Board Agenda

Compton Community College District
1111 E. Artesia Blvd., Compton, CA 90221

Closed Session to Commence at 5:00 P.M.
Open Session to Commence at 6:00 P.M.
Tuesday, March 16, 2010
District Board Room
1111 E. Artesia Boulevard
Compton, California 90221

I. Call to Order at 5:00 p.m.

II. Roll Call
Lorraine Cervantes, Trustee
Charles Davis, Trustee
Dr. John Hamilton, Trustee
Dr. Deborah LeBlanc, Trustee
Andres Ramos, Trustee
Glynndon Owens, Student Trustee
Dr. Peter Landsberger, Special Trustee
Dr. Lawrence Cox, CEO

III. Requests to Address the Board of Trustees – Closed Session Agenda Matters

IV. Recess to Closed Session in accordance with the Ralph M. Brown Act (Government Code Sections 54950 and following) and Education Code Section 72122 to discuss or take action on the following items:

A. **CONFERENCE WITH LEGAL COUNSEL–ANTICIPATED LITIGATION:**

1. Significant exposure to litigation pursuant to Government Code Section 54956.9(b)(1) and (3)(C) the following claims or complaints:
   Claim of Ladislao Mendoza
   Claim of Thomas Norton
   Claim of Leroy Porter
   Claim of Robert L. Reeves Construction.

B. **<u>CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6</u>:**

1. Agency designated representative: Dr. Lawrence Cox, CEO
Employee organizations: Compton Community College Federation of Employees, Classified Employees Federation of Employees, Certificated Employees

C. **<u>PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE, PURSUANT TO GOVERNMENT CODE SECTION 54957(B)</u>:**
(One Matter)

V. Reconvene to Open Session at 6:00 p.m.

VI. Roll Call

1. Lorraine Cervantes
2. Charles Davis
3. Dr. John Hamilton
4. Dr. Deborah LeBlanc
5. Andres Ramos
6. Glynndon Owens
7. Dr. Landsberger
8. Dr. Cox

VII. A Reflective Moment

VIII. The Pledge of Allegiance

IX. Report of Actions Taken in Closed Session Pursuant to Government Code Section 54957.1

X. Reports from Representatives and Employee Organizations

A. Student Trustee Report – Glynndon Owens
B. Faculty Representative Report – Jerome Evans
C. Classified Representative Report – David Simmons
D. Academic Senate President Report – Saul Panski
E. CCCFE Certificated Employees Report – Toni Wasserberger
F. CCCFE Classified Employees Report – Joseph Lewis
G. Confidential/Supervisory Representative Report – Roy Patterson
H. Associated Student Body Report – Opal Williams, ASB President

XI. Requests to Address the Board of Trustees – Agenda/Non-Agenda Matters (including Closed Session Items)

XII. Information/Presentation – Chief Executive Officer

A. Dr. Lawrence Cox – Center and District Update
1) Budget Update (Ronald Gerhard)
2) Academic Affairs Update (Barbara Perez)

XIII. Approval of Minutes of February 16, 2009

XIV. Discussion/Action Agenda

A. BT 1 - Revised Partnership Agreement - Discussion of Initial Draft

B. CEO 1 - Discussion of Policy Development for CCCD
CEO 2 - Board Policies
- BP 3310 Citizens' Bond Measure CC Oversight Committee
- BP 3320 Naming Buildings and Other Facilities
- BP 3330 Access to Facilities and Property
- BP 3600 Auxiliary Organizations
- BP 5550 Speech: Time, Place and Manner

CEO 3 - California Community College Trustees Board Election – 2010

C. Business Services - Consent Calendar
- BSD 1 Purchase Orders
- BSD 2 Agreements/Contracts
- BSD 3 Quarterly Financial Status Report – Form CCFS-311Q
- BSD 4 Local Agreement for Child Development Services CCTR-9100
- BSD 5 Local Agreement for Child Development Services CSCC-9014
- BSD 6 Local Agreement for Child Development Services CSPP-9185
- BSD 7 Budget Transfers/Budget Augmentations
- BSD 8 Approval of Stale Dated Warrant

Action Items
- BSD 9 Line of Credit Debt Service Plan
- BSD 10 GASB 45 Actuarial Study

D. Human Resources - Consent Calendar
- HRD 1 Management Team Personnel Action
- HRD 2 Academic Employment and Personnel Changes
- HRD 3 Temporary Non-Classified Service Employees

COMPTON COMMUNITY COLLEGE DISTRICT

BOARD OF TRUSTEES
REGULAR MEETING

Tuesday, February 16, 2010

MINUTES

I. The Board of Trustees Meeting was called to order at 5:02 p.m.

II. Roll Call
Members Present:
Lorraine Cervantes, Trustee
Andres Ramos, Trustee
Charles Davis, Trustee
Dr. Deborah LeBlanc, Trustee
Dr. John Hamilton, Trustee
Dr. Peter Landsberger, Special Trustee
Dr. Lawrence Cox, CEO
Absent: Glynndon Owens, Student Trustee

III. Requests to address the Board of Trustees – Closed Session Agenda Matters – None

IV. Recess to Closed Session at 5:05 p.m. Recess to Closed Session in accordance with the Ralph M. Brown Act (Government Code Sections 54950 and following) and Education Code Section 72122 to discuss or take action on the following items:

V. Reconvene to Open Session of the Board of Trustees at 6:00 p.m. in the Board Room

VI. Roll Call
Members Present:
Lorraine Cervantes
Andres Ramos
Charles Davis
Deborah LeBlanc
John Hamilton
Peter Landsberger
Lawrence Cox

VII. A Reflective Moment – Dr. Landsberger

VIII. Pledge of Allegiance – Led by Trustee Cervantes

IX. Report of Actions Taken in Closed Session (Subdivision (a), Section 54956.9)
Claim of Marjeritta Phillips in the amount of $5,079.00 **– Approved**
Claim of Data Specialties, Inc. in the amount of $38,404.57 **– Approved**
No other reportable action

X. Reports from Representatives and Employee Organizations
1) Student Trustee Report – Glynndon Owens, absent
2) Faculty Representative Report – Jerome Evans: Looking forward to a successful semester
3) Classified Representative Report – David Simmons: Classification study
4) Academic Senate President Report – Saul Panski: Flex Day went well; attended ASB Leadership Training Retreat, thanks to Mr. Bob Butler; commended ASB
5) CCCFE Certificated Employees Report – Toni Wasserberger: Negotiations making good progress, but would like to see more frequent negotiation meetings
6) CCCFE Classified Employees Report – Joseph Lewis: Vacation Time Policy
7) Confidential/Supervisory Representative Report – Roy Patterson: Classification study
8) Associated Student Body Report – Opal Williams: Absent

XI. Requests to address the Board of Trustees – Agenda/Non-Agenda Matters
Audience members who spoke are listed below:
a. Nehasi Lee, Student: Board Accountability

XII. Information/Presentations
A. Dr. Lawrence Cox, CEO:
1) Campus Update
i. We are committed to implementing the recommendations of the Classification Study this fiscal year.
ii. School started last week – welcome back to the faculty.
iii. Flex day was very exciting – thanks to Ms. Perez and also to the faculty.
iv. FCMAT scores have been received and on February 25th I will make a presentation of this report and we will celebrate our progress.
v. There are several exciting activities scheduled for Black History Month.
vi. It is extremely important that we bear in mind the importance of quality. I received a note this morning from a student asking for help, because the chairs that are currently in the classrooms do not allow her to sit comfortably. I have since asked Mr. Gerhard to make an assessment of all of the classrooms and we now need to add tables and chairs, not desktops, for students who may not be comfortable with what we have now. We have quite a number of requests like that, that we need to respond to. It's nice to have so many students, but we need to keep them. We have to be sure the classrooms have what they need to keep students comfortable and to succeed.

2) Ron Gerhard, CBO – Budget Update. Mr. Gerhard distributed and reviewed copies of the Budget Update, dated February 16, 2010. The 2009/2010 financial picture is stable and strong. We are currently on target for achieving our projected ending fund balance of $2.3, which is approximately 7% of our budget expenditures. We are on track to achieving our goal of 5,600 FTES for this fiscal year.

3) Although our goal for next fiscal year is to achieve 6,400 FTES for the year, we are currently building our base budget on 6,000 FTES. This provides a substantial increase in the amount of resources to allocate in the general fund restricted.

4) Barbara Perez, VP Academic and Student Affairs – Academic Affairs Update: Distributed and reviewed a Student Services Report. There has been a 15% increase, to about 3500 students, and FTES has increased 47% to 1,966. We will be adding a few additional courses for the summer sessions and beefing up summer a little bit so that we will make that goal of 5600 FTES for this fiscal year. Because of state funding cuts we have had to decrease services with EOP&S/CARE, and Financial Aid. There currently are over 400 students on a waiting list for EOP&S. About 45 faculty members attend a 3-day On-Course training session, which basically is a program to help faculty know how to get students to take ownership for their own learning. In past years the state has provided block grant money for instructional equipment. We have found about $250,000 of unexpended money in this area, and we in the process of developing a new equipment list so we can use this money in the classrooms.

5) Fred Sturner, Facilities Update – Mr. Sturner introduced some of the people working with him on facilities projects; Dasol Mashaka, Project Manager and alumni of Compton College; Linda Owens; Kevin Keifhopper and Rob Vasquez of S & K Engineering; Ron Landsky and Diane Lee.

XIII. Approval of Minutes of January 19, 2009 – **Approved**

Action	Cervantes	Hamilton	Leblanc	Ramos	Owens	Davis	Landsberger
Minutes APPROVED	Abstain	Yes	Yes	Yes	Absent	Yes	Yes

XIV. Discussion/Action Agenda

A. CEO 1 - Consideration of Board Member Compensation Pursuant to Education Code Section 72024 – **Approved in the amount of $240.00/month/trustee for the period of February 2010 through June 2010; on the condition of revisiting this issue on July 1, 2010**

Public Comments: Nehasi Lee, student – voiced his opinion of trustee compensation (CEO1), and BSD2, Items 10, 11 & 13.

Comments by Trustees of Compensation issue

Action	Cervantes	Hamilton	Leblanc	Ramos	Owens	Davis	Landsberger
CEO 1 APPROVED	Yes	No	Yes	Yes	Absent	No	Yes

B. CEO2 Board of Trustees Policies **– Approved**

BP 7240 Confidential Employees
BP 7250 Administrators
BP 7260 Classified Supervisors
BP 7270 Unclassified Employees

Action	Cervantes	Hamilton	Leblanc	Ramos	Owens	Davis	Landsberger
CEO 2 APPROVED	Yes	Yes	Yes	Yes	Absent	Yes	Yes

C. Business Services - Consent Calendar **– Approved**

BSD 1 Purchase Orders

BSD 2 Agreements/Contracts

1. Amendment to Agreement with Lee Gilbert, Approved October 20, 2009 to Extend the Period of Performance from December 30, 2009 to June 30, 2010.
2. Amendment to Agreement with Keith Johnson, Approved September 15, 2009 to Extend the Period of Performance from December 30, 2009 to June 30, 2010.
3. Amendment to Agreement with Reginald McCoy, Approved October 20, 2009 to Extend the Period of Performance from December 30, 2009 to June 30, 2010.
4. Amendment to Agreement with Delores Pace, Approved October 20, 2009 to Extend the Period of Performance from December 30, 2009 to June 30, 2010.
5. Amendment to Agreement with Sandra Smith, Approved November 17, 2009 to Extend the Period of Performance from December 30, 2009 to June 30, 2010.
6. Amendment to Agreement with Dione Washington, Approved September 15, 2009 to Extend the Period of Performance from December 30, 2009 to June 30, 2010.
7. Ratification of Agreement with Hein, Cherry, Attore, Inc., Contractor to Conduct Student Survey and Produce a Written Report That Includes Detailed Analysis, Conclusions and Recommendations, Crosstab Tables and Illustrative Charts.
8. Agreement with Michael Nash, Contractor will Perform a Music Technology Presentation.
9. Agreement with Hafaish Tafari, Contractor will Provide Five Financial Education/Literacy Workshops to Student Support Services Program Participants.
10. Agreement With S & K Engineers, Contractor to Provide Additional Services to Tasks #2 For Utility Infrastructure Master Plan and Implementation/Program Peer Review & Coordination for DSA Submission Requirements and the Liquefaction Issue Surrounding the Site.
11. Ratification of Agreement with Vanir Construction Management, Inc., Contractor to Provide Work Authorization for Cost Estimating Services on the Utility Infrastructure Phase I and Central Plant Project. To verify the Construction Cost for the Submittal to the Department of the State Architect during December 2009 and again prior to the State Deadline to Bid the Project in May 2010.
12. Agreement with Orchard Roofing Consultants, Contractor to Provide Roofing Evaluation and Report.
13. Agreement with Vavrinek, Trine, Day & Co., LLP, Contractor to Provide an Annual Audit Conducted on its General Obligation Bond Fund.
14. Agreement with Vavrinek, Trine, Day & Co., LLP, Contractor to Provide an Independent Audit for Fiscal Years Ending June 30, 2010 through June 30, 2012.

BSD 3 Actual Enrollment Fee Revenue Report 323

BSD 4 Approval of Stale Dated Warrants

BSD 5 Local Agreement for Child Development Services CIMS-9204

BSD 6 Signature Resolution of CA Department of Education Child Development Services CIMS-9204

BSD 7 Budget Transfers/Budget Augmentations

Action	Cervantes	Hamilton	Leblanc	Ramos	Owens	Davis	Landsberger
BSD 1-7 APPROVED	Yes	Yes	Yes	Yes	Absent	Yes	Yes

C. Human Resources - Consent Calendar – **Approved**
HRD 1 Management Team Personnel Action
HRD 2 Academic Employment and Personnel Changes
HRD 3 Classified Employees
HRD 4 Temporary Non-Classified Service Employees

Action	Cervantes	Hamilton	Leblanc	Ramos	Owens	Davis	Landsberger
HRD 1-4 APPROVED	Yes	Yes	Yes	Yes	Absent	Yes	Yes

XV. Remarks by trustees

XVI. Adjourned at 7:40 p.m.

XVII. **Next meeting date: March 2, 2009** Study Session begins at 5:00 p.m.

Next regularly scheduled meeting: **March 16, 2010**
Closed session begins at 5:00 p.m.
Open session begins at 6:00 p.m.

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Compton Community College District
1111 East Artesia Boulevard - Compton, California 902**20**

Agenda for the Compton Community College District Board of Trustees
from
Special Trustee

XIV. REPORT / DISCUSSION / ACTION

BT1 Revised Partnership Agreement - Discussion of Initial Draft

AGREEMENT BETWEEN THE
EL CAMINO COMMUNITY COLLEGE DISTRICT AND THE
COMPTON COMMUNITY COLLEGE DISTRICT

This Agreement is made and entered into on the __ day of _____, 2010, by and between the El Camino Community College District (hereinafter referred to as “El Camino”), acting by and through its governing board, and the Compton Community College District (hereinafter referred to as “Compton” or the “District”), acting by and through the Special Trustee appointed by the Chancellor of the California Community Colleges to serve in the place of Compton’s governing board. In consideration of the mutual commitments contained herein, the parties agree as follows:

1. This Agreement, and the parties’ implementation of it, is intended to provide a set of binding mutual understandings to achieve the following goals:

   A. Provide the students and residents of Compton with access to accredited community college programs and services that address their educational needs and contribute to the overall welfare and development of the community;

   B. Specify the various rights and responsibilities of each party in providing those programs and services;

   C. Create the conditions under which Compton will have a genuine opportunity to establish a newly accredited college as an autonomous institution;

   D. Maintain effective, mutually respectful relationships between and among the faculty, staff and administrators of El Camino and Compton; and

   E. Accomplish all of the above in a way that safeguards El Camino’s accreditation.

2. All programs and services of the Center (as defined in Sections 3 and following, below) provided under this Agreement shall be offered exclusively by El Camino and during the term of this Agreement Compton shall not engage in any activity that requires status as an accredited institution. Compton shall also refrain from engaging in any activity that would pose a demonstrable risk to El Camino’s accreditation and shall abandon the use of the term “Compton College” to refer to Compton or in connection with any activities undertaken by Compton.

