions 1 & 2 focus on what you **have accomplished during the 2015-16 planning cycle.**

#### 1. Assess your college's previous program efforts:

- a. In the table below, list progress made toward achieving the goals outlined in your 2015-16 SSSP, Student Equity, and BSI plans. Expand the table as needed so that all of your goals are included.

Individual categorical programs had established goals based on legislative requirements or campus based strategies.

#### Student Success & Support Program (SSSP)

Core Service Delivery	Requirement	2015-16	2016-17
Orientation	100% Students (Directed)	45%	6%
Assessment	100% New Students (Directed)	52%	76%
Abbreviated Ed Plan	100% Students by 15th Unit	24%	6%
Comprehensive Ed Plan	100% Students by 30th Unit		21%

#### Non-Credit Student Success & Support Program (NCSSSP)

Semester	Program	Total	Completed	Pending Completion	% Completed
Spring 2015	ESL	156	52	104	33%
Fall 2015	INEA	6	6	0	100%
Fall 2015	ESL	156	48	108	31%
Spring 2016	ESL	184	55	129	30%
Fall 2016	INEA	9	9	0	100%
Fall 2016	ESL	158	49	109	31%



## 2017-19 Integrated Plan: Basic Skills Initiative, Student Equity, and Student Success and Support Program

### Student Equity

Success Indicator	Disproportionate Impact	3 Year Goal	Progress
<b>Access</b>	Veterans	+5% Enrollment	-8.8%
<b>Course Completion</b>	Foster Youth	+5% Completion	+6.3%
<b>ESL &amp; Basic Skills Completion</b>	African Americans	+5% Successful Completion	+5.2% Eng +8.8% Math
	DSPS Students	+2% Basic Skills Seq. Comp.	+17.1% Eng
	Males	+5% Successful Completion	+16% ESL +10.6% Math
	Hispanics	+5% Successful Completion	+14% Eng +12.1% ESL +11.7% Math
<b>Degree &amp; Certificate Completion</b>	Unprepared Age 25-49	+2% Completion	-1.5%
	African Americans	+2% Completion	-2.2%
	DSPS Students	+2% Completion	+1.1%
<b>Transfer to 4-year Inst.</b>	Unprepared Age 25-49	+2% Completion	+1.3%

### Basic Skills Initiative

BSI 1516 Goals	F13 – Su15	F14 – Su16	Difference
Increase the # of DRC students who pass their basic skills courses.	ESL = 0%	ESL = 0%	0
	English = 32.99%	English = 32.97%	-.02
	Math = 11.54% (for Math 60 = 24.04%)	Math = 5.66% (for Math 60 = 24.53%)	-5.88% (for Math 60 = +.49)
Increase the success rate of first-year students in math courses below transfer level.	Math 15 → Math 60 = 12.66%	Math 15 → Math 60 = 17.38%	+4.72%



## 2017-19 Integrated Plan: Basic Skills Initiative, Student Equity, and Student Success and Support Program

Of those students who enroll into ESL 101, increase the percentage who are eligible to enroll in English 100 within 3 years.	43%	58.75%	+15.75%
Pilot activities and programs designed to help students progress successfully through the English sequence.	20.20%	26.64%	+6.44%

**b. To what do you attribute your overall success or lack thereof? (This answer can be in narrative or bullet; 100 words maximum)**

**Successes**

- Increased staffing in key student support service delivery roles
- Greater collaboration among departments
- Expanded use of data/tools to identify students in specific categories and to reach out with targeted information and services.
- DRC support classes and tutoring in Math and English
- 2<sup>nd</sup> year of ESL Leap Start, a one-year learning community
- Student completing reading classes showed a higher level of transfer-level coursework completion in English

**Shortfalls**

- Veteran enrollment affected by decrease in military discharged population.
- Unaddressed issues for students with math-related challenges



## 2017-19 Integrated Plan: Basic Skills Initiative, Student Equity, and Student Success and Support Program

c. In the table below, identify one goal from your 2015-16 plans that intersects SSSP, Student Equity, and BSI and describe the integration activities. (Note: For the 2017-19 plan, integrated goals are required.)