<u>The Center</u>

3.As authorized by Chapter 50 of the Statues of 2006 (A.B. 318) (and any amendments thereto), El Camino shall maintain the “El Camino Community College District Compton Community Educational Center,” also known as the “El Camino College Compton Center,” and hereinafter referred to simply as the “Center,” on Compton’s facilities in Compton, California. The educational program and services offered by El Camino at the Center shall consist of a full range of credit and non-credit offerings, and related student support services, as specifically agreed to by the two parties and from time to time modified as they deem necessary.

4. The Center, and all of its educational programs and services, shall be under the exclusive management and control of El Camino. As used in this agreement, the Center consists of programs and services like the following: All credit and non-credit courses and programs; library and learning resource center services; counseling and matriculation services; admissions and records; financial aid; student life and other student services programs; categorical programs such as EOPS, DSPS, CalWorks, GAIN, and TANF; transfer center services; athletics; international students; relations with schools; and special programs and services such as the Foster/Kinship Care Program.

5. Without implying any limitation on the Center's programs and services, El Camino shall include the following among the programs and services it provides at the Center:

   A. EOPS, Special Resources Center (DSPS), CalWorks, GAIN, TANF and other categorical programs (as well as federally supported programs like grants to Hispanic-Serving Institutions under Title V of the Higher Education Act) that are separate from and independent of similar programs provided at El Camino's main campus;

   B. An Associated Student Body organization at the Center that is separate from and independent of the Associated Student Body organization at El Camino's main campus and that assesses and benefits from its own fees; and

   C. Subject to approval by the Commission on Athletics of the Community College League of California, intercollegiate athletic teams that are separate from and independent of the athletic teams at El Camino's main campus. Unless otherwise agreed to by the parties, the teams shall be designated as the "Compton Tartars."

6. If El Camino currently does not offer programs or services that El Camino or Compton, after consulting with the other through a curriculum and program review process, reasonably determines are appropriate and necessary to meet the educational needs of the students and residents of Compton, El Camino shall promptly undertake all reasonable efforts to adopt appropriate curriculum or services. If El Camino reasonably determines that it cannot adopt appropriate curriculum or services requested by Compton, or that doing so would be impractical or ill-advised, El Camino shall work with Compton to attempt to find an alternative means of providing the programs or services. If any action taken pursuant to this section requires approval from the Accrediting Commission for Community and Junior Colleges (ACCJC) through the substantive change proposal process, Compton will cooperate with El Camino to ensure compliance with that process.

7. The educational program and student support services offered at the Center shall be clearly identified as exclusively programs and services of El Camino, and El Camino shall have full authority over all aspects of the programs and services offered at the Center, including but not limited to, curriculum development and approval, program review, student assessment, student services and institutional planning for the Center. Furthermore, as more fully specified in Sections 13.A, 13.B and 14, below, El Camino shall have authority over faculty and staff qualifications and evaluation of their performance.

8. El Camino and its Academic Senate shall ensure that faculty employed by Compton but assigned to provide educational and support services at the Center are accorded appropriate professional standing in academic and professional matters as they relate to the Center, including but not limited to, curriculum development and approval, program review, student assessment, student services and institutional planning for the Center.

9. El Camino shall comply with all federal requirements to ensure that qualified students enrolled at the Center remain eligible for federal financial assistance.

10. As authorized by the Education Code, El Camino shall collect fees as follows:

    A. Non-resident tuition fees, materials fees, health fees, Associated Student Body fees, and ASB Student Representation fees, which shall be set by El Camino upon the recommendation of Compton.

    B. Parking fees and facility use fees, which will be set by Compton.

    All fees collected by El Camino from students enrolled at the Center, or others who use the Center's facilities or participate in its programs or services, shall be devoted to supporting programs and services at the Center or remitted to Compton, as the parties may from time to time specify.

11. Compton shall make appropriate District facilities available to El Camino without charge and shall name those facilities the "El Camino College Compton Center."

12. El Camino shall appoint a full-time Vice President, Compton Center (hereinafter sometimes referred to as the Vice President) to serve as the Chief Instructional and Chief Student Services Officer of the Center. The Vice President shall be responsible to, and supervised by, the Superintendent/President of El Camino. Working collaboratively with Compton's Chief Executive Officer, the Vice President shall perform the duties summarized in the position description appended to this Agreement as Attachment A.

13. El Camino and Compton shall agree upon a staffing plan for the Center that identifies every position that will be needed to provide services at the Center and that specifies which of the positions Compton will fund. The parties shall implement the staffing plan as follows:

   A. To the extent the parties determine necessary and appropriate, Compton shall propose assignment of its current employees to provide services at the Center pursuant to the staffing plan. Before any individual employee is assigned to provide services at the Center, El Camino, in its sole discretion, shall have the right to review the employee’s qualifications and to determine if the assignment is an appropriate one. If El Camino determines that the assignment is appropriate, the employee shall remain an employee of Compton and shall not become an employee of El Camino, but he or she will provide services at the Center under the day-to-day supervision of El Camino. If El Camino determines that the assignment is not appropriate and declines to accept the employee, he or she shall not be assigned to provide services for El Camino at the Center.

   B. When new employees need to be hired by Compton pursuant to the staffing plan, Compton shall promptly undertake reasonable efforts to recruit qualified employees for those positions using hiring procedures adopted by Compton following consultation with El Camino. Before extending an offer of employment to any individual who will provide services at the Center, Compton shall consult with El Camino to ensure that El Camino has the opportunity to review the prospective employee’s qualifications and to determine if his or her assignment to provide services at the Center under El Camino’s day-to-day supervision is appropriate pursuant to El Camino’s authority under Section 13.A, above, to approve assignments.

   C. Every Compton employee who is assigned to provide services at the Center shall do so pursuant to Education Code Section 74293. No such employee shall be deemed to be an employee of El Camino nor shall any such employee gain any status with El Camino for any purpose.

14. El Camino, acting through the Vice President, shall have the primary right to direct the activities of employees assigned to provide educational and student support services at the Center consistent with Compton’s contractual and legal rights and obligations as the employer of those individuals. Using evaluation procedures applicable to Compton employees, El Camino shall also provide employee performance assessments to Compton regarding the services provided by Compton’s employees. If El Camino finds that it is necessary to do so, El Camino may reassign a Compton employee back to Compton after providing Compton with a reasonable opportunity to remedy any circumstances that El Camino believes warrants the reassignment.

15. Nothing in this agreement shall be construed to limit El Camino’s ability to assign its own employees to oversee activities or to manage the educational and student support services at the Center, or to employ employees of any type or class as otherwise authorized by law as needed to provide oversight of activities or the management of educational and student support services at the Center. Any person who provides services pursuant to this section shall remain an employee

of El Camino and shall not be deemed to be an employee of Compton nor shall any such employee gain any status with Compton for any purpose. It is understood by the parties that El Camino will assign its employees to provide services at Compton only if they voluntarily accept the assignment. If they deem it to be appropriate, El Camino and Compton may also enter into inter-jurisdictional agreements with each other to exchange employees needed for an interim period for a specific job classification.

16. Compton shall remain responsible for the salary and benefits of its employees assigned to provide educational and student support services at the Center and El Camino shall remain responsible for the salary and benefits of its employees assigned to provide educational and student support services at the Center. Neither party shall have any responsibility for the salary or benefits of the other party's employees.

Accreditation Plan

17. The parties acknowledge that a fundamental long-term goal of this Agreement is to establish a newly accredited college in Compton as an autonomous institution under the jurisdiction of the Compton Community College District. In furtherance of that goal, the parties shall develop an overall plan under which the Center will prepare for accreditation and complete all of the work necessary to enable El Camino to initiate an application for eligibility within a period of two to five years from the effective date of this Agreement.

18. Development of the plan shall be completed by July 1, 2010, and the plan shall be presented to the parties' respective governing boards no later than July 30, 2010.

19. By July 1, 2011, and at least annually thereafter, the Vice President and Compton's Chief Executive Officer (hereinafter sometimes referred to as the CEO) shall prepare a report for submission to the parties' respective governing boards summarizing progress towards obtaining accreditation for the Center, the remaining steps required to gain accreditation and a current anticipated time frame for the Center's accreditation.

Senior Management Group

20. The parties shall establish a Senior Management Group composed of El Camino's Superintendent/President, Compton's Special Trustee, the Vice President, Compton Center, and Compton's Chief Executive Officer.

21. The Senior Management Group shall:

    A. Set overall strategy and priorities (pending Board approval if necessary) for the Center and the District.

    B. Resolve issues referred by the Vice President and the CEO.

C. Ensure compliance with accreditation requirements.

D. Monitor progress toward independent accreditation for the Center.

22. Unless the Superintendent/President and the Special Trustee agree otherwise, the Senior Management Group shall meet at least monthly. The agenda for each meeting of the Senior Management Group shall be prepared jointly by the Vice President and the CEO, with input from the Superintendent/President and the Special Trustee, and each meeting shall be chaired by either the Vice President or the CEO.

Management of Compton District Operations

23. Compton shall appoint a full-time Chief Executive Officer (CEO) to serve as the chief executive and operational officer of the District. The CEO shall be responsible to, and supervised by, the Special Trustee and Compton's governing board. Working collaboratively with El Camino's Vice President, the CEO shall perform the duties summarized in the position description appended to this Agreement as Attachment B.

24. Unless the Senior Management Group specifies otherwise, all Compton district operations shall be under the management and control of Compton and shall report to the District's CEO. For the purposes of this Agreement, Compton district operations include business and administrative activities like the following: Accounting services (including accounts receivable, accounts payable, general accounting and maintenance of the general ledger, and cashier services); budget development and administration; financial, credit and debt management; payroll services; purchasing, receiving and asset management; auxiliary services (including bookstore and cafeteria operations, grants administration, etc.); risk management and insurance; police and security services; management information services; facilities maintenance and operations; construction and other capital improvement projects; human resources and labor relations; community and governmental relations that relate primarily to the District and not to the Center (including, but not limited to, organization and operations of the Compton governing board and the office of the Special Trustee); and all other business, legal and administrative activities that relate primarily to the management of the Compton Community College District.

25. Notwithstanding the preceding section, if the Senior Management Group determines the management of certain District operations[1] should be delegated to El Camino because it is in the best interests of both El Camino and Compton to do so, Compton may delegate the management of those operations to El Camino.

26. If Compton delegates the management of a district operation to El Camino pursuant to Section 25, the following shall apply:

[1] For example, Management Information Services, which El Camino has managed since the inception of the parties formal partnership in 2006.

A. All employees assigned to work in the operation shall remain employees of Compton and shall not gain any status with El Camino for any purpose.

B. El Camino may assign its own employees to assist in providing services needed in the operation, or may employ employees of any type or class as otherwise authorized by law as needed to provide oversight of the operation. Any person who provides services pursuant to this subsection shall remain an employee of El Camino and shall not be deemed to be an employee of Compton nor shall any such employee gain any status with Compton for any purpose. It is understood by the parties that El Camino will assign its employees to provide services at Compton only if they voluntarily accept the assignment.

C. Compton shall remain responsible for the salary and benefits of its employees working in the operation and El Camino shall remain responsible for the salary and benefits of its employees working in the operation. Neither party shall have any responsibility for the salary or benefits of the other party’s employees.

D. The Special Trustee shall receive regular reports regarding the status of the operation and may request special reports at any time. Furthermore, the Special Trustee my initiate performance or financial audits of the operation at any time.

E. In managing the operation, El Camino shall ensure that no funds of Compton are expended or committed without the approval of the Special Trustee, the CEO, or an appropriate Compton official acting under delegated authority from the Special Trustee or the CEO.

27. If they deem it to be appropriate, El Camino and Compton may also enter into inter-jurisdictional agreements with each other to exchange employees needed for an interim period for a specific job classification. Furthermore, as an alternative to delegating management of a district operation to El Camino, as specified above, the parties may agree that El Camino will assume full responsibility for the operation (including staffing, equipment, supplies, etc.) and that it will provide Compton with all relevant services associated with the operation as a service provider. However, any such agreement shall be approved by the Special Trustee and shall take the form of a written agreement that specifies all of the terms and conditions of the services to be provided by El Camino and the compensation payable to El Camino for those services.

<u>Budget Development</u>

29. Compton, in consultation with El Camino, shall maintain an annual budget development process that includes a budget development calendar, defines the roles and responsibilities of Compton and El Camino officials involved in the process, and identifies the manner in which appropriate collegial consultation with Compton faculty, staff and students will be conducted. Following that procedure Compton will develop an annual budget that is based upon enrollment projections and other operational goals agreed upon by the parties and that provides for the operational needs of the Center and the District.

30. Before adopting the annual budget, the Special Trustee shall determine if the Superintendent/President concurs with the proposed budget. If the Superintendent/President concurs, the Special Trustee and Compton's governing board shall adopt the budget. If the Superintendent/President does not concur, the Special Trustee shall either modify the budget as necessary to obtain the Superintendent/President's concurrence, or adopt the budget without concurrence. In the latter case, El Camino will be deemed to have given notice of termination of this Agreement on the date of the budget's adoption and the termination procedure set forth in Sections 40 and 41 shall be automatically invoked.

Recruitment, Retention, Marketing and Enrollment

31. The parties agree that student enrollment at the Center is an important, quantifiable measure of service to the community, and recognize that the Center's enrollment will ultimately determine Compton's entitlement to State apportionment. As a consequence, El Camino acknowledges that Compton has a substantial interest in monitoring enrollment at the Center and pledges to exercise its best efforts to match enrollment to available apportionment funding.

32. By April 15 of each academic year the Senior Management Group shall establish an enrollment goal for the Center for the subsequent academic year. Through the budget development process Compton shall identify the funding necessary to achieve that goal and ensure that the funding is made available.

33. The Vice President, in conjunction with the CEO, shall prepare short- and long-range recruitment, retention, marketing and enrollment management plans for the Center which shall be presented to the Senior Management Group for review and endorsement. The process by which the various plans are developed shall provide for participation by Compton faculty and staff and, among other things, shall define:

    - target populations the Center will specialize in serving well;
    - the nature of the programs the Center will need to develop or enhance to adequately meet the needs and expectations of students in those target populations;
    - the services the Center will need to be skilled at delivering to ensure that student success is buttressed and students in the target populations are properly supported; and
    - the most effective and compelling messages (and the best means of delivering them) the Center will use to communicate with potential students in the target populations.

34. El Camino shall record attendance at the Center according to rules and regulations prescribed by the Board of Governors of the California Community Colleges and shall submit accurate and timely attendance reports to the Chancellor's Office. Before submitting any such report, however, El Camino shall provide Compton with a reasonable opportunity to review the report.

Miscellaneous

35. El Camino shall be entitled to an annual administrative fee of $500,000 for its services under this Agreement, payable at the beginning of each fiscal year. Upon Compton's receipt of El Camino's invoice for the fee, Compton shall remit the fee to El Camino within 30 days.

36. Compton shall defend and indemnify El Camino, its officers, employees or agents, in connection with any and all claims, actions or lawsuits that arise in any manner from the acts or omissions of Compton, its officers, employees or agents in the performance of this agreement, and El Camino shall defend and indemnify Compton, its officers, employees or agents, in connection with any and all claims, actions or lawsuits that arise in any manner from the acts or omissions of El Camino, its officers, employees or agents in the performance of this agreement. It is expressly understood that in the event of a claim, action, or lawsuit based upon an act or omission of a Compton employee assigned to provide services at the Center under this agreement, the Compton employee shall not be deemed to be an agent of El Camino unless the act or omission giving rise to the claim, action or lawsuit was one required by El Camino or taken at the explicit direction of an El Camino supervisor or manager.

37. During the effective dates of this Agreement, each party shall maintain in effect a policy or policies of insurance issued by one or more insurance companies and/or a memorandum or memoranda of coverage issued by a joint powers authority providing the coverages identified below:

    A. Liability to a third party for bodily injury, sickness, or disease and for physical injury to tangible property and/or for loss of use of tangible property not physically injured that is neither expected nor intended from the standpoint of the insured or of the covered party. The policy limit or limit of liability for such coverage shall be at least $1,000,000 per occurrence with an aggregate limit of no less than $5,000,000.

    B. Liability to a third party for "personal injury" offense(s) as defined by the applicable policy of insurance or memorandum of coverage. The policy limit or limit of liability for such coverage shall be at least $1,000,000 per occurrence or claim with an aggregate limit of no less than $5,000,000.

    C. Liability to a third party for "errors and omissions" as defined by the applicable policy of insurance or memorandum of coverage. The policy limit or limit of liability for such coverage shall be at least $1,000,000 per occurrence or claim with an aggregate limit of no less than $5,000,000.

    D. Automobile Liability with the following limits: Primary Bodily Injury limits of $1,000,000 per occurrence and Primary Property Damage limits of $5,000,000 per occurrence or combined single limits of Primary Bodily and Primary Damage of $10,000,000 per occurrence.

E. Worker's Compensation Insurance with the limits established and required by the State of California.

F. Employer's Liability with limits of $5,000,000 per claim.

38. During the effective dates of this Agreement, each party shall cause the other party and its elected and appointed officers, directors, employees and agents to be named as additional insureds under the policy or policies of insurance providing the coverages identified above for claims arising out of actual or alleged acts or omissions on the part of the other party, its elected and appointed officers, employees and agents and/or cause the other party, its officers, employees and agents to be named as a covered party or as an additional covered party under the memorandum or memoranda of coverage providing the coverages identified above for claims arising out of actual or alleged acts or omissions on the part of the other party, its elected and appointed officers, employees and agents. However, this provision shall not apply to the coverage for "errors and omissions."

39. By July 1 of each year, each party shall provide to or cause to be provided to the other party a certificate or certificates of insurance identifying the policy or policies of insurance to which the other party has been named as an additional insured and/or certificate or certificates of coverage or similar document(s) identifying the memorandum or memoranda of coverage to which each party has been named as an additional covered party. Each such policy or memorandum shall state that not less than thirty (30) days' written notice shall be given to the other party prior to cancellation; and, shall waive all rights of subrogation. Each party shall immediately notify the other party in the event of material change in, or failure to renew, each policy or memorandum.

40. This Agreement shall take effect immediately and shall **remain** in effect until it is terminated. Either party may initiate termination of this Agreement by giving 180 days written notice to the other party, and to the Board of Governors of the California Community Colleges, of its intent to terminate. No termination pursuant to this section shall take effect until the end of the semester following the expiration of the notice period provided under this section so as to protect students from a mid-term interruption of educational services.

41. Notwithstanding anything in Section 40 to the contrary, in the event El Camino initiates termination of this Agreement by giving notice to Compton and the Board of Governors of its intent to terminate pursuant to the preceding section, the Chancellor of California Community Colleges shall meet with the Superintendent/President of El Camino to determine if the proposed termination by El Camino relates to factors that can be resolved with the Chancellor's assistance. If that is not the case, and if El Camino declines to withdraw its notice of termination within ninety days after it was initially given to Compton and the Board of Governors, the Special Trustee shall immediately act to terminate the agreement pursuant to Education Code Section 74292(l)(2), which explicitly authorizes the Special Trustee to initiate termination of agreements with a partner district. Thereafter, the Special Trustee, the Chancellor and the Board of Governors of the California Community Colleges shall be deemed to have waived any and all rights whatsoever that they may have to require El Camino to continue to provide services as a

partner district. This waiver provision is irrevocable and its inclusion in this agreement has been relied upon by El Camino as a material inducement for its willingness to enter into this Agreement.

42. In addition to the right to initiate the termination of this Agreement as provided in Section 40, either party may request that the terms of the Agreement be renegotiated, in whole or in part, at any time. Within 30 days after a request to renegotiate has been given, the parties shall meet to begin the process of renegotiating the terms of the Agreement and both shall participate in that process in good faith.

43. Any notice required to be delivered under this Agreement to the other party must be in writing and shall be effective (i) when personally delivered to the other party or (ii) three business days after deposit in the United States mail, postage fully prepaid and addressed to the respective party as set forth below (or to such other address and to such other persons as the parties may hereafter designate by written notice to the other):

    To Compton:

    Special Trustee
    COMPTON COMMUNITY COLLEGE DISTRICT
    1111 E. Artesia Boulevard
    Compton, CA 90221

    To El Camino:

    Superintendent/President
    EL CAMINO COLLEGE
    16007 Crenshaw Blvd.
    Torrance, CA 90506

    To the Chancellor and Board of Governors:

    Chancellor
    CALIFORNIA COMMUNITY COLLEGES
    1102 Q Street
    Sacramento, CA 95811

44. This Agreement represents the entire understanding between the parties and supersedes all prior agreements, written or oral. This Agreement may be amended or modified only by an agreement in writing signed by both Compton and El Camino.

IN WITNESS WHEREOF, the parties have executed this agreement on, ________, 2010.

COMPTON COMMUNITY COLLEGE DISTRICT

By _________________________
Peter J. Landsberger
Special Trustee

EL CAMINO COMMUNITY COLLEGE DISTRICT

By _________________________
Thomas M. Fallo
Superintendent/President

I have reviewed this Agreement and assent to its terms. I also confirm that the Special Trustee has the power to sign it and, acting in accordance with the authority I have granted him under the law, to bind the Compton Community College District to the terms set forth in the agreement.

____
Jack Scott
Chancellor, California Community Colleges

Attachment A

EL CAMINO COMMUNITY COLLEGE DISTRICT

Class Title: Vice President, Compton Center

Basic Function:

Under the direction of the Superintendent/President, serves as the chief academic and student services officer for the El Camino College Compton Educational Center. The vice president will provide leadership in the planning, development, and implementation of the Center's instructional program, student services program and support services for the Center.

Representative Duties:

Work collaboratively with the Compton Community College District CEO to assure Center institutional needs are met.

Develop, in conjunction with the CEO, enrollment goals that conform to the mission and priorities of the Center, allocate resources to attain those goals, and monitor achievement of the goals.

Work with the Vice Presidents of Academic Affairs and Student & Community Advancement and the leadership of the Compton Community College District to develop plans and procedures that enhance the academic and student services programs including the development of new programs and the redirection of existing programs to meet the instructional and student service needs of the Center's students.

Ensure that the operations at the Center are consistent with District policies and procedures, faculty and classified collective bargaining agreements, as well as applicable statutes and regulations including Title 5 (California Code of Regulations) and the Education Code.

Oversee the Center's educational programs, including academic affairs, accreditation activities, faculty initiatives, institutional effectiveness, workforce development, enrollment management and institutional research, including student and state databases.

Coordinate all activities needed to establish eligibility for accreditation, monitor participation in those activities, and ensure that institutional self-studies are conducted and documented with appropriate constituency involvement.

Participate in budget planning, development, and implementation with responsibility for monitoring assigned budgets for academic affairs and student services.

Participate, together with the CEO and Superintendent/President, in the selection of all Center instructional and student services managers and faculty. Similarly, participate with the CEO in the selection of Compton District managers.

Work with academic and support staff, community organizations and regional businesses to identify educational needs and to foster effective relationships with and in support of the Center.

Supervise and evaluate the performance of assigned personnel, with input from the CEO, including the deans at the Center and faculty, classified and student employees in the academic and student services programs.

Guide the development of an effective professional development program at the Center.

Evaluate the effectiveness of the Center's overall instructional program and services and develop plans and policies for the improvement of this program by evaluating all curricula from educational, cost benefits, and personnel management perspectives.

Implement the academic program review process. Ensure that all stakeholders have an opportunity to provide input into the development of program reviews, incorporate the results into the planning process so that the personnel, facilities and equipment needs of each program are properly documented, and work closely with the CEO to address those needs.

Participate in planning the future of instruction at the Center by engaging academic personnel in educational master planning based upon a comprehensive program review; periodically assess community needs in relation to instruction; and identify data that support instructional planning.

Implement an effective operation of the Center in terms of class scheduling, budget development and monitoring, maintenance operations, personnel procedures, and coordination with programs at El Camino College.

Coordinate instructional needs with service areas such as Admissions and Records, Financial Aid, Public Information and Marketing, Counseling, Information Technology Services, Facilities Planning and Services, and Staff Development.

Perform related duties as assigned.

Knowledge and Abilities:

Knowledge of —
Planning, organizing, and directing an instructional program within an institution of higher education.
Budget preparation and controls.
Principles and practices of instruction, accreditation program review and planning.
Principles and practices of supervision and management.
Principles of class schedule development.

Ability to —
Interpret and apply applicable statutes and regulations such as the Education Code and Title 5 (California Code of Regulations).

Provide overall leadership in planning, directing and evaluating an instructional program for the District.
Understand and be sensitive to the diverse academic, socioeconomic, cultural and ethnic backgrounds of students, including those with disabilities.
Work effectively within diverse student, staff, and community populations.
Communicate effective orally and in writing..
Supervise the administration of the area budget.
Supervise and evaluate the performance of assigned staff.
Interpret, apply and explain rules, regulations, policies and procedures.
Establish and maintain cooperative and effective working relationships with others.
Operate a personal computer and assigned software.
Analyze situations accurately and adopt an effective course of action.
Plan and organize work.
Meet schedules and timelines.
Work independently with little direction.
Use interpersonal skills and exercise tact, patience and courtesy.
Resolve problems effectively using conflict resolution skills.
Direct the maintenance of a variety of reports and files related to assigned responsibilities.
Develop creative solutions.
Promote scholarship and professional development.

Education and Experience:

Requires a master's degree and three years of full-time post-secondary teaching experience and three years of academic leadership experience at the dean's level or the equivalent at an accredited institution of higher education or a master's degree, post-secondary teaching experience and five years of academic leadership experience at the dean's level or the equivalent at an accredited institution of higher education.

Desirable Qualifications:

Possession of an earned doctorate from an accredited institution is preferred.

Working Conditions:

Environment —
Office work environment.
Attendance at multiple meetings.
Extended periods of sitting.

Attachment B
COMPTON COMMUNITY COLLEGE DISTRICT

Class Title: Chief Executive Officer

Basic Function:
Under the direction of the Special Trustee and District governing board, serves as the chief executive and operational officer of the District.

Representative Duties:

Work with the governing board in a way that provides adequate support for the board to follow its governing policies, upholds standards of practice, and promotes trustee and board development.

Develop board meeting agendas that engage trustees in broad policy-level discussions and provide information and advice that assists the board in reaching wise policy decisions.

Provide leadership and direction to the departments, offices and other operational units of the District.

Work collaboratively with El Camino College's Vice President, Compton Center (VP), to ensure effective support for, and close coordination with, the Center

Develop and oversee the execution of plans to enhance the quality of District operations.

Anticipate the personnel, facilities and equipment needs of the District. Work closely with the VP to align those needs with personnel, facilities and equipment needs of the instructional and student services programs of the Center, and to address the needs of both the Center and the District in a reasonable and prudent manner.

Encourage communication and orderly collaborative decision making within the District. In addition, together with the VP, encourage communication and orderly collaborative decision making between and among all faculty, staff and administrators working at both the Center and the District.

Define organizational roles and relationships within the District so as to maximize their effectiveness.

Develop, in conjunction with the VP, the District's Annual Strategic Review, annual goals and an annual budget to support the achievement of the District's mission, goals and priorities. Allocate resources to attain those goals, and monitor achievement of the goals.

Participate, together with the VP, in the selection of District managers. Similarly, participate with the VP in the selection of Center instructional and student services managers and faculty.

Coordinate the evaluation of all District managers and staff.

Guide the development of an effective professional development program at the District.

Represent the District in community, state, and national activities.

Provide active guidance, support and oversight to groups like the Bond Program Citizens' Oversight Committee and the Foundation for the Compton Community College District.

Perform related duties as assigned.

Knowledge and Abilities:

Knowledge of —
Planning, organizing, and directing an institution of higher education.
Principles and practices of supervision and management.
Budget preparation and controls.
Principles and practices of instruction, accreditation, program review and planning.

Ability to —
Interpret and apply applicable statutes and regulations such as the Education Code and Title 5 (California Code of Regulations).
Provide overall leadership in planning, directing and evaluating programs and services for the District.
Understand and be sensitive to the diverse academic, socioeconomic, cultural and ethnic backgrounds of students, including those with disabilities.
Work effectively within diverse student, staff, and community populations.
Communicate effective orally and in writing.
Supervise the administration of the institution's budget.
Supervise and evaluate the performance of assigned staff.
Interpret, apply and explain rules, regulations, policies and procedures.
Establish and maintain cooperative and effective working relationships with others.
Operate a personal computer and assigned software.
Analyze situations accurately and adopt an effective course of action.
Plan and organize work.
Meet schedules and timelines.
Work independently with little direction.
Use interpersonal skills and exercise tact, patience and courtesy.
Resolve problems effectively using conflict resolution skills.
Direct the maintenance of a variety of reports and files related to assigned responsibilities.
Develop creative solutions.
Promote scholarship and professional development.

Education and Experience:

Requires a master's degree from an accredited institution, successful full-time experience in administrative positions in higher education at a level with significant decision-making responsibilities, and demonstrated sensitivity to and understanding of the diverse academic, socioeconomic, cultural, disability, and ethnic backgrounds of community college faculty, staff and students.

Desirable Qualifications:

An earned doctorate or other equivalent terminal degree is highly desirable. Teaching or non-classroom faculty experience is also preferred.

Working Conditions:

Environment —
Office work environment.
Attendance at multiple meetings.
Extended periods of sitting.

Agenda for the Compton Community College District Board of Trustees
from
Chief Executive Officer
Lawrence Cox, PhD, CEO

CEO 1 BOARD POLICIES
Discussion of Policy Development for the Compton Community College District

Agenda for the Compton Community College District Board of Trustees
from
Chief Executive Officer
Lawrence Cox, PhD, CEO

CEO 2 BOARD POLICIES

The following Board of Trustees Policies are being submitted for approval

BP 3310	Citizens' Bond Measure CC Oversight Committee
BP 3320	Naming Buildings and Other Facilities
BP 3330	Access to Facilities and Property
BP 3600	Auxiliary Organizations
BP 5550	Speech: Time, Place and Manner

BP 3310 Citizens' Bond Measure CC Oversight Committee Issued: March 16, 2009

Reference:

Education Code Sections 15278, 15280, 15282;

California Constitution Article XIIIA Section 1(b), Article XVI Section 18 (b)

(Proposition 39)

If a bond measure has been authorized pursuant to the provisions of Proposition 39, the CEO shall recommend to the Board of Trustees a Citizens Oversight Committee in accordance with the applicable law and necessary regulations.

As provided in Education Code Section 15278, the role of the District Citizens' Bond Measure CC Oversight Committee is to inform the public concerning the District's expenditure of revenues received from the sale of bonds authorized by the voters. In particular, the Committee will provide oversight ensuring that:

1. Bond revenues are expended only for the construction, reconstruction, rehabilitation, or replacement of district facilities, including the furnishing and equipping of district facilities, or the acquisition or lease of real property for district facilities; and
2. No bond revenues are expended for any teacher or administrative salaries or other district operating expenses other than the salaries of district employees who provide administrative oversight of the bond program or individual bond projects.
3. An annual report is adopted advising the public of the district's compliance with the law as enumerated in items 1 and 2 above.

To carry out its role, the District Citizens' Bond Measure CC Oversight Committee may:

1. receive and review copies of the annual independent performance audit conducted to ensure that the bond revenue has been expended only on the specific projects listed in the bond proposition;
2. receive and review copies of the annual independent financial audit of the bond revenue;
3. inspect district facilities and grounds to ensure that the bond revenue is expended in compliance with the requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIIIA of the California Constitution;
4. receive and review copies of deferred maintenance proposals or plans developed by the District; and
5. review efforts by the District to maximize bond revenues by implementing various cost saving measures.

The authority of the Citizens' Bond Measure CC Oversight Committee is entirely advisory.

Applicable Administrative Regulation:

AR 3311 Citizens' Bond Measure CC Oversight Committee Membership and Meetings

BP 3320 Naming Buildings and other Facilities Issued: March 16, 2010

All recommendations for original naming or renaming buildings and other facilities shall be submitted to the Board of Trustees by the CEO for approval.

All buildings should have names that include their functional description and also a location letter "code" to facilitate identification and communication.

Buildings, portions of buildings, or other facilities may also have an additional name in honor of an individual, family, corporation, or other organization. Any such names submitted to the board for consideration should bring prestige to the district and also be based on significant financial or other contribution to the community college district.

Names of buildings and other facilities may be changed if approved by the Board.