Goal	Activities in each program that serve the goal listed		
	SSSP	Student Equity	BSI
Increase ESL & Basic Skills sequence completion	Provide orientation, assessment, course planning and counseling services.  Early Alert Retention Follow-Up Success Skillshops	Provide prep courses/ Skillshops  Mathematics Learning Center First Year Experience Summer Bridge Program STAR Tutoring	Offer first-year experience programs or specific summer bridge programs targeting English 10, ESL 45/55, and Math together with reading and counseling support  ESL Tutoring Math Learning Center Writing Center Support Reading Tutoring Embedded tutoring in DRC Support Classes in Math and English

2. Describe one strategy or activity that your college has implemented that is resulting in significant gains in student completion or closing of achievement gaps. The Chancellor’s Office will use this information to assist in dissemination of effective practices to other colleges.

Palomar College has focused on providing students with substantive academic and student support services. One significant change in our business practice has been an intentional focus on providing current and incoming students with targeted messaging that connects them with relevant support services. For example, we identify students who are enrolled in math courses and we send them specific information about availability of free math tutoring at our Mathematics Learning Center. Our data show that students who participate in tutoring have consistently higher pass rates than students who do not. For math, that difference is 1.5%. For English, that difference is 6.5%. For ESL, that difference is 11.1%. For other areas, that difference is 6.8%. By using student system data, we can focus messaging to the specific needs of students. This data driven approach to service and support delivery has enabled us to reach students more efficiently.

### FUTURE PLANS

Questions 3-8 address the 2017-19 planning cycle.

3. Establish integrated student success goals to be completed/achieved by June 30, 2019, along with corresponding activities designed to achieve those goals. Goals must be outcomes-based, using system-wide outcomes metrics.



## 2017-19 Integrated Plan: Basic Skills Initiative, Student Equity, and Student Success and Support Program

Select **five integrated goals** for the period covering this plan and complete the following table, showing how each goal connects across programs as well as the activities/steps you will implement to achieve each goal.

Goal	Activities in each program that serve the goal listed			Goal Area
	SSSP	Student Equity	BSI	
Basic Skills Completion	Assess placement through multiple-measures.  Counseling/ Education Planning  Success Skillshops	Tutoring services  Direct Supports to Students  Counseling/ Education Planning  Dual Enrollment  Professional Development	Tutoring (@centers, online, and embedded)  Learning communities among basic skills courses and basic skills w/transfer-level courses  Summer Bridge FYE Success Skillshops Professional Development	<input type="checkbox"/> Access <input checked="" type="checkbox"/> Retention <input type="checkbox"/> Transfer <input checked="" type="checkbox"/> ESL/Basic Skills Completion <input checked="" type="checkbox"/> Degree & certificate Completion <input type="checkbox"/> Other: _____
Improve Access for Veterans	Timely Core Service Delivery: -Orientation -Assessment -Counseling/ Education Planning  Designated Veteran Counselors	Outreach Staff / Targeted Marketing  Direct Supports to Students  Designated Veteran Counselors  Transition Services (active duty to vet status)	Offer non-credit low-level math and English classes  Offer English 10 & Math 15 and 50 at Camp Pendleton; research viability of offering Reading as well	<input checked="" type="checkbox"/> Access <input checked="" type="checkbox"/> Retention <input type="checkbox"/> Transfer <input checked="" type="checkbox"/> ESL/Basic Skills Completion <input checked="" type="checkbox"/> Degree & Certificate Completion <input checked="" type="checkbox"/> Other: Employment Placement
Increase Degrees, Certificates and Transfer Rates	Timely Core Service Delivery: -Orientation -Assessment -Counseling/ Education Planning  Early Alert Success Skillshops Peer Mentoring	FYE / Palomar Promise  Direct Supports to Students  Counseling/ Education Planning  Core Service Delivery via: UMOJA Puente	Learning Communities  Tutoring  Core Service Delivery via: Summer Bridge FYE Success Skillshops  Professional Development related to	<input type="checkbox"/> Access <input checked="" type="checkbox"/> Retention <input checked="" type="checkbox"/> Transfer <input checked="" type="checkbox"/> ESL/Basic Skills Completion <input checked="" type="checkbox"/> Degree & Certificate Completion <input type="checkbox"/> Other: _____