The CEO shall establish regulations that provide for standard guidelines for the naming of buildings and other facilities.

Applicable Administrative Regulation:
AR 3321 Criteria for Naming Buildings and other Facilities

BP 3330 Access to Facilities and Property Issued: February 16, 2010

Reference:
Education Code Section 81600

All employees share in the responsibility of safeguarding District assets. To that end, the CEO shall issue regulations controlling access to campus facilities; the management, issuance and return of keys; and safeguarding of District property. Regulations and procedures developed are to recognize that all facility access, keys, and property issued to employees shall be handled on a "need to have basis" related to individual employment; that access to facilities and/or District property is limited to official District use only; that any item(s) issued to an employee remains District property and that such item(s) must be returned to the District upon management request or upon termination of employment. Failure to return or reimburse District property shall be cause to withhold an employee's final paycheck.

Applicable Administrative Regulation:

AR 3331 Key Issuance and Return
AR 3332 Property Issuance and Return
AR 3333 Campus Closure

BP 3600 Auxiliary Organizations   Issued: March 16, 2010

Reference:

Education Code Sections 72670, et seq.

Title 5, Sections 59250, et seq.

The Board may recognize and approve auxiliary organizations established for the purpose of providing to the District any and all supportive services, specialized programs and functions identified in Title 5.

The CEO shall establish the administrative regulations necessary to fully comply with California law relating to auxiliary organizations, and to submit this policy and those regulations to the Chancellor for the California Community Colleges as required by law. At a minimum, the regulations shall address the subjects required by Title 5.

Recognition and establishment of auxiliary organizations shall include a public hearing on the recommendation to recognize or establish an auxiliary organization; Board approval of the auxiliary organization; and approval of a written agreement between the District and the auxiliary organization describing the services, programs or functions to be performed. All such written agreements shall comply fully with the requirements of Title 5, Section 59257(j).

Any auxiliary organization recognized by the Board shall conduct its business in accordance with the administrative regulations promulgated by the CEO pursuant to this policy. Notwithstanding anything contained in the administrative regulations, any auxiliary organization recognized by the Board shall comply with Education Code provisions regarding:

The composition of a board of directors and the way in which it conducts its meetings;
Conducting an annual audit;
Employing its work force;
Expending and appropriating its funds, and keeping its records.

No funds or resources, other than funds or resources derived from gifts or bequests, shall be transferred by the District to any of its auxiliary organizations for the purpose of either avoiding laws or regulations that constrain community college districts or providing the District with an unfair advantage with respect to any state funding mechanism. Such state funding mechanisms include, but are not limited to, general apportionment funding, capital outlay funding, Extended Opportunity Programs and Services funding, and funding for programs for disabled students.

The auxiliary organizations recognized by the Compton Community College District are:

- Foundation for Compton Community College District
- Associated Student Body Compton Community College District

Applicable Administrative Regulation:

AR 3601 Auxiliary Organization Protocols

BP 5550 Speech: Time, Place and Manner **Issued: March 16, 2010**

Reference:
Education Code Sections 76120, 666301

Compton Community College District welcomes and supports the open and free exchange of ideas and philosophies in a civil and respectful manner consistent with constitutional principles rooted in the First Amendment of the Constitution of the United States of America. Simultaneously, the District recognizes that its facilities and grounds are designated as non-public forums except for those areas which are designated as free speech area(s) (limited public forums areas). The CEO shall establish administrative regulations as are necessary to reasonably regulate the time, place and manner of the exercise of free expression in the free speech area(s) and which are supportive of the academic and social environment of the District.

The administrative procedures promulgated by the CEO shall not prohibit the right of students to exercise free expression, including but not limited to the use of bulletin boards designated for such use, the distribution of printed materials or petitions in those parts of the college designated as free speech areas generally available to students and the community, and the wearing of buttons, badges, or other insignia. Students shall be free to exercise their rights of free expression, subject to the requirements of this policy.

Visitor use of areas not designated for free speech activities is subject to the Civic Center Permit rules set forth Board Policy BP 6700, Civic Center and Other Facilities and its related regulations and procedure.

Equal access and equal opportunity shall be provided to all racial, religious, political, and social groups.

Speech shall be prohibited that is defamatory or obscene according to current legal standards or which so incites others as to create a clear and present danger of the commission of unlawful acts on district property or the violation of district policies or procedures, or the substantial disruption of the orderly operation of the District.

The regulation of hate violence is permissible so long as the regulation conforms to the requirements of the First Amendment to the Constitution of the United States of America and Section 2 of Article 1 of the California State Constitution. Students may be disciplined for harassment, threats, intimidation, or hate violence and visitors may be directed to leave District facilities unless such speech is constitutionally protected.

Applicable Administrative Regulation
AR 5551 Speech: Time, Place and Manner

CEO 3 CALIFORNIA COMMUNITY COLLEGE TRUSTEE BOARD ELECTION – 2010

Pursuant to the CCCT Board Governing Policies, the election of members of the CCCT Board of the League will take place between March 10th and April 25th. Since April 25th falls on a Sunday this year, USPS postmarks of April 26th will be accepted. There are seven three-year vacancies on the board.

The Compton Board, as a member of the league, has one vote for each of the seven vacancies on the CCCT Board. Only one vote may be cast for any nominee or write-in candidate. The seven candidates who receive the most votes will serve three-year terms. In the event of a tie vote for the last position to be filled the CCCT Board will vote to break the tie.

The 15 trustees who have been nominated for election to the board are listed in the Secretary of State's random drawing order.

2010 CCCT ELECTION
CANDIDATES IN RANDOM DRAWING ORDER

1. *Louise Jaffe, Santa Monica CCD
2. Stephen Castellanos, San Joaquin Delta CCD
3. Nancy Chadwick, Palomar CCD
4. Cy Gulassa, Peralta CCD
5. *Isabel Barreras, State Center CCD
6. *Donald L. Singer, San Bernardino CCD
7. Jerry Hart, Imperial CCD
8. *Walter G. Howald, Coast CCD
9. Bob Hughlett, Cerritos CCD
10. Eva Kinsman, Copper Mountain CCD

*Incumbent

XV. Agenda for the Compton Community College District Board of Trustees from Administrative Services Ronald Gerhard, CBO

Consent Calendar

BSD 1	Purchase Orders
BSD 2	Agreements/Contracts
BSD 3	Quarterly Financial Status Report – Form CCFS – 311Q
BSD 4	Local Agreement for Child Development Services CCTR-9100
BSD 5	Local Agreement for Child Development Services CSCC-9014
BSD 6	Local Agreement for Child Development Services CSPP-9185
BSD 7	Budget Transfers/Budget Augmentations
BSD 8	Approval of Stale Dated Warrant

Action Agenda

BSD 9	Line of Credit Debt Service Plan
BSD 10	GASB 45 Actuarial Study

BSD 1 PURCHASE ORDERS AND BLANKET PURCHASE ORDERS FOR FEBRUARY 2010

Run Date
2/25/2010

Compton Community College District
BOARD OF TRUSTEES PURCHASE ORDER LISTING
Meeting Date: 03/16/2010

The following purchase orders have been issued in accordance with the District's purchasing policy and authorization of the Board of Trustees.
It is recommended that the following purchase orders be approved and that payment be authorized

P.O. Number	Vendor Name	Site Name	Description	P.O. Cost
Fund 01	**Unrestricted-Compton Ed Center**			
P0302291	Dramatists Play	Art Department	Instructional Supplies	$200.00
P0302293	S&B Foods	Student Recruitment	Non-Instruct Supplies	$3,062.50
P0302294	National Promotions &	Student Recruitment	Printing	$595.00
P0302302	Compton Postmaster	Student Recruitment	Printing	$676.00
P0302317	Arco Welding Repair	Welding	New Equipment - Instructional	$3,002.00
P0302339	Total Compensation	Fiscal Services	Contract Services	$6,000.00
P0302355	Time Clock Sales and	Fiscal Services	Maintenance Contracts	$139.39
P0302362	Assetworks, Inc	Fiscal Services	Software	$900.00
P0302369	Tigerdirect.Com	DSPS	Equipment	$4,680.05
P0302370	CDW Computer	Information Technology	Equipment	$1,223.68
P0302385	National Business	Business	Instructional Supplies	$4,271.68
P0302386	The College Expo	Student Recruitment	Non-Instruct Supplies	$275.00
P0302396	Expressions to Wear	Student Recruitment	Non-Instruct Supplies	$411.56
P0302401	S&B Foods	Academic Affairs	Conferences Mgmt	$1,900.00
P0302402	Sundown Window	Academic Programs	Equipment	$2,096.22
P0302405	Global Office Supplies	Human Resources	Equipment	$940.08
P0302443	Quality Sounds Mobile	Student Recruitment	Non-Instruct Supplies	$1,050.00
P0302489	CCPRO	Public Relations &	Multi Media Advertising	$60.00
P0302490	Southland Construction	Operations	Repairs Parts and Supplies	$500.00
P0302493	Torrance Bakery	Board of Trustees	Food/Food Supplies	$209.00
P0302494	La Opinion	Board of Trustees	Multi Media Advertising	$37.28
P0302498	Neopost Inc.	Copy Center	Maintenance Contracts	$658.50
P0302499	Neopost Inc.	Copy Center	Maintenance Contracts	$658.50
P0302500	H1 Corporation	Athletics	Non-Instruct Supplies	$891.72
P0302501	Los Angeles County	Div Office-Student	Non-Instruct Supplies	$480.00
P0302503	BUSD/ Cater R Us	Board of Trustees	Food/Food Supplies	$423.00
P0302523	Airline Tickets 4 Less	Div Office-Student	Conferences Mgmt	$189.90
P0302538	SAMUEL FRENCH INC	Theatre/Dance	License Fee/Site Licenses	$175.00
P0302555	Donzaleigh Abernathy	Div Office-Student	PSA Contract Services	$1,000.00
P0302568	Time Clock Sales and	Fiscal Services	Maintenance Contracts	$106.00
P0302569	Vicenti, Lloyd, Stutzman	Fiscal Services	Contract Services	$2,370.85
P0302572	Vicenti, Lloyd, Stutzman	Fiscal Services	Contract Services	$1,706.25
P0302574	Bev's Balloons,	Div Office-Student	Non-Instruct Supplies	$553.97
P0302576	Paula L. VanBrown	Board of Trustees	Food/Food Supplies	$129.57

P0302618	BUSD/ Cater R Us	Office of the CEO	Food/Food Supplies	$806.67
P0302634	S&B Foods	Office of the CEO	Food/Food Supplies	$40.00
P0302635	Compton Community	Div Office-Student	PSA Contract Services	$1,000.00
P0302637	S&B Foods	Student Recruitment	Non-Instruct Supplies	$136.00
		Fund 01 Total: 38		**$43,555.37**
Fund 10	**Restricted-Compton Ed Center**			
P0302340	We Care	Matriculation	Non-Instruct Supplies	$477.41
P0302430	Rebecca Mason	First Year	Non-Instruct Supplies	$117.15
P0302453	Discovery Science	TRIO - Upward Bound	Instructional Supplies	$358.00
P0302492	Prosource Specialties	EOPS CARE	Student Stipends	$4,858.00
P0302514	S & B Foods	Model	Non-Instruct Supplies	$410.00
P0302515	S & B Foods	TRIO - Upward Bound	Non-Instruct Supplies	$292.50
P0302516	S&B Foods	First Year	Non-Instruct Supplies	$67.50
P0302564	National Promotions &	First Year	Non-Instruct Supplies	$874.71
P0302571	Allied Refrigeration	VATEA I&T	New Equipment - Instructional	$8,523.81
P0302575	National Promotions &	YESS Grant	Non-Instruct Supplies	$480.00
		Fund 10 Total: 10		**$16,459.08**
Fund 40	**Capital Outlay Fund-Compton Ed**			
P0302303	Fair Play Scoreboard	Program Support	Site Improvements	$24,925.00
P0302431	Ricoh Corp	Careers in Child Care	Equipment	$12,443.25
P0302446	Gary and Comapany	Operations	Repairs Non Instr	$1,880.00
P0302468	Tigerdirect.Com	Careers in Child Care	Equipment	$11,825.98
P0302630	Tbp Architecture, Inc	Space Inventory -	Contract Services	$1,122.98
P0302631	Tbp Architecture, Inc	Space Inventory -	Contract Services	$720.00
P0302632	Tbp Architecture, Inc	Space Inventory -	Contract Services	$2,460.00
P0302633	Tbp Architecture, Inc	Space Inventory -	Contract Services	$29,976.50
		Fund 40 Total: 8		**$85,353.71**
Fund 45	**Revenue Constrct Bond - Compton**			
P0302356	Bergman & Dacey	Program Support	Professional Services-Bond	$164,903.72
P0302363	Bergman & Dacey	Program Support	Professional Services-Bond	$181,261.95
P0302371	Computer 1 Products	Program Support	New Computer	$1,788.37
P0302372	Gst Inc	Program Support	New Computer	$3,282.62
P0302409	Foundation for	Program Support	In-Service Training	$700.00
P0302602	HMC Architecture	Master Planning	Architecture & Engineering	$11,635.00
P0302603	Bergman & Dacey	Learning Resource	Professional Services-Bond	$51,263.35
		Fund 45 Total: 7		**$414,835.01**
Fund 60	**Workers' Comp - Compton Ed Ctr**			
P0302390	Dept of Industrial	Human Resources	Insurance	$5,858.11
		Fund 60 Total: 1		**$5,858.11**
			PO Funds Total: 64	**$566,061.28**
Fund 01	**Unrestricted-Compton Ed Center**			
B0310954	Compton Tatar Track	Athletics	Transportation/ Mileage and	$2,650.00
B0310957	Southland Industries	Fiscal Services	Contract Services	$37,404.00
B0310961	Midwest Library	Library	Library Books	$12,000.00

B0310962	Steris Corporation	Life Sciences	Repairs Parts and Supplies	$1,000.00
B0310963	Horizon Engineers	Natural Sciences	Repairs Parts and Supplies	$4,800.00
B0310967	Tait Environmental	Operations	Gasoline	$1,471.00
B0310969	Orchard Roofing	Fiscal Services	Contract Services	$13,200.00
B0310981	Home Depot Credit	Operations	Non-Instruct Supplies	$2,000.00
B0310986	Koff & Associates, Inc.	Fiscal Services	Contract Services	$17,000.00
B0310987	Logos Two, Inc.	Athletics	Non-Instruct Supplies	$3,000.00
B0310993	TAJ Office & School	Student Recruitment	General Office Supplies	$1,000.00
B0310999	Melissa's Party	Div Office-Student	Non-Instruct Supplies	$400.00
B0311000	Jane M. Harmon	V.P. Academic Affairs	Contract Services	$20,000.00
		Fund 01 Total: 13		**$115,925.00**
Fund 10	**Restricted-Compton Ed Center**			
B0310973	TAJ Office & School	TRIO	General Office Supplies	$3,500.00
B0310975	Office Xpress	CalWORKs	Non-Instruct Supplies	$2,500.00
B0310980	El Camino Compton	Basic Skills --Compton	Non-Instruct Supplies	$4,000.00
B0310982	S&B Foods	Compton Auxiliary	Non-Instruct Supplies	$1,400.00
		Fund 10 Total: 4		**$11,400.00**
Fund 40	**Capital Outlay Fund-Compton Ed**			
B0310988	Dsi Data	Program Support	Repairs Non-instructional	$38,404.57
		Fund 40 Total: 1		**$38,404.57**
Fund 45	**Revenue Constrct Bond - Compton**			
B0310964	Giroux Glass Inc.	Learning Resource	Testing & Inspection	$13,275.00
B0310976	Moss Adams	Program Support	Professional Services-Bond	$20,000.00
B0310977	Moss Adams	Program Support	Professional Services-Bond	$49,000.00
B0310998	Leo A. Daley	MIS Building	Architecture & Engineering	$164,900.00
B0311009	Vanir Construction	Program Support	Professional Services-Bond	$40,000.00
B0311010	HMC Architecture	Master Planning	Architecture & Engineering	$83,000.00
		Fund 45 Total: 6		**$370,175.00**
			BPO Funds Total: 24	**$535,904.57**
		<u>Grand Total POs and BPOs: 88</u>		**$1,101,965.85**

BSD 2 AGREEMENTS/CONTRACTS

1. Ratification of Agreement with Donzaleigh Abernathy, Contractor to Provide the Keynote Address at the Annual Black History Month Celebration
2. Ratification of Agreement with Mid-Cities financial Credit Union, Contractor Desires the Use of the Premises for the Operation of an ATM and Related Uses
3. Ratification of Agreement with Laura Waag, Contractor to Provide Graphic Design Services

1. RATIFICATION OF AGREEMENT WITH DONZALEIGH ABERNATHY, CONTRACTOR TO PROVIDE THE KEYNOTE ADDRESS AT THE ANNUAL BLACK HISTORY MONTH CELEBRATION

CONSULTANT:	DONZALEIGH ABERNATHY
SERVICES:	To provide the keynote address at the Annual Black History Month Celebration
REQUESTING DEPT:	STUDENT SERVICES
FUNDING:	STUDENT SERVICES
DATES:	02/25/10 – 02/25/10
NTE:	$2,000.00 / $50.00 for 4 hours per day

2. RATIFICATION OF AGREEMENT WITH MID-CITIES FINANCIAL CREDIT UNION, CONTRACTOR DESIRES THE USE OF THE PREMISES FOR THE OPERATION OF AN ATM AND RELATED USES

CONSULTANT:	MID-CITIES FINANCIAL CREDIT UNION
SERVICES:	The contractor desires the use of the premises for the operation of an ATM and related uses
REQUESTING DEPT:	BUSINESS SERVICES
FUNDING:	BUSINESS SERVICES
DATES:	01/28/10 – 01/27/15
NTE:	For each transaction completed on a network other than ALL POINTS using the ATM on the Premises, Tenant shall pay to Landlord fifty cents ($0.50) (“ATM Transaction Chagres”).

3. RATIFICATION OF AGREEMENT WITH LAURA WAAG, CONTRACTOR TO PROVIDE GRAPHIC DESIGN SERVICES

CONSULTANT:	LAURA WAAG
SERVICES:	To provide Graphic Design Services
REQUESTING DEPT:	PUBLIC RELATIONS & MARKETING
FUNDING:	PUBLIC RELATIONS & MARKETING
DATES:	02/01/10 – 06/30/10
NTE:	$3,500.00

BSD 3 QUARTERLY FINANCIAL STATUS REPORT – FORM CCFS – 311Q.

This report is required by the California Community Colleges to be filed each quarter on the District's Financial Status.

DESCRIPTION: Fiscal Year 2009-2010 Second Quarter – Financial and Budget Report (CCFS-311Q)

CALIFORNIA COMMUNITY COLLEGES CHANCELLOR'S OFFICE

Quarterly Financial Status Report, CCFS-311Q
CERTIFY QUARTERLY DATA

CHANGE THE PERIOD

District: (710) COMPTON

Fiscal Year: 2009-2010
Quarter Ended: (Q2) Dec 31, 2009

Your Quarterly Data is ready for certification.
Please complete the fields below and click on the 'Certify This Quarter' button

Chief Business Officer		District Contact Person	
CBO Name:	Ronald Gerhard	Name:	Myeshia Armstrong
CBO Phone:	Use format 999-555-1212 310-900-1600	Title:	Accounting Manager
CBO Signature:		Telephone:	Use format 999-555-1212 310-900-1600
Date Signed:	2/4/10		
Chief Executive Officer Name:	Dr. Lawrence Cox	Fax:	Use format 999-555-1212 310-900-1691
CEO Signature:		E-Mail:	myarmstrong@elcamino.edu
Date Signed:	2/4/10		
Electronic Cert Date:			

Certify This Quarter

California Community Colleges, Chancellor's Office
1102 Q Street Sacramento, California 95814-6511

Send questions to:
Christine Atalig (916)327-5772 catalig@cccco.edu or Glen Campora (916)323-6899 gcampora@cccco.edu

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CALIFORNIA COMMUNITY COLLEGES
CHANCELLOR'S OFFICE

Quarterly Financial Status Report, CCFS-311Q
VIEW QUARTERLY DATA

CHANGE THE PERIOD

Fiscal Year: 2009-2010

District: (710) COMPTON

Quarter Ended: (Q2) Dec 31, 2009

Line	Description	Actual 2006-07	Actual 2007-08	Actual 2008-09	Projected 2009-2010
		As of June 30 for the fiscal year specified			
I.	**Unrestricted General Fund Revenue, Expenditure and Fund Balance:**				
A.	Revenues:				
A.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	37,614,182	33,850,109	33,218,023	29,303,589
A.2	Other Financing Sources (Object 8900)	0	13,054,957	1,089,785	0
A.3	Total Unrestricted Revenue (A.1 + A.2)	37,614,182	46,905,066	34,307,808	29,303,589
B.	Expenditures:				
B.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	28,146,183	28,412,100	29,367,527	28,805,025
B.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	709,688	17,213,339	2,310,576	1,483,000
B.3	Total Unrestricted Expenditures (B.1 + B.2)	28,855,871	45,625,439	31,678,103	30,288,025
C.	Revenues Over(Under) Expenditures (A.3 - B.3)	8,758,311	1,279,627	2,629,705	-984,436
D.	Fund Balance, Beginning	-5,358,076	3,400,235	4,410,161	4,022,486
D.1	Prior Year Adjustments + (-)	0	-412,832	3,089,180	-586,985
D.2	Adjusted Fund Balance, Beginning (D + D.1)	-5,358,076	2,987,403	7,499,341	3,435,501
E.	Fund Balance, Ending (C. + D.2)	3,400,235	4,267,030	10,129,046	2,451,065
F.1	Percentage of GF Fund Balance to GF Expenditures (E. / B.3)	11.8%	9.4%	32%	8.1%
II.	**Annualized Attendance FTES:**				
G.1	Annualized FTES (excluding apprentice and non-resident)	3,500	3,833	5,000	5,600

		As of the specified quarter ended for each fiscal year			
III.	**Total General Fund Cash Balance (Unrestricted and Restricted)**	2006-07	2007-08	2008-09	2009-2010
	Cash, excluding borrowed funds		5,460,127	8,286,847	5,234,350

H.1					
H.2	Cash, borrowed funds only		1,624,918	0	3,503,172
H.3	Total Cash (H.1+ H.2)	5,108,891	7,085,045	8,286,847	8,737,522

IV. Unrestricted General Fund Revenue, Expenditure and Fund Balance:

Line	Description	Adopted Budget (Col. 1)	Annual Current Budget (Col. 2)	Year-to-Date Actuals (Col. 3)	Percentage (Col. 3/Col. 2)
I.	Revenues:				
I.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	29,303,589	29,303,589	13,848,310	47.3%
I.2	Other Financing Sources (Object 8900)	0	0	0	
I.3	**Total Unrestricted Revenue (I.1 + I.2)**	29,303,589	29,303,589	13,848,310	47.3%
J.	Expenditures:				
J.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	28,805,025	28,805,025	11,506,605	39.9%
J.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	1,483,000	1,483,000	320,453	21.6%
J.3	**Total Unrestricted Expenditures (J.1 + J.2)**	30,288,025	30,288,025	11,827,058	39%
K.	Revenues Over(Under) Expenditures (I.3 - J.3)	-984,436	-984,436	2,021,252	
L	Adjusted Fund Balance, Beginning	3,435,501	3,435,501	3,435,501	
L.1	Fund Balance, Ending (C. + L.2)	2,451,065	2,451,065	5,456,753	
M	Percentage of GF Fund Balance to GF Expenditures (L.1 / J.3)	8.1%	8.1%		

V. Has the district settled any employee contracts during this quarter? NO

If yes, complete the following: *(If multi-year settlement, provide information for all years covered.)*

Contract Period Settled (Specify) YYYY-YY	Management		Academic				Classified	
			Permanent		Temporary			
	Total Cost Increase	% *	Total Cost Increase	% *	Total Cost Increase	% *	Total Cost Increase	% *
a. SALARIES:								
Year 1:								
Year 2:								
Year 3:								

b. BENEFITS:								
Year 1:								
Year 2:								
Year 3:								

** As specified in Collective Bargaining Agreement or other Employment Contract*

c. Provide an explanation on how the district intends to fund the salary and benefit increases, and also identify the revenue source/object code.

VI. Did the district have significant events for the quarter (include incurrence of long-term debt, settlement of audit findings or legal suits, significant differences in budgeted revenues or expenditures, borrowing of funds (TRANs), issuance of COPs, etc.)? NO

If yes, list events and their financial ramifications. (Enter explanation below, include additional pages if needed.)

VII. Does the district have significant fiscal problems that must be addressed?

This year?	NO
Next year?	NO

If yes, what are the problems and what actions will be taken? (Enter explanation below, include additional pages if needed.)

BSD 4 LOCAL AGREEMENT FOR CHILD DEVELOPMENT SERVICES (REVENUE) – CCTR-9100

Local Agreements for Child Development Services for 2009-2010 <u>REVENUE</u>

F.Y. 2009-10 – Total amount encumbered by this contract: $326,000.00
Contract Number: CCTR-9100

Program Type: GENERAL CHILD CARE & DEVELOPMENT PROGRAMS

Project Number: 19-6442-00-9

The total amount payable to this agreement shall not exceed $326,000.00

BSD 4

CALIFORNIA DEPARTMENT OF EDUCATION
1430 N Street
Sacramento, CA 95814-5901

F.Y. 09 - 10

Amendment 02

DATE: January 20, 2010

CONTRACT NUMBER: CCTR-9100

PROGRAM TYPE: GENERAL CHILD CARE & DEV PROGRAMS

PROJECT NUMBER: 19-6442-00-9

LOCAL AGREEMENT FOR CHILD DEVELOPMENT SERVICES
INCREASE

$ Transfer from CSPP-9185

CONTRACTOR'S NAME: COMPTON COMMUNITY COLLEGE DISTRICT

This agreement with the State of California dated July 01, 2009 designated as number CCTR-9100 and Amendment #01 (FT&C Change Only), shall be amended in the following particulars but no others:

The Maximum Reimbursable Amount (MRA) payable pursuant to the provisions of this agreement shall be amended by deleting reference to $163,323.00 and inserting $326,000.00 in place thereof.

The Maximim Rate per child day of enrollment payable pursuant to the provisions of the agreement shall be $33.96. (No change)

SERVICE REQUIREMENTS

The minimum Child Days of Enrollment (CDE) Requirement shall be amended by deleting reference to 4,809.0 and inserting 9,600.0 in place thereof.

Minimum Days of Operation (MDO) Requirement shall be 272. (No change)

EXCEPT AS AMENDED HEREIN all terms and conditions of the original agreement shall remain unchanged and in full force and effect.

STATE OF CALIFORNIA	CONTRACTOR
BY (AUTHORIZED SIGNATURE)	BY (AUTHORIZED SIGNATURE)
PRINTED NAME OF PERSON SIGNING: Margie Burke, Manager	PRINTED NAME AND TITLE OF PERSON SIGNING: Reuben James, Director Fiscal Affairs
TITLE: Contracts, Purchasing & Conf Svcs	ADDRESS: 1111 E. Artesia Blvd. Compton, CA 90221

AMOUNT ENCUMBERED BY THIS DOCUMENT $ 162,677	PROGRAM/CATEGORY (CODE AND TITLE) Child Development Programs		FUND TITLE General		Department of General Services use only
PRIOR AMOUNT ENCUMBERED FOR THIS CONTRACT $ 163,323	(OPTIONAL USE) 0656 23254-6442				
	ITEM 30.10.020.001 6110-196-0001	CHAPTER 1	STATUTE 2009	FISCAL YEAR 2009-2010	
TOTAL AMOUNT ENCUMBERED TO DATE $ 326,000	OBJECT OF EXPENDITURE (CODE AND TITLE) 702 SACS: Res-6060 Rev-8590				
I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure stated above.			T.B.A. NO.	B.R. NO.	
SIGNATURE OF ACCOUNTING OFFICER			DATE		

BSD 5 LOCAL AGREEMENT FOR CHILD DEVELOPMENT SERVICES (REVENUE) – CSCC-9014

Local Agreements for Child Development Services for 2009-2010 REVENUE

F.Y. 2009-10 – Total amount encumbered by this contract: $1,166.00
Contract Number: CSCC-9014
Program Type: CCDF SCHOOL AGE RESOURCES
Project Number: 19-6442-00-9

The total amount payable to this agreement shall not exceed $1,166.00

BSD 5

CALIFORNIA DEPARTMENT OF EDUCATION
1430 N Street
Sacramento, CA 95814-5901

F.Y. 09 - 10

DATE: July 01, 2009

CONTRACT NUMBER: CSCC-9014
PROGRAM TYPE: CCDF SCHOOL AGE RESOURCE
PROJECT NUMBER: 19-6442-00-9

LOCAL AGREEMENT FOR CHILD DEVELOPMENT SERVICES

CONTRACTOR'S NAME: COMPTON COMMUNITY COLLEGE DISTRICT

By signing this contract and returning it to the State, you are agreeing to use the funds identified below for the benefit of Child Care and Development Programs, serving school-age children ages five through twelve years in accordance with Exhibit B, "PROGRAM REQUIREMENTS FOR SCHOOL-AGE CHILD CARE RESOURCE PROGRAM" (available online at http://www.cde.ca.gov/fg/aa/cd), which are attached hereto and by this reference incorporated herein. The contractor's signature also certifies compliance with "Standard Provisions for State Contracts" (Exhibit A), which are attached hereto and by this reference incorporated herein.

These funds shall not be used for any purpose considered nonreimburseable pursuant to the 2009-10 Program Requirements for School-Age Child Care Resource Program, the current Child Care and Development Funding Terms and Conditions (FT&Cs) and Title 5, California Code of Regulations.

Funding of this contract is contingent upon appropriation and availability of funds. This contract may be terminated immediately by the State if funds are not appropriated or available in amounts sufficient to fund the State's obligations under this contract. This contract is effective from July 01, 2009 through June 30, 2010. The total amount payable pursuant to this agreement shall not exceed $1,166.00.

Expenditure of these funds shall be reported quarterly to the Child Development Fiscal Services Unit (CDFS) on form CDFS-9529 with fiscal quarters ending September 30, December 31, March 31 and June 30. Reports are due by the 20th of the month following the end of the reporting period. Quarterly reports must be submitted for reimbursement of expenditures. For non-local educational agencies, expenditures made for the period July 1, 2009 through June 30, 2010 shall be included in their 2009-10 audit due by the 15th day of the fifth month following the end of the contractor's fiscal year or earlier if specified by CDE. The audits for School Districts and County Offices shall be submitted in accordance with Education Code Section 41020.

Any provision of this contract found to be in violation of federal or state statute or regulation shall be invalid but such a finding shall not affect the remaining provisions of this contract.

Exhibit A, Standard Provisions for State Contracts attached.

STATE OF CALIFORNIA	CONTRACTOR
BY (AUTHORIZED SIGNATURE)	BY (AUTHORIZED SIGNATURE)
PRINTED NAME OF PERSON SIGNING Margie Burke, Manager	PRINTED NAME AND TITLE OF PERSON SIGNING Reuben James,111, Director Fiscal Affairs
TITLE Contracts, Purchasing & Conf Svcs	ADDRESS 1111 E. Artesia Blvd., Compton, Calif 90221

AMOUNT ENCUMBERED BY THIS DOCUMENT $ 1,166	PROGRAM/CATEGORY (CODE AND TITLE) Child Development Programs		FUND TITLE Federal		Department of General Services use only
PRIOR AMOUNT ENCUMBERED FOR THIS CONTRACT $ 0	(OPTIONAL USE) 0656 14868-6442 FC# 93.575 PC# 000173				
	ITEM 30.10.020.901 6110-196-0890	CHAPTER 1	STATUTE 2009	FISCAL YEAR 2009-2010	
TOTAL AMOUNT ENCUMBERED TO DATE $ 1,166	OBJECT OF EXPENDITURE (CODE AND TITLE) 702 SACS: Res-5035 Rev-8290				
I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure stated above.			T.B.A. NO.	B.R. NO.	
SIGNATURE OF ACCOUNTING OFFICER			DATE		

BSD 6 LOCAL AGREEMENT FOR CHILD DEVELOPMENT SERVICES (REVENUE) – CSPP-9185

Local Agreements for Child Development Services for 2009-2010 REVENUE

F.Y. 2009-10 – Total amount encumbered by this contract: $374,000.00
Contract Number: CSPP-9185

Program Type: CALIFORNIA STATE PRESCHOOL PROGRAM

Project Number: 19-6442-00-9

The total amount payable to this agreement shall not exceed $374,000.00

BSD 6

CALIFORNIA DEPARTMENT OF EDUCATION
1430 N Street
Sacramento, CA 95814-5901

F.Y. 09 - 10

Amendment 02

DATE: January 20, 2010

CONTRACT NUMBER: CSPP-9185

PROGRAM TYPE: CALIFORNIA STATE PRESCHOOL PROGRAM

PROJECT NUMBER: 19-6442-00-9

LOCAL AGREEMENT FOR CHILD DEVELOPMENT SERVICES
DECREASE
$ Transfer to CCTR-9100

CONTRACTOR'S NAME: COMPTON COMMUNITY COLLEGE DISTRICT

This agreement with the State of California dated July 01, 2009 designated as number CSPP-9185 and Amendment #01 (FT&C Change Only), shall be amended in the following particulars but no others:

The Maximum Reimbursable Amount (MRA) payable pursuant to the provisions of this agreement shall be amended by deleting reference to $536,677.00 and inserting $374,000.00 in place thereof.