## 2017-19 Integrated Plan: Basic Skills Initiative, Student Equity, and Student Success and Support Program

		FYE FYRST DSPS  Service Learning Math Learning Center Transfer Workshops College Tours -HSI, HBCU  Professional Development	working with disproportionately impacted students (ADA, cultural competencies, Title IX)	
Guided Student Pathways	Timely Core Service Delivery: -Orientation -Assessment -Counseling/ Education Planning  Degree Planner  Success Skillshops  Develop pathways for all academic programs for 2 <sup>nd</sup> year student retention.	Direct Supports to Students  Tutoring Faculty Advising Peer Mentoring  Include industry input to connect academic and career pathways.  Student Engagement: Service Learning Faculty Advising Peer Mentoring  Professional Development	K-12/CC Collaboration to assist students in being college ready (articulations, CCAPs, meetings among faculty at all levels)	<input type="checkbox"/> Access <input checked="" type="checkbox"/> Retention <input checked="" type="checkbox"/> Transfer <input checked="" type="checkbox"/> ESL/Basic Skills Completion <input checked="" type="checkbox"/> Degree & Certificate Completion <input checked="" type="checkbox"/> Other: Career Placement
Increase intervention and retention of students on progress/probation	Establish effective early alert system (Starfish)  Communicate probation status and options.  Transition students to good standing.	Student Engagement: Tutoring Counseling/Advising Success Skillshops Peer Mentoring	Academic support/tutoring Peer Mentoring	<input type="checkbox"/> Access <input checked="" type="checkbox"/> Retention <input checked="" type="checkbox"/> Transfer <input checked="" type="checkbox"/> ESL/Basic Skills Completion <input checked="" type="checkbox"/> Degree & Certificate Completion Other:

**4. How will your college accomplish integration of matriculation, instruction, and student support to accomplish your student success goals? Include in your answer how your college will ensure coordination across student equity-related categorical programs or campus-based programs. (500 words max)**

Palomar College has continuously engaged faculty, staff and students in all college planning of



## 2017-19 Integrated Plan: Basic Skills Initiative, Student Equity, and Student Success and Support Program

categorical and campus-based programs. The College utilizes a collaborative, shared-governance process which includes research and dialogue in the development of proposed strategies. Funding is prioritized for activities also aligned with strategic plan goals.

The primary planning group coordinating the 2017-19 Integrated Plan was our Student Success and Equity Council (SSEC). The SSEC is comprised of a cross section of campus community representatives including instruction, student services and the student body and tri-chaired by the VP of Student Services, the VP of Instruction and the Faculty Senate President. Members of the SSEC had the foresight to integrate activities within our Student Success and Support Program (SSSP) and the Student Equity Plan three years ago. Integration of our Non-Credit Student Success and Support Program (NCSSSP) began last year with the transfer of oversight from the Dean of Languages and Literature to the Dean of Counseling, who also oversees SSSP. A separate Basic Skills Initiative (BSI) committee has representation on the SSEC and together, we prioritize integrated goals.

As a consistent practice, we incorporate the counseling faculty and counseling division staff into a variety of important roles within all of the College's program plans. For example, our Summer Bridge and FYE programs, both of which support basic skills students, provide participants with orientation, assessment, education planning, and follow up services.