The Maximim Rate per child day of enrollment payable pursuant to the provisions of the agreement shall be $33.96. (No change)

SERVICE REQUIREMENTS

The minimum Child Days of Enrollment (CDE) Requirement shall be amended by deleting reference to 15,803.2 and inserting 11,013.0 in place thereof.

Minimum Days of Operation (MDO) Requirement shall be 272. (No change)

EXCEPT AS AMENDED HEREIN all terms and conditions of the original agreement shall remain unchanged and in full force and effect.

STATE OF CALIFORNIA	CONTRACTOR
BY (AUTHORIZED SIGNATURE)	BY (AUTHORIZED SIGNATURE)
PRINTED NAME OF PERSON SIGNING: Margie Burke, Manager	PRINTED NAME AND TITLE OF PERSON SIGNING: Reuben James, Director Fiscal Affairs
TITLE: Contracts, Purchasing & Conf Svcs	ADDRESS: 1111 E. Artesia Blvd. Compton, CA 90221

AMOUNT ENCUMBERED BY THIS DOCUMENT $ -162,677	PROGRAM/CATEGORY (CODE AND TITLE) Child Development Programs		FUND TITLE General		Department of General Services use only
	(OPTIONAL USE) 0656 23254-6442				
PRIOR AMOUNT ENCUMBERED FOR THIS CONTRACT $ 536,677	ITEM 30.10.020.001 6110-196-0001	CHAPTER 1	STATUTE 2009	FISCAL YEAR 2009-2010	
TOTAL AMOUNT ENCUMBERED TO DATE $ 374,000	OBJECT OF EXPENDITURE (CODE AND TITLE) 6105 702 SACS: Res-~~6060~~ Rev-8590				
I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure stated above.			T.B.A. NO.	B.R. NO.	
SIGNATURE OF ACCOUNTING OFFICER			DATE		

BSD 7 BUDGET TRANSFERS/BUDGET AUGMENTATIONS

I. Ratify Budget Augmentations.
II. Informational Items (under $15,000).
III. Transfers above $15,000

I.

(a) Budget Augmentation in the Capital Outlay Projects Fund in the amount of $36,596 as listed:

Revenues:

Major Object	Description	Amount
8800	Local Revenue	$ 36,596

Expenditures:

Major Object	Description	Amount
5000	Other Operating Expenses and Services	$ 36,596

(b) Budget Augmentation in General Fund Restricted in the amount of $39,257 as listed:

Revenues:

Major Object	Description	Amount
8100	Federal Revenue	$ 39,257

Expenditures:

Major Object	Description	Amount
2000	Classified and Other Nonacademic Salaries	$ (140)
3000	Employee Benefits	883
4000	Supplies and Materials	18,607
5000	Other Operating Expenses and Services	11,771
7000	Other Outgo	8,136
		$ 39,257

II.

(a) General Fund Unrestricted:

From: Academic Salaries, Employee Benefits, Supplies and Materials, Capital Outlay

Major Object	Description	Amount
1000	Academic Salaries	$ 115,800
3000	Employee Benefits	20,000
4000	Supplies and Materials	15,026
6000	Capital Outlay	5,479
		$ 156,305

To: Classified and Other Nonacademic Salaries, Other Operating Expenses and Services

Major Object	Description	Amount
2000	Classified and Other Nonacademic Salaries	$ 121,300
5000	Other Operating Expenses and Services	35,005
		$ 156,305

(b) General Fund Restricted:

From: Supplies and Materials, Other Operating Expenses and Services

Major Object	Description	Amount
4000	Supplies and Materials	$ 16,663
5000	Other Operating Expenses and Services	5,100
		$ 21,763

To: Academic Salaries, Classified and Other Nonacademic Salaries, Capital Outlay

Major Object	Description	Amount
1000	Academic Salaries	$ 2,263
2000	Classified and Other Nonacademic Salaries	3,000
6000	Capital Outlay	16,500
		$ 21,763

(c) Child Development Fund:

From: Classified and Other Nonacademic Salaries, Supplies and Materials, Other Operating Expenses and Services

Major Object	Description	Amount
2000	Classified and Other Nonacademic Salaries	$ 13,114
4000	Supplies and Materials	1,185

5000	Other Operating Expenses and Services	1,877
		$ 16,176

To: Employee Benefits

Major Object	Description	Amount
3000	Employee Benefits	$ 16,176

(d) Capital Outlay Projects Fund:

From: Capital Outlay

Major Object	Description	Amount
6000	Capital Outlay	$ 16,663

To: Other Operating Expenses and Services

Major Object	Description	Amount
5000	Other Operating Expenses and Services	$ 16,663

III.

(a) General Fund Restricted

From: Academic Salaries, Classified and Other Nonacademic Salaries

Major Object	Description	Amount
1000	Academic Salaries	$ 47,280
2000	Classified and Other Nonacademic Salaries	52,490
		$ 99,770

To: Supplies and Materials, Other Operating Expenses and Services, Capital Outlay, Other Outgo

Major Object	Description	Amount
4000	Supplies and Materials	$ 6,926
5000	Other Operating Expenses and Services	6,516
6000	Capital Outlay	1,000
7000	Other Outgo	85,328
		$ 99,770

BSD 8 APPROVAL OF STALE DATED WARRANT

LACOE has determined that certain checks have not been cashed and processed through the banking system. After six months, LACOE makes an entry to debit the un-cashed amount back in the Cash Account of CCD. An “Other Local Income” account is credited for the same amount. It is recommended that the Special Trustee approve the following Stale Dated Warrant:

WARRANT(S) #	AMOUNT
W5063665	$2,253.25

BSD 9 LINE OF CREDIT DEBT SERVICE PLAN

Under AB 318, a $30 million line of credit was made available to the District. To date, approximately $17.9 million has been drawn down and is repayable in annual installment payments over a 20 year period. Attached is the current debt service schedule prepared by the District and approved by the Chancellor's Office. The next payment is due on or before June 1, 2010 in the amount of $1,292,420.

It is recommended that the Board approves this Debt Service Schedule and authorize payment on or before June 1, 2010 in the amount of $1,292,420.

BDS 9

Revised June 1, 2009

	Combined Debt Service Schedule				3/4/2007		$7,896,800.00		7/16/2008		$5,000,000		6/25/2009		$5,000,000
	Due Date	Payment Due	Balance		Due Date	Payment Due	Balance		Due Date	Payment Due	Balance		Due Date	Payment Due	Balance
1	3/4/2008 actual	$268,833	$7,765,200	1	3/4/2008	$268,833	$7,765,200.00								
2	6/1/2009 actual	$1,089,785	$12,575,476	2	6/1/2009	$777,470	$7,765,621	1	6/1/2009	$312,315	$4,809,855	1	6/1/2010	$287,453	$4,776,870
3	6/1/2010	$1,292,420	$16,886,329	3	6/1/2010	$675,472	$7,495,048	2	6/1/2010	$329,495	$4,614,410	2	6/1/2011	$287,453	$4,555,195
4	6/1/2011	$1,292,420	$16,179,082	4	6/1/2011	$675,472	$7,210,368	3	6/1/2011	$329,495	$4,413,519	3	6/1/2012	$287,453	$4,330,467
5	6/1/2012	$1,292,420	$15,448,340	5	6/1/2012	$675,472	$6,910,845	4	6/1/2012	$329,495	$4,207,029	4	6/1/2013	$287,453	$4,102,645
6	6/1/2013	$1,292,420	$14,693,132	6	6/1/2013	$675,472	$6,595,704	5	6/1/2013	$329,495	$3,994,783	5	6/1/2014	$287,453	$3,871,686
7	6/1/2014	$1,292,420	$13,912,440	7	6/1/2014	$675,472	$6,264,132	6	6/1/2014	$329,495	$3,776,623	6	6/1/2015	$287,453	$3,637,546
8	6/1/2015	$1,292,420	$13,105,200	8	6/1/2015	$675,472	$5,915,272	7	6/1/2015	$329,495	$3,552,382	7	6/1/2016	$287,453	$3,400,182
9	6/1/2016	$1,292,420	$12,270,296	9	6/1/2016	$675,472	$5,548,222	8	6/1/2016	$329,495	$3,321,892	8	6/1/2017	$287,453	$3,159,550
10	6/1/2017	$1,292,420	$11,406,562	10	6/1/2017	$675,472	$5,162,034	9	6/1/2017	$329,495	$3,084,978	9	6/1/2018	$287,453	$2,915,604
11	6/1/2018	$1,292,420	$10,512,776	11	6/1/2018	$675,472	$4,755,710	10	6/1/2018	$329,495	$2,841,461	10	6/1/2019	$287,453	$2,668,299
12	6/1/2019	$1,292,420	$9,587,658	12	6/1/2019	$675,472	$4,328,201	11	6/1/2019	$329,495	$2,591,158	11	6/1/2020	$287,453	$2,417,589
13	6/1/2020	$1,292,420	$8,629,869	13	6/1/2020	$675,472	$3,878,401	12	6/1/2020	$329,495	$2,333,878	12	6/1/2021	$287,453	$2,163,427
14	6/1/2021	$1,292,420	$7,638,004	14	6/1/2021	$675,472	$3,405,149	13	6/1/2021	$329,495	$2,069,428	13	6/1/2022	$287,453	$1,905,764
15	6/1/2022	$1,292,420	$6,610,594	15	6/1/2022	$675,472	$2,907,221	14	6/1/2022	$329,495	$1,797,608	14	6/1/2023	$287,453	$1,644,554
16	6/1/2023	$1,292,420	$5,546,098	16	6/1/2023	$675,472	$2,383,332	15	6/1/2023	$329,495	$1,518,212	15	6/1/2024	$287,453	$1,379,747
17	6/1/2024	$1,292,420	$4,442,903	17	6/1/2024	$675,472	$1,832,127	16	6/1/2024	$329,495	$1,231,030	16	6/1/2025	$287,453	$1,111,293
18	6/1/2025	$1,292,420	$3,299,318	18	6/1/2025	$675,472	$1,252,182	17	6/1/2025	$329,495	$935,843	17	6/1/2026	$287,453	$839,143
19	6/1/2026	$1,292,420	$2,113,571	19	6/1/2026	$675,472	$641,998	18	6/1/2026	$329,495	$632,430	18	6/1/2027	$287,453	$563,245
20	6/1/2027	$1,292,420	$883,806	20	6/1/2027	$675,472	$0	19	6/1/2027	$329,495	$320,561	19	6/1/2028	$287,453	$283,548
21	6/1/2028	$616,948	$283,548					20	6/1/2028	$329,495	$0	20	6/1/2029	$287,453	$0
22	6/1/2029	$287,453	$0												

Notes:
We have confirmation from Fred Harris that each draw may be treated as a separate 20 year loan with interest in effect at the time of the draw.

BSD 10 GASB 45 ACTUARIAL STUDY

In June 2004, the Governmental Accounting Standards Board (GASB) issued statements 43 and 45 in an effort to establish uniform financial reporting standards for other post-employment benefits obligations (OPEB). The District currently provides employees these benefits as part of the total compensation offered. These benefits include post-employment healthcare. In becoming compliant with these statements, the District is required to have an actuarial study completed on a biennial basis to provide the estimated current value of these benefits offered.
It is recommended that the Board receive and approve the attached actuarial study.

Compton Community College District

Actuarial Study of
Retiree Health Liabilities
As of October 1, 2009

Prepared by:
Total Compensation Systems, Inc.

Date: December 8, 2009

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APPENDIX D: DISTRIBUTION OF ELIGIBLE PARTICIPANTS BY AGE 83

Compton Community College District
Actuarial Study of Retiree Health Liabilities

PART I: EXECUTIVE SUMMARY

A. Introduction

Compton Community College District engaged Total Compensation Systems, Inc. (TCS) to analyze liabilities associated with its current retiree health program as of October 1, 2009 (the valuation date). The numbers in this report are based on the assumption that they will first be used to determine accounting entries for the fiscal year ending June 30, 2009. If the report will first be used for a different fiscal year, the numbers will need to be adjusted accordingly.

This report does not reflect any cash benefits paid unless the retiree is required to provide proof that the cash benefits are used to reimburse the retiree’s cost of health benefits. Costs and liabilities attributable to cash benefits paid to retirees are reportable under Governmental Accounting Standards Board (GASB) Standards 25 and 27.

This actuarial study is intended to serve the following purposes:

» To provide information to enable Compton CCD to manage the costs and liabilities associated with its retiree health benefits.

» To provide information to enable Compton CCD to communicate the financial implications of retiree health benefits to internal financial staff, the Board, employee groups and other affected parties.

» To provide information needed to comply with Governmental Accounting Standards Board Accounting Standards 43 and 45 related to "other postemployment benefits" (OPEB's).

Because this report was prepared in compliance with GASB 43 and 45, as appropriate, Compton CCD should not use this report for any other purpose without discussion with TCS. This means that any discussions with employee groups, governing Boards, etc. should be restricted to the implications of GASB 43 and 45 compliance.

This actuarial report includes several estimates for Compton CCD's retiree health program. In addition to the tables included in this report, we also performed cash flow adequacy tests as required under Actuarial Standard of Practice 6 (ASOP 6). Our cash flow adequacy testing covers a twenty-year period. We would be happy to make this cash flow adequacy test available to Compton CCD in spreadsheet format upon request.

We calculated the following estimates separately for active employees and retirees. As requested, we also separated results by the following employee classifications: Faculty, Classified and Management. We estimated the following:

- The total liability created. (The actuarial present value of total projected benefits or APVTPB)

- The ten year "pay-as-you-go" cost to provide these benefits.

- The "actuarial accrued liability (AAL)." (The AAL is the portion of the APVTPB attributable to employees' service prior to the valuation date.)

- The amount necessary to amortize the UAAL over a period of 30 years.

- The annual contribution required to fund retiree benefits over the working lifetime of eligible employees (the "normal cost").

- The Annual Required Contribution (ARC) which is the basis of calculating the annual OPEB cost and net OPEB obligation under GASB 43 and 45.

We summarized the data used to perform this study in Appendix A. No effort was made to verify this information beyond brief tests for reasonableness and consistency.

All cost and liability figures contained in this study are estimates of future results. Future results can vary dramatically and the accuracy of estimates contained in this report depends on the actuarial assumptions used. Normal costs and liabilities could easily vary by 10 - 20% or more from estimates contained in this report.

B. General Findings

We estimate the "pay-as-you-go" cost of providing retiree health benefits in the year beginning October 1, 2009 to be $398,018 (see Section IV.A.). The "pay-as-you-go" cost is the cost of benefits for current retirees.

For current employees, the value of benefits "accrued" in the year beginning October 1, 2009 (the normal cost) is $739,257. This normal cost would increase each year based on covered payroll. Had Compton CCD begun accruing retiree health benefits when each current employee and retiree was hired, a substantial liability would have accumulated. We estimate the amount that would have accumulated to be $15,327,267. This amount is called the "actuarial accrued liability" (AAL).