Palomar College has invested in technology upgrades to enhance our retention efforts. We are participating in the second phase implementation of Hobsons Starfish Early Alert. This tool will enable more timely intervention for students who may be struggling. Several academic and student service departments are teaming up to test the kudo and referral features. An expansion of use will take place in spring 2016 with full implementation by fall 2018. Concurrently, we are implementing the Hobsons Starfish Degree Planner module to streamline electronic education planning between students and counselors. Implementing these technology projects will enhance the pace at which we are able to support student success.

Additionally, our campus-wide theme of "Better Together" is a reflection of our commitment to effective and efficient business practices. Our professional development programs for faculty, classified and administrative staff recently merged. Beginning with academic year 2017-18, all employees will have an opportunity to participate in shared professional development and professional growth activities. To enhance cross-departmental collaboration and program integration between instruction, student services, and general campus operations, professional development activities were consolidated into one campus-wide accessible program.

In short, at Palomar College, we work well together and we continuously strive to collaborate across departments and divisions. We recognize that we are indeed "Better Together".

### **5. If your college has noncredit offerings, describe how you are including these offerings in moving**



## 2017-19 Integrated Plan: Basic Skills Initiative, Student Equity, and Student Success and Support Program

### **students through to their goals, including post-secondary transitions and employment (250 words max)**

Palomar College offers noncredit course work, primarily through the ESL Department. Core services including orientation, assessment and education planning are available to all new and returning non-credit students. Services are delivered to students in person through workshops or one-on-one appointments. These services help prepare noncredit students for successful completion of ESL studies. Students also have access to our noncredit ESL counselor or ESL student specialist for follow-up and support.

Palomar College began offering noncredit course work for older adults in Fall 2017; the largest demographic population in our service area. Many additional adult education courses are currently in the curriculum approval process. Plans are underway to offer noncredit modules for the medical professions beginning in summer 2018. These will assist students as they transition into credit nursing and emergency medical education programs. All students interested in transitioning to our credit programs are encouraged to meet with a counselor to plan their path.

### **6. Describe your professional development plans to achieve your student success goals. (100 words max)**

Palomar College has a Professional Development Committee (PDC) comprised of members representing all employee groups. A broad range of training opportunities are available to all faculty and staff. A Student Success & Equity training series is under development to enhance campus community practices and provide faculty and staff with the techniques that help students achieve goals. Palomar is also a part of a BSI Partnership focused on professional development for equity, involving identification of biases and applying equity practices to interactions with students, curriculum and hiring.

### **7. How and how often will you evaluate progress toward meeting your student success goals for both credit and noncredit students? You could analyze milestones, momentum points, leading indicators, or any other metric you find appropriate for your college. (100 words max)**

Palomar College has developed a culture of inquiry, self-assessment and data driven decision-making. Palomar's strategic plan includes objectives focused on activities found in SSSP, NCS SSP, BSI and Student Equity plans. Monthly review of MIS data provides program managers with a preliminary measure of service delivery and allows for corrective action of inefficiencies. In addition, the Office of Institutional Research and Planning assists the SSEC with oversight of SSSP, NCS SSP and Student Equity plan goals, by conducting research to monitor variances and progress toward plan goals.

### ~~8. NA - For multi-college districts, how will you coordinate your efforts for SSSP, Student Equity, and~~



## 2017-19 Integrated Plan: Basic Skills Initiative, Student Equity, and Student Success and Support Program

~~BSI, with other colleges in your district to achieve your student success goals? (100 words max)~~

9. Using the document “BSI, SE, SSSP, NCS SSP Integrated Budget Plan 2017-2018” and your 2017-2018 annual allocation amounts, provide a budget plan specifying how you will utilize your BSI, SE, and SSSP funds to help achieve your student success goals.

Object Code	Category	Basic Skills Initiative	Student Equity	Credit SSSP	Credit SSSP - Match	Noncredit SSSP	Noncredit SSSP - Match	
1000	Academic Salaries	\$ 128,982	\$ 408,668	\$ 1,022,681	\$ 2,400,000	\$ -		
2000	Classified and Other Nonacademic Salaries	\$ 267,944	\$ 610,148	\$ 999,671	\$ 340,000	\$ 162,110	\$ 163,610	
3000	Employee Benefits	\$ 29,400	\$ 348,127	\$ 822,154	\$ 1,135,000	\$ 68,100	\$ 68,100	
4000	Supplies & Materials	\$ 8,000						
5000	Other Operating Expenses and Services	\$ 20,000				\$ 1,500		
6000	Capital Outlay	\$ 60,000						
7000	Other Outgo	\$ 34,910	\$ 412,384	\$ 295,888				
	<b>Program Totals</b>	\$ 549,236	\$ 1,779,327	\$ 3,140,394	\$ 3,875,000	\$ 231,710	\$ 231,710	
					<b>Match</b>		<b>Match</b>	
		<b>BSI, SE, &amp; SSSP Budget Total</b>						\$ 5,700,667

10. Each college must create an executive summary that includes, at a minimum, the Student Equity goals for each required student group, the activities the college will undertake to achieve these goals, and the resources budgeted for these activities. The executive summary for this plan must also include an accounting of how Student Equity funding for 2014-15, 2015-16, and 2016-17 was expended and an assessment of the progress made in achieving the identified goals from prior year plans. The summary must also include the name of the college or district official to contact for further information. The executive summary must be posted to the college website. Provide a link to your college’s executive summary below: **[Insert Link to Exec Summary Upon Approval]**

Executive Summary

*2017-19 Integrated Plan Development*

Palomar College is proud of its work to develop a focused 2017-19 Integrated Plan. The draft plan was crafted by the Student Success & Equity Council (SSEC), a workgroup consisting of representatives from faculty, staff, students and administrators. It was further refined and finalized through our collaborative, shared-governance process which included research, dialogue, and the self-assessment of program strategies.

This 2017-19 Integrated Plan serves as a reaffirmation of our commitment to address student success and equity issues with targeted interventions. By increasing student support services,



## 2017-19 Integrated Plan: Basic Skills Initiative, Student Equity, and Student Success and Support Program

enhancing equity dialogue and engaging in continuous self-improvement of processes that support student success and equity, the college will continue to move our students toward successful completion of their individual goals.

The Integrated Plan aligns goals and activities of our College Strategic Plan with four categorical programs including:

- Basic Skills Initiative (BSI)
- Credit Student Success and Support Program (3SP)
- Noncredit Student Success and Support Program (NC3SP)
- Student Equity Plan

To facilitate and monitor the Integrated Plan, the Office of Institutional Research and Planning conducted analysis to measure progress toward eliminating disproportionate impact. Our progress demonstrates highly effective practices to increase student success.

### *Focus on Equity Progress & Goals*

The 2014 Student Equity Plan included 3-year goals, established by the SSEC, for improvement in each area of disproportionate impact. To achieve the established goals, a series of activities were initiated or expanded. Results of an updated analysis reveal continued evidence of disproportionate impact among veterans, foster youth, Latino and African American males, and students with disabilities. Specific areas of impact included: *Access (Veterans)*, *Course Completion (Foster Youth)*, *ESL and Basic Skills Completion (African Americans, Students with Disabilities, males, and Hispanics)*, and *Degree and Certificate Completion (African Americans, students with disabilities, and students who entered college unprepared for college level work)*.