We calculated the annual cost to amortize the unfunded actuarial accrued liability using a 5% discount rate. We used a 30 year amortization period. The current year cost to amortize the unfunded "actuarial accrued liability" is $678,891.

Combining the normal cost and UAAL amortization costs in the first year produces a total first year annual required contribution (ARC) of $1,418,148. The ARC is used as the basis for determining expenses and liabilities under GASB 43/45. The ARC is used in lieu of (rather than in addition to) the “pay-as-you-go” cost.

We based all of the above estimates on employees as of September, 2009. Over time, liabilities and cash flow will vary based on the number and demographic characteristics of employees and retirees.

C. Description of Retiree Benefits

Following is a description of the current retiree benefit plan:

	Faculty	**Classified**	**Certificated Administrators**	**Classified Management and Confidential**
Benefit types provided	Medical, dental and vision	Medical, dental and vision	Medical, dental and vision	Medical, dental and vision
Duration of Benefits	Lifetime	Lifetime	Lifetime	Lifetime
Required Service	20 years	20 years	20 years	20 years
Minimum Age	55	55	55	55
Dependent Coverage	Yes	No	Yes	No
College Contribution %	100%	100%	100%	100%
College Cap	Active cap	Active cap	Active cap	Active cap

D. Recommendations

It is outside the scope of this report to make specific recommendations of actions Compton CCD should take to manage the substantial liability created by the current retiree health program. Total Compensation Systems, Inc. can assist in identifying and evaluating options once this report has been studied. The following recommendations are intended only to allow the College to get more information from this and future studies. Because we have not conducted a comprehensive administrative audit of Compton CCD’s practices, it is possible that Compton CCD is already complying with some or all of our recommendations.

- We recommend that Compton CCD inventory all benefits and services provided to retirees – whether contractually or not and whether retiree-paid or not. For each, Compton CCD should determine whether the benefit is material and subject to GASB 43 and/or 45.

- We recommend that Compton CCD conduct a study whenever events or contemplated actions significantly affect present or future liabilities, but no less frequently than every two or three years, as required under GASB 43/45.

- We recommend that the College communicate the magnitude of these costs to employees and include employees in discussions of options to control the costs.

- Under GASB 45, it is important to isolate the cost of retiree health benefits. Compton CCD should have all premiums, claims and expenses for retirees separated from active employee premiums, claims, expenses, etc. To the extent any retiree benefits are made available to retirees over the age of 65 – ***even on a retiree-pay-all basis*** – all premiums, claims and expenses for post-65 retiree coverage should be segregated from those for pre-65 coverage. Furthermore, Compton CCD should arrange for the rates or prices of all retiree benefits to be set on what is expected to be a self-sustaining basis.

- Compton CCD should establish a way of designating employees as eligible or ineligible for future OPEB benefits. Ineligible employees can include those in ineligible job classes; those hired after a designated date restricting eligibility; those who, due to their age at hire cannot qualify for College-paid OPEB benefits; employees who exceed the termination age for OPEB benefits, etc.

- Several assumptions were made in estimating costs and liabilities under Compton CCD's retiree health program. Further studies may be desired to validate any assumptions where there is any doubt that the assumption is appropriate. (See Appendices B and C for a list of assumptions and concerns.) For example, Compton CCD should maintain a retiree database that includes – in addition to date of birth, gender and employee classification – retirement date and (if applicable) dependent date of birth, relationship and gender. It will also be helpful for Compton CCD to maintain employment termination information – namely, the number of OPEB-eligible employees in each employee class that terminate employment each year for reasons other than death, disability or retirement.

Respectfully submitted,

Geoffrey L. Kischuk, FSA, MAAA, FCA
Consultant
Total Compensation Systems, Inc.
(805) 496-1700

PART II: BACKGROUND

A. Summary

Accounting principles provide that the cost of retiree benefits should be "accrued" over employees' working lifetime. For this reason, the Governmental Accounting Standards Board (GASB) issued in 2004 Accounting Standards 43 and 45 for retiree health benefits. These standards apply to all public employers that pay any part of the cost of retiree health benefits for current or future retirees (including early retirees).

B. Actuarial Accrual

To actuarially accrue retiree health benefits requires determining the amount to expense each year so that the liability accumulated at retirement is, on average, sufficient (with interest) to cover all retiree health expenditures without the need for additional expenses. There are many different ways to determine the annual accrual amount. The calculation method used is called an "actuarial cost method."

Under most actuarial cost methods, there are two components of actuarial cost - a "normal cost" and amortization of something called the "unfunded actuarial accrued liability." Both accounting standards and actuarial standards usually address these two components separately (though alternative terminology is sometimes used).

The normal cost can be thought of as the value of the benefit earned each year if benefits are accrued during the working lifetime of employees. This report will not discuss differences between actuarial cost methods or their application. Instead, following is a description of a commonly used, generally accepted actuarial cost method that will be permitted under GASB 43 and 45. This actuarial cost method is called the "entry age normal" method.

Under the entry age normal cost method, the actuary determines the annual amount needing to be expensed from hire until retirement to fully accrue the cost of retiree health benefits. This amount is the normal cost. Under GASB 43 and 45, normal cost can be expressed either as a level dollar amount or a level percentage of payroll.

The normal cost is determined using several key assumptions:

- The current ***cost of retiree health benefits*** (often varying by age, Medicare status and/or dependent coverage). The higher the current cost of retiree benefits, the higher the normal cost.

- The ***"trend" rate*** at which retiree health benefits are expected to increase over time. A higher trend rate increases the normal cost. A "cap" on College contributions can reduce trend to zero once the cap is reached thereby dramatically reducing normal costs.

- ***Mortality rates*** varying by age and sex. (Unisex mortality rates are not often used as individual OPEB benefits do not depend on the mortality table used.) If employees die prior to retirement, past contributions are available to fund benefits for employees who live to retirement. After retirement, death results in benefit termination or reduction. Although higher mortality rates reduce normal costs, the mortality assumption is not likely to vary from employer to employer.

- ***Employment termination rates*** have the same effect as mortality inasmuch as higher termination rates reduce normal costs. Employment termination can vary considerably between public agencies.

- The ***service requirement*** reflects years of service required to earn full or partial retiree benefits. While a longer service requirement reduces costs, cost reductions are not usually substantial unless the service period exceeds 20 years of service.

- ***Retirement rates*** determine what proportion of employees retire at each age (assuming employees reach the requisite length of service). Retirement rates often vary by employee classification and implicitly reflect the minimum retirement age required for eligibility. Retirement rates also depend on the amount of pension benefits available. Higher retirement rates increase normal costs but, except for differences in minimum retirement age, retirement rates tend to be consistent between public agencies for each employee type.

- ***Participation rates*** indicate what proportion of retirees are expected to elect retiree health benefits if a significant retiree contribution is required. Higher participation rates increase costs.

- The ***discount rate*** estimates investment earnings for assets earmarked to cover retiree health benefit liabilities. The discount rate depends on the nature of underlying assets. For example, employer funds earning money market rates in the county treasury are likely to earn far less than an irrevocable trust containing a diversified asset portfolio including stocks, bonds, etc. A higher discount rate can dramatically lower normal costs. GASB 43 and 45 require the interest assumption to reflect likely *long term* investment return.

The assumptions listed above are not exhaustive, but are the most common assumptions used in actuarial cost calculations. The actuary selects the assumptions which - taken together - will yield reasonable results. It's not necessary (or even possible) to predict individual assumptions with complete accuracy.

If all actuarial assumptions are exactly met and an employer expensed the normal cost every year for all past and current employees and retirees, a sizeable liability would have accumulated (after adding interest and subtracting retiree benefit costs). The liability that would have accumulated is called the actuarial accrued liability or AAL. The excess of AAL over the ***actuarial value of plan assets*** is called the *unfunded* actuarial accrued liability (or UAAL). Under GASB 43 and 45, in order for assets to count toward offsetting the AAL, the assets have to be held in an irrevocable trust that is safe from creditors and can only be used to provide OPEB benefits to eligible participants.

The actuarial accrued liability (AAL) can arise in several ways. At inception of GASB 43 and 45, there is usually a substantial UAAL. Some portion of this amount can be established as the "transition obligation" subject to certain constraints. UAAL can also increase as the result of operation of a retiree health plan - e.g., as a result of plan changes or changes in actuarial assumptions. Finally, AAL can arise from actuarial gains and losses. Actuarial gains and losses result from differences between actuarial assumptions and actual plan experience.

Under GASB 43 and 45, employers have several options on how the UAAL can be amortized as follows:

- The employer can select an amortization period of 1 to 30 years. (For certain situations that result in a reduction of the AAL, the amortization period must be at least 10 years.)

- The employer may apply the same amortization period to the total combined UAAL or can apply different periods to different components of the UAAL.

- The employer may elect a “closed” or “open” amortization period.

- The employer may choose to amortize on a level dollar or level percentage of payroll method.

PART III: LIABILITIES AND COSTS FOR RETIREE BENEFITS

A. Introduction

We calculated the actuarial present value of projected benefits (APVPB) separately for each employee. We determined eligibility for retiree benefits based on information supplied by Compton CCD. We then selected assumptions for the factors discussed in the above Section that, based on plan experience and our training and experience, represent our best prediction of future plan experience. For each employee, we applied the appropriate factors based on the employee's age, sex and length of service.

We summarized actuarial assumptions used for this study in Appendix C.

B. Medicare

The extent of Medicare coverage can affect projections of retiree health costs. The method of coordinating Medicare benefits with the retiree health plan's benefits can have a substantial impact on retiree health costs. We will be happy to provide more information about Medicare integration methods if requested.

C. Liability For Retiree Benefits

For each employee, we projected future premium costs using an assumed trend rate (see Appendix C). To the extent Compton CCD uses contribution caps, the influence of the trend factor is further reduced.

We multiplied each year's projected cost by the probability that premium will be paid; i.e. based on the probability that the employee is living, has not terminated employment and has retired. The probability that premium will be paid is zero if the employee is not eligible. The employee is not eligible if s/he has not met minimum service, minimum age or, if applicable, maximum age requirements.

The product of each year's premium cost and the probability that premium will be paid equals the expected cost for that year. We discounted the expected cost for each year to the valuation date October 1, 2009 at 5% interest.

Finally, we multiplied the above discounted expected cost figures by the probability that the retiree would elect coverage. A retiree may not elect to be covered if retiree health coverage is available less expensively from another source (e.g. Medicare risk contract) or the retiree is covered under a spouse's plan.

For any current retirees, the approach used was similar. The major difference is that the probability of payment for current retirees depends only on mortality and age restrictions (i.e. for retired employees the probability of being retired and of not being terminated are always both 1.0000).

We added the APVPB for all employees to get the actuarial present value of total projected benefits (APVTPB). The APVTPB is the estimated present value of all future retiree health benefits for all **current** employees and retirees. The APVTPB is the amount on October 1, 2009 that, if all actuarial assumptions are exactly right, would be sufficient to expense all promised benefits until the last current employee or retiree dies or reaches the maximum eligibility age.

Actuarial Present Value of Total Projected Benefits October 1, 2009	**Total**	**Faculty**	**Classified**	**Management**
Active: Pre-65	$2,462,528	$523,421	$1,469,702	$469,405
Post-65	$12,751,184	$5,013,587	$5,362,984	$2,374,613
Subtotal	$15,213,712	$5,537,008	$6,832,686	$2,844,018
Retiree: Pre-65	$221,635	$0	$221,635	$0
Post-65	$4,381,966	$2,296,295	$1,694,341	$391,330
Subtotal	$4,603,601	$2,296,295	$1,915,976	$391,330
Grand Total	$19,817,314	$7,833,303	$8,748,663	$3,235,348
Subtotal Pre-65	$2,684,164	$523,421	$1,691,338	$469,405
Subtotal Post-65	$17,133,150	$7,309,881	$7,057,326	$2,765,943

The APVTPB should be accrued over the working lifetime of employees. At any time much of it has not been "earned" by employees. The APVTPB is used to develop expense and liability figures. To do so, the APVTFB is divided into two parts: the portions attributable to service rendered prior to the valuation date (the past service liability or actuarial accrued liability under GASB 43 and 45) and to service after the valuation date but prior to retirement (the future service liability).

The past service and future service liabilities are each funded in a different way. We will start with the future service liability which is funded by the normal cost.

D. Cost To Prefund Retiree Benefits

1. Normal Cost

The average hire age for eligible employees is 37. To accrue the liability by retirement, the College would accrue the retiree liability over a period of about 23 years (assuming an average retirement age of 60). We applied an "entry age normal" actuarial cost method to determine funding rates for active employees. The table below summarizes the calculated normal cost.

Normal Cost Year Beginning October 1, 2009	**Total**	**Faculty**	**Classified**	**Management**
# of Employees	228	84	99	45
Per Capita Normal Cost				
Pre-65 Benefit	N/A	$576	$771	$610
Post-65 Benefit	N/A	$3,077	$2,014	$2,872
First Year Normal Cost				
Pre-65 Benefit	$152,163	$48,384	$76,329	$27,450

Post-65 Benefit	$587,094	$258,468	$199,386	$129,240
Total	$739,257	$306,852	$275,715	$156,690

Accruing retiree health benefit costs using normal costs levels out the cost of retiree health benefits over time and more fairly reflects the value of benefits "earned" each year by employees. This normal cost would increase each year based on covered payroll.

2. Amortization of Unfunded Actuarial Accrued Liability (UAAL)

If actuarial assumptions are borne out by experience, the College will fully accrue retiree benefits by expensing an amount each year that equals the normal cost. If no accruals had taken place in the past, there would be a shortfall of many years' accruals, accumulated interest and forfeitures for terminated or deceased employees. This shortfall is called the actuarial accrued liability (AAL). We calculated the AAL as the APVTPB minus the present value of future normal costs.

The initial UAAL was amortized using a closed amortization period of 30 years. The College can amortize the remaining or residual UAAL over many years. The table below shows the annual amount necessary to amortize the UAAL over a period of 30 years at 5% interest. (Thirty years is the longest amortization period allowable under GASB 43 and 45.) GASB 43 and 45 will allow amortizing the UAAL using either payments that stay the same as a dollar amount, or payments that are a flat percentage of covered payroll over time. The figures below reflect the level percentage of payroll method. This amortization payment would increase each year based on covered payroll. Payments would continue for 30 years, after which time amortization payments would end.

Actuarial Accrued Liability as of October 1, 2009	**Total**	**Faculty**	**Classified**	**Management**
Active: Pre-65	$1,459,760	$336,178	$824,364	$299,218
Post-65	$9,263,905	$4,013,332	$3,677,238	$1,573,335
Subtotal	$10,723,665	$4,349,510	$4,501,602	$1,872,553
Retiree: Pre-65	$221,635	$0	$221,635	$0
Post-65	$4,381,966	$2,296,295	$1,694,341	$391,330
Subtotal	$4,603,601	$2,296,295	$1,915,976	$391,330
Subtot Pre-65	$1,681,396	$336,178	$1,046,000	$299,218
Subtot Post-65	$13,645,872	$6,309,627	$5,371,580	$1,964,665
Grand Total	$15,327,267	$6,645,805	$6,417,580	$2,263,882
Funded at October 1, 2009	$0	$0	$0	$0
Unfunded AAL	$15,327,267	$6,645,805	$6,417,580	$2,263,882

1st Year UAAL Amortization at 5.0% over 30 Years	$678,891	$294,363	$284,254	$100,274

3. Annual Required Contributions (ARC)

If the College determines retiree health plan expenses in accordance with GASB 43 and 45, costs will include both normal cost and one or more components of UAAL amortization costs. The sum of normal cost and UAAL amortization costs is called the Annual Required Contribution (ARC) and is shown below.

Annual Required Contribution (ARC) Year Beginning October 1, 2009	**Total**	**Faculty**	**Classified**	**Management**
Normal Cost	$739,257	$306,852	$275,715	$156,690
UAAL Amortization	$678,891	$294,363	$284,254	$100,274
ARC	$1,418,148	$601,215	$559,969	$256,964
Pay-As-You-Go Cost	$398,018	$232,527	$125,729	$39,762
Added Cost of GASB 43/45	$1,020,130	$368,688	$434,240	$217,202

The normal cost remains as long as there are active employees who may someday qualify for College-paid retiree health benefits. This normal cost would increase each year based on covered payroll.