The following table summarizes the areas of disproportionate impact and measurable progress toward our 3-year goals. In addition, we address our current gap, and new 2-year plan goals adopted by SSEC members:

Success Indicator	Disproportionate Impact	Starting Gap	3 Year Goal 2015-2017	3 Year Progress	Current Gap	2 Year Goal 2017-2019
Access	Veterans	-3.5%	+5% Enrollment	-8.8%	-3.4%	+2% Enrollment
Course Completion	Foster Youth	-23.2%	+5% Completion	+6.3%	-16.2%	+3% Completion
ESL & Basic Skills Completion	African Americans	-8.6% -12.7%	+5% Successful Completion	+5.2% Eng +8.8% Math	-15.9% -13.6%	+5% Successful Completion
	DSPS Students	-12.7%	+2% Basic Skills Seq. Comp.	+17.1% Eng	-13.6%	+5% Basic Skills Seq. Comp.
	Males	-3.5% -3.6%	+5% Successful Completion	+16% ESL +10.6% Math	1.9% -2.6%	+5% Successful Completion



## 2017-19 Integrated Plan: Basic Skills Initiative, Student Equity, and Student Success and Support Program

	Hispanics	-4.0% -4.3% -4.4%	+5% Successful Completion	+14% Eng +12.1% ESL +11.7% Math	-2.5% -2.9% -2.4%	+5% Successful Completion
<b>Degree &amp; Certificate Completion</b>	Unprepared Age 25-49	-11.2%	+2% Completion	-1.5%	-12.6%	+2% Completion
	African Americans	-5.0%	+2% Completion	-2.2%	-8.6%	+2% Completion
	DSPS Students	-10.3%	+2% Completion	+1.1%	-9.1%	+3% Completion
<b>Transfer to 4-year Inst.</b>	Unprepared Age 25-49	-15.2%	+2% Completion	+1.3%	-12.0%	+2% Completion

Integrated Plan monitoring and oversight will continue to be provided by the Student Success & Equity Council (SSEC) in partnership with the Basic Skills Initiative committee.

Although significant progress was made to close equity gaps, the college plans to continue investing in activities and practices that have proven to be impactful. Through our shared governance structure, we have identified the best strategy for investing equity funds to achieve intended outcomes. A summary of broad *activity areas* is below:

### Campus Wide & Community Initiatives

Institutional and Regional Equity Activities

### Anticipated Investment

\$ 150,000.00

Build Campus Capacity to Address Equity Issues

\$ 359,327.00

### Targeted Initiatives Support Successful DI Student Programs

Teaching & Learning Center (FYE, Bridge)

\$ 300,000.00

Expand Foster Youth Services Resources (FYRST)

\$ 75,000.00

Expand Disabled Student Service Resources

\$ 80,000.00

Expand Veteran Access Efforts

\$ 150,000.00

Support Academic Achievement for DI Students (Tutoring/Service Learning)

\$ 350,000.00

Direct Supports to Enable Achievement for DI Students

\$ 100,000.00

Recognition Events

\$ 30,000.00

Professional Development & Training (Faculty/Staff/Students)

\$ 100,000.00

Student Engagement Activities (SEAL Center, Educational Excursions)

\$ 75,000.00

Student Transfer Success

\$ 10,000.00

Total

\$ 1,779,327.00

### *Additional Resources to Achieve Equity Goals*



## 2017-19 Integrated Plan: Basic Skills Initiative, Student Equity, and Student Success and Support Program

In addition to funds of Integrated Plan Categorical allocations, the College will continue to leverage other program and general funds to help students achieve their academic goals. These resources include General Fund (GF), EOPS, DSPP, TRIO, CARE, Title V - HSI, Grant Funded Student Programs, Financial Aid and Foundation Scholarship.

Prior fiscal year allocation amounts for student equity funds have fluctuated. A summary of expenditures by category for Fiscal Years 2014-15, 2015-16 and 2016-17 is below. Please note the funds for FY16-17 allow a two-year spending period that will end on June 30, 2018. Funds will be expended by the end of the two-year authorized cycle.

Object Code	Category	2014-15	2015-16	2016-17* Year 1	2016-17* Year 2	3-Year Totals
1000	Academic Salaries	\$ 34,840	\$ 356,371	\$ 111,104	\$ -	\$ 502,315
2000	Classified and Other Nonacademic Salaries	\$ 81,393	\$ 450,951	\$ 344,044	\$ 3,147	\$ 879,535
3000	Employee Benefits	\$ 42,028	\$ 307,161	\$ 102,185	\$ 175	\$ 451,549
4000	Supplies & Materials	\$ 187,432	\$ 149,452	\$ 62,894	\$ 175,000	\$ 574,778
5000	Other Operating Expenses and Services	\$ 143,040	\$ 462,747	\$ 93,808	\$ 206,000	\$ 905,595
6000	Capital Outlay	\$ 239,533	\$ 296,700	\$ 9,367	\$ 200,000	\$ 745,600
7000	Other Outgo	\$ 108,060	\$ 4,091	\$ 4,174	\$ 503,742	\$ 620,067
	<b>Student Equity Allocation Totals</b>	<b>\$ 836,326</b>	<b>\$ 2,027,473</b>	<b>\$ 727,576</b>	<b>\$1,088,064</b>	<b>\$4,679,439</b>

\*FY1617 reporting cycle ends 6/30/18.

### Additional Questions:

For questions related to Palomar College's 2017-19 Integrated Plan, please contact:

Name	Olga Diaz
Title	Director of Student Success & Equity
Email Address	odiaz@palomar.edu
Phone	(760)744-1150 x3624

### 11. What support from the Chancellor's Office (e.g., webinars, workshops, site visits, etc.) and on what topics (e.g., budget, goal setting, expenditures, data visualization, etc.) would help you to accomplish your goals for student success and the closing of achievement gaps?

The following suggestions were gathered from members of our Student Success and Equity Council,



## 2017-19 Integrated Plan: Basic Skills Initiative, Student Equity, and Student Success and Support Program

Basic Skills Initiative committee members.

- Workshops delivered at college campuses. Webinars to update colleges about legislation changes and key concepts for implementing changes.
- Workshops tailored to instructors that address how to help close achievement gaps.
- Develop consistent way to measure achievement gaps. Provide better descriptions and definitions of data. Offer data collection and data use workshops.
- Encourage inclusion of small populations in disproportionate impact gap analysis.
- Project management software to support long range implementation of substantive programs.
- Easily accessible, reliable, far-reaching data; a wide variety of skillshops on equity and practical application to hiring, curriculum, tutoring, etc.

12. Identify one individual to serve as the point of contact for your college (with an alternate) for the Integrated Plan and provide the following information for that person:

**Point of Contact:**

Name	Olga Diaz
Title	Director of Student Success & Equity
Email Address	odiaz@palomar.edu
Phone	(760)744-1150 x3624

**Alternate Point of Contact:**

Name	Adrian Gonzales
Title	Vice President of Student Services
Email Address	adriangonzales@palomar.edu
Phone	(760)744-1150 x2158

### Part III – Approval and Signature Page

College: Palomar College

District: Palomar

Board of Trustees Approval Date: \_\_\_\_\_

We certify the review and approval of the 2017-19 Integrated Plan by the district board of trustees on the date shown above. We also certify that the goals, strategies and activities represented in this plan meet the legislative and regulatory intent of the Student Success and Support (credit and noncredit), Student Equity, and Basic Skills programs and that funds allocated will be spent according to law, regulation and expenditure guidelines published by the California Community College Chancellor's



## 2017-19 Integrated Plan: Basic Skills Initiative, Student Equity, and Student Success and Support Program

Office.

---

Chancellor/President	Date	Email Address
----------------------	------	---------------

---

Chief Business Officer	Date	Email Address
------------------------	------	---------------

---

Chief Instructional Officer	Date	Email Address
-----------------------------	------	---------------

---

Chief Student Services Officer	Date	Email Address
--------------------------------	------	---------------

---

President, Academic Senate	Date	Email Address
----------------------------	------	---------------



January 4<sup>th</sup>, 2018

Palomar Community College  
Contract Service/Rm. A-128  
1140 W. Mission Road  
San Marcos, CA 92069-1487

Attn. Daniel Luker

RE.: BID # CM-17-18-01-NEC-01-D North Education Center Paving, Site Concrete, and  
Improvements-Letter of Bid Withdrawal

Dear Mr. Luker,

PAL General Engineering Inc. (PAL) submitted a bid proposal on December 21<sup>st</sup> 2017, for the above-mentioned project. Shortly after the bid opening; PAL realized that a clerical mistake took place while transferring data from the quantities takeoff sheet to the pricing sheet.