4. Other Components of Annual OPEB Cost (AOC)

Once GASB 43 and 45 are implemented, the expense and liability amounts may include more components of cost than the normal cost plus amortization of the UAAL. This will apply to employers that don't fully fund the Annual Required Cost (ARC) through an irrevocable trust.

- The annual OPEB cost (AOC) will include assumed interest on the net OPEB obligation (NOO). The annual OPEB cost will also include an amortization adjustment for the net OPEB obligation. (It should be noted that there is no NOO if the ARC is fully funded through a qualifying "plan".)

- The net OPEB obligation will equal the accumulated differences between the (AOC) and qualifying "plan" contributions.

PART IV: "PAY AS YOU GO" FUNDING OF RETIREE BENEFITS

We used the actuarial assumptions shown in Appendix C to project ten year cash flow under the retiree health program. Because these cash flow estimates reflect average assumptions applied to a relatively small number of employees, estimates for individual years are **certain** to be ***in***accurate. However, these estimates show the size of cash outflow.

The following table shows a projection of annual amounts needed to pay the College share of retiree health premiums.

Year Beginning October 1	Total	Faculty	Classified	Management
2009	$398,018	$232,527	$125,729	$39,762
2010	$430,742	$251,241	$136,910	$42,591
2011	$486,939	$282,906	$156,262	$47,771
2012	$544,385	$315,878	$175,213	$53,294
2013	$592,782	$338,971	$193,404	$60,407
2014	$642,581	$355,412	$214,998	$72,171
2015	$690,735	$368,128	$235,245	$87,362
2016	$756,298	$386,032	$263,897	$106,369
2017	$832,074	$407,666	$303,680	$120,728
2018	$899,408	$433,862	$331,893	$133,653

PART V: RECOMMENDATIONS FOR FUTURE VALUATIONS

To effectively manage benefit costs, an employer must periodically examine the existing liability for retiree benefits as well as future annual expected premium costs. GASB 43/45 require biennial or triennial valuations. In addition, a valuation should be conducted whenever plan changes, changes in actuarial assumptions or other employer actions are likely to cause a material change in accrual costs and/or liabilities.

Following are examples of actions that could trigger a new valuation.

- An employer should perform a valuation whenever the employer considers or puts in place an early retirement incentive program.
- An employer should perform a valuation whenever the employer adopts a retiree benefit plan for some or all employees.
- An employer should perform a valuation whenever the employer considers or implements changes to retiree benefit provisions or eligibility requirements.
- An employer should perform a valuation whenever the employer introduces or changes retiree contributions.

We recommend Compton CCD take the following actions to ease future valuations.

- We have used our training, experience and information available to us to establish the actuarial assumptions used in this valuation. We have no information to indicate that any of the assumptions do not reasonably reflect future plan experience. However, the College should review the actuarial assumptions in Appendix C carefully. If the College has any reason to believe that any of these assumptions do not reasonably represent the expected future experience of the retiree health plan, the College should engage in discussions or perform analyses to determine the best estimate of the assumption in question.

PART VI: APPENDICES

APPENDIX A: MATERIALS USED FOR THIS STUDY

We relied on the following materials to complete this study.

- We used paper reports and digital files containing employee demographic data from the College personnel records.

- We used relevant sections of collective bargaining agreements provided by the College.

APPENDIX B: EFFECT OF ASSUMPTIONS USED IN CALCULATIONS

While we believe the estimates in this study are reasonable overall, it was necessary for us to use assumptions which inevitably introduce errors. We believe that the errors caused by our assumptions will not materially affect study results. If the College wants more refined estimates for decision-making, we recommend additional investigation. Following is a brief summary of the impact of some of the more critical assumptions.

1. Where actuarial assumptions differ from expected experience, our estimates could be overstated or understated. One of the most critical assumptions is the medical trend rate. The College may want to commission further study to assess the sensitivity of liability estimates to our medical trend assumptions. For example, it may be helpful to know how liabilities would be affected by using a trend factor 1% higher than what was used in this study. There is an additional fee required to calculate the impact of alternative trend assumptions.

2. We used an "entry age normal" actuarial cost method to estimate the actuarial accrued liability and normal cost. GASB will allow this as one of several permissible methods under its upcoming accounting standard. Using a different cost method could result in a somewhat different recognition pattern of costs and liabilities.

APPENDIX C: ACTUARIAL ASSUMPTIONS AND METHODS

Following is a summary of actuarial assumptions and methods used in this study. The College should carefully review these assumptions and methods to make sure they reflect the College's assessment of its underlying experience. It is important for Compton CCD to understand that the appropriateness of all selected actuarial assumptions and methods are Compton CCD's responsibility. Unless otherwise disclosed in this report, TCS believes that all methods and assumptions are within a reasonable range based on the provisions of GASB 43 and 45, applicable actuarial standards of practice, Compton CCD's actual historical experience, and TCS's judgement based on experience and training.

ACTUARIAL METHODS AND ASSUMPTIONS:

ACTUARIAL COST METHOD: Entry age normal. The allocation of OPEB cost is based on years of service. We used the level percentage of payroll method to allocate OPEB cost over years of service.

Entry age is based on the age at hire for eligible employees. The attribution period is determined as the difference between the expected retirement age and the age at hire. The present value of future benefits and present value of future normal costs are determined on an employee by employee basis and then aggregated.

To the extent that different benefit formulas apply to different employees of the same class, the normal cost is based on the benefit plan applicable to the most recently hired employees (including future hires if a new benefit formula has been agreed to and communicated to employees).

AMORTIZATION METHODS: We used the level percentage of payroll method to allocate amortization cost by year. We used a closed 30 year amortization period for the initial UAAL. We used an open 30 year amortization period for any residual UAAL.

SUBSTANTIVE PLAN: As required under GASB 43 and 45, we based the valuation on the substantive plan. The formulation of the substantive plan was based on a review of written plan documents as well as historical information provided by Compton CCD regarding practices with respect to employer and employee contributions and other relevant factors.

ECONOMIC ASSUMPTIONS:

Economic assumptions are set under the guidance of Actuarial Standard of Practice 27 (ASOP 27). Among other things, ASOP 27 provides that economic assumptions should reflect a consistent underlying rate of general inflation. For that reason, we show our assumed long-term inflation rate below.

INFLATION: We assumed 3% per year.

INVESTMENT RETURN / DISCOUNT RATE: We assumed 5% per year. This is based on assumed long-term return on employer assets. We used the "Building Block Method" as described in ASOP 27 Paragraph 3.6.2. Our assessment of long-term returns for employer assets is based on long-term historical returns for surplus funds invested pursuant to California Government Code Sections 53601 et seq.

TREND: We assumed 4% per year. Our long-term trend assumption is based on the conclusion that, while medical trend will continue to be cyclical, the average increase over time cannot continue to outstrip general inflation by a wide margin. Trend increases in excess of general inflation result in dramatic increases in unemployment, the number of uninsured and the number of underinsured. These effects are nearing a tipping point which will inevitably result in fundamental changes in health care finance and/or delivery which will bring increases in health care costs more closely in line with general inflation. We do not believe it is reasonable to project historical trend vs. inflation differences several decades into the future.

PAYROLL INCREASE: We assumed 3% per year. This assumption applies only to the extent that either or both of the normal cost and/or UAAL amortization use the level percentage of payroll method. For purposes of applying the level percentage of payroll method, payroll increase must not assume any increases in staff or merit increases.

ACTUARIAL ASSET VALUATION: There were no plan assets.

NON-ECONOMIC ASSUMPTIONS:

Economic assumptions are set under the guidance of Actuarial Standard of Practice 35 (ASOP 35).

MORTALITY: CalSTRS mortality for certificated employees.
CalPERS mortality for Miscellaneous employees for other employees.

RETIREMENT RATES: CalSTRS retirement rates for certificated employees.
CalPERS retirement rates for the 2 %@ 55 pension formula for other employees.

VESTING RATES:

	Faculty	**Classified**	**Management**
Vesting Percentage	100%	100%	100%
Vesting Period	20 years	20 years	20 years

COSTS FOR RETIREE COVERAGE:

There was not sufficient information available to determine whether there is an implicit subsidy for retiree health costs. Based on ASOP 6, there can be justification for using "community-rated" premiums as the basis for the valuation where the insurer is committed to continuing rating practices. This is especially true where sufficient information is not available to determine the magnitude of the subsidy. However, Compton CCD should recognize that costs and liabilities in this report could change significantly if either the current insurer changes rating practices or if Compton CCD changes insurers.

First Year costs are as shown below. Subsequent years' costs are based on first year costs adjusted for trend and limited by any College contribution caps.

	Faculty	**Classified**	**Management**
Current Retirees: based on actual costs			
Current Plan:			
Future Retirees Pre-65	$5,959	$5,959	$5,959
Future Retirees Post-65	$5,059	$5,059	$5,059

PARTICIPATION RATES: 100%

TURNOVER: CalSTRS turnover for certificated employees.
CalPERS turnover for Miscellaneous employees.

SPOUSE PREVALENCE: To the extent not provided and when needed to calculate benefit liabilities, 80% of retirees assumed to be married at retirement. After retirement, the percentage married is adjusted to reflect mortality.

SPOUSE AGES: To the extent spouse dates of birth are not provided and when needed to calculate benefit liabilities, female spouse assumed to be three years younger than male.

AGING FACTORS:

Attained Age	Medical Annual Increases
50-64	3.5%
65-69	3.0
70-74	2.5
75-79	1.5
80-84	0.5
85+	0.0

APPENDIX D: DISTRIBUTION OF ELIGIBLE PARTICIPANTS BY AGE

ELIGIBLE ACTIVE EMPLOYEES:

Age	Total	Faculty	Classified	Management
Under 25	1	0	1	0
25-29	8	0	7	1
30-34	12	2	5	5
35-39	19	1	16	2
40-44	19	6	12	1
45-49	33	8	18	7
50-54	32	11	12	9
55-59	40	15	13	12
60-64	42	23	11	8
65 and older	22	18	4	0
Total	228	84	99	45

ELIGIBLE RETIREES:

Age	Total	Faculty	Classified	Management
Under 50	0	0	0	0
50-54	2	0	2	0
55-59	2	0	2	0
60-64	3	0	3	0
65-69	18	9	7	2
70-74	19	12	5	2
75-79	8	5	1	2
80-84	10	10	0	0
85-89	8	6	2	0
90 and older	1	1	0	0
Total	71	43	22	6

APPENDIX E: CALCULATION OF GASB 43/45 ACCOUNTING ENTRIES

This report is to be used to calculate accounting entries rather than to provide the dollar amount of accounting entries. How the report is to be used to calculate accounting entries depends on several factors. Among them are:

1) The amount of prior accounting entries;

2) Whether individual components of the ARC are calculated as a level dollar amount or as a level percentage of payroll;

3) Whether the employer using a level percentage of payroll method elects to use for this purpose projected payroll, budgeted payroll or actual payroll;

4) Whether the employer chooses to adjust the numbers in the report to reflect the difference between the valuation date and the first fiscal year for which the numbers will be used.

To the extent the level percentage of payroll method is used, the employer should adjust the numbers in this report as appropriate to reflect the change in OPEB covered payroll. It should be noted that OPEB covered payroll should only reflect types of pay generating pension credits for plan participants. Please note that plan participants do not necessarily include all active employees eligible for health benefits for several reasons. Following are examples.

1) The number of hours worked or other eligibility criteria may differ for OPEB compared to active health benefits;

2) There may be active employees over the maximum age OPEB are paid through. For example, if an OPEB plan pays benefits only to Medicare age, any active employees currently over Medicare age are not plan participants;

3) Employees hired at an age where they will exceed the maximum age for benefits when the service requirement is met are also not plan participants.

Finally, GASB 43 and 45 require reporting covered payroll in RSI schedules regardless of whether any ARC component is based on the level percentage of payroll method. This report does not provide, nor should the actuary be relied on to report covered payroll.

GASB 45 Paragraph 26 specifies that the items presented as RSI "should be calculated in accordance with the parameters." The RSI items refer to Paragraph 25.c which includes annual covered payroll. Footnote 3 provides that when the ARC is based on covered payroll, the payroll measure may be the projected payroll, budgeted payroll or actual payroll. Footnote 3 further provides that comparisons between the ARC and contributions should be based on the same measure of covered payroll.

At the time the valuation is being done, the actuary may not know which payroll method will be used for reporting purposes. The actuary may not even know for which period the valuation will be used to determine the ARC. Furthermore, the actuary doesn't know if the client will make adjustments to the ARC in order to use it for the first year of the biennial or triennial period. (GASB 45 is silent on this.) Even if the actuary were to know all of these things, it would be a rare situation that would result in me knowing the appropriate covered payroll number to report. For example, if the employer uses actual payroll, that number would not be known at the time the valuation is done.

As a result, we believe the proper approach is to report the ARC components as a dollar amount. It is the client's responsibility to turn this number into a percentage of payroll factor by using the dollar amount of the ARC (adjusted, if desired) as a numerator and then calculating the appropriate amount of the denominator based on the payroll determination method elected by the client for the appropriate fiscal year.

If we have been provided with payroll information, we are happy to use that information to help the employer develop an estimate of covered payroll for reporting purposes. However, the validity of the covered payroll remains the employer's responsibility even if TCS assists the employer in calculating it.

APPENDIX F: GLOSSARY OF RETIREE HEALTH VALUATION TERMS

Note: The following definitions are intended to help a *non*-actuary understand concepts related to retiree health valuations. Therefore, the definitions may not be actuarially accurate.

Actuarial Accrued Liability:	The amount of the actuarial present value of total projected benefits attributable to employees' past service based on the actuarial cost method used.
Actuarial Cost Method:	A mathematical model for allocating OPEB costs by year of service.
Actuarial Present Value of Total Projected Benefits:	The projected amount of all OPEB benefits to be paid to current and future retirees discounted back to the valuation date.
Actuarial Value of Assets:	Market-related value of assets which may include an unbiased formula for smoothing cyclical fluctuations in asset values.
Annual OPEB Cost:	This is the amount employers must recognize as an expense each year. The annual OPEB expense is equal to the Annual Required Contribution plus interest on the Net OPEB obligation minus an adjustment to reflect the amortization of the net OPEB obligation.
Annual Required Contribution:	The sum of the normal cost and an amount to amortize the unfunded actuarial accrued liability. This is the basis of the annual OPEB cost and net OPEB obligation.
Closed Amortization Period:	An amortization approach where the original ending date for the amortization period remains the same. This would be similar to a conventional, 30-year mortgage, for example.
Discount Rate:	Assumed investment return net of all investment expenses. Generally, a higher assumed interest rate leads to lower normal costs and actuarial accrued liability.
Implicit Rate Subsidy:	The estimated amount by which retiree rates are understated in situations where, for rating purposes, retirees are combined with active employees.
Mortality Rate:	Assumed proportion of people who die each year. Mortality rates always vary by age and often by sex. A mortality table should always be selected that is based on a similar "population" to the one being studied.

Net OPEB Obligation:	The accumulated difference between the annual OPEB cost and amounts contributed to an irrevocable trust exclusively providing retiree OPEB benefits and protected from creditors.
Normal Cost:	The dollar value of the "earned" portion of retiree health benefits if retiree health benefits are to be fully accrued at retirement.
OPEB Benefits:	Other Post Employment Benefits. Generally medical, dental, prescription drug, life, long-term care or other postemployment benefits that are not pension benefits.
Open Amortization Period:	Under an open amortization period, the remaining unamortized balance is subject to a new amortization schedule each valuation. This would be similar, for example, to a homeowner refinancing a mortgage with a new 30-year conventional mortgage every two or three years.
Participation Rate:	The proportion of retirees who elect to receive retiree benefits. A lower participation rate results in lower normal cost and actuarial accrued liability. The participation rate often is related to retiree contributions.
Retirement Rate:	The proportion of active employees who retire each year. Retirement rates are usually based on age and/or length of service. (Retirement rates can be used in conjunction with vesting rates to reflect both age and length of service). The more likely employees are to retire early, the higher normal costs and actuarial accrued liability will be.
Transition Obligation:	The amount of the unfunded actuarial accrued liability at the time actuarial accrual begins in accordance with an applicable accounting standard.
Trend Rate