As you can see in the attached file, the 4"/7" AC paving section quantity was estimated to be 190,364.00 SF, while the pricing sheet reflects 19,036.40 SF, the mistake was a result of transferring the values between the two work sheets which resulted in a \$580,800.56 difference.

Per the Public Contract Code section 5103 which reads:

*"The bidder must establish to the satisfaction of the court that:*

- (a) *A mistake was made.*
- (b) *He or she gave the public entity written notice within five working days, excluding Saturdays, Sundays, and state holidays, after the opening of the bids of the mistake, specifying in the notice in detail how the mistake occurred.*
- (c) *The mistake made the bid materially different than he or she intended it to be.*



*(d) The mistake was made in filling out the bid and not due to error in judgment or to carelessness in inspecting the site of the work, or in reading the plans or specifications.”*

PAL at this time requests that its withdrawal letter for the above referenced bid proposal be accepted based on the given information.

Looking forward to working with you in the future and thank you for your understanding.

Regards,

A handwritten signature in blue ink that reads 'Jahshan'.

Abd Jahshan  
Vice-President

Item No.	Work Description	Qty	Unit	Unit Price
1	Paving, Site Concrete, and Site Improvements in the amount of	1	LS	\$ 2,643,403.29
2	Allowance for foundations at Entrance Monument signs	1	STIP	\$ 40,000.00
3	Allowance for additional Class 2 base for low subgrades	1	STIP	\$ 25,000.00
4	Allowance for DSA approval revisions to Science Modular concrete foundations	1	STIP	\$ 40,000.00
5	Owners Miscellaneous Allowance	1	STIP	\$ 200,000.00

**PAL TOTAL**

**\$ 2,948,403.33**

**ENG EST**

\$1,500,000.00

**LESS THAN 1/2 of 1**

**\$ 14,447.18**

**WORKING DAYS**

January 17-April 30 2018

6"C&G	LF	12,986.00	\$	48.75
6" Curb	LF	13,914.00	\$	23.66
Sidewalk	SF	45,964.00	\$	5.00
1' Wide concrete Strip Walk ( Maintenance Walk )	LF	1,443.00	\$	59.00
Paver Truncated Domes	SF	2,100.00	\$	29.00
Permeable Paver	SF	9,075.00	\$	18.00
Misc PCC ( Pads , Backflow Pads & Others )	LS	1.00	\$	40,000.00
ADA Ramps	EA	18.00	\$	3,508.10

4"AC/7" Base	SF	19,036.40	\$	3.39
3" AC / 6" Base	SF	242,649.00	\$	2.69

fence	LS	1	\$	145,797.00
Striping	LS	1	\$	46,271.54

Structural Canopy	LS	1	\$	50,000.00
Picking Tables	LS	1	\$	79,450.00

Description	Page #	Key Note	QTY	Unit
			<b>190,364.00</b>	
Construct 4" AC over 7" AB	5	18	4,818.00	SF
	5		4,439.00	
	5		6,729.00	
	5		6,721.00	
	6		19,550.00	
	6		1,373.00	
	6		1,386.00	
	6		443.00	
	7		44,562.00	
	7		12,004.00	
	6		3,575.00	??AC??
	7		3,787.00	??AC??
	8		19,571.00	
	8		19,396.00	
	8		3,796.00	??AC??
	8		3,430.00	??AC??
	8		21,486.00	
	9		13,298.00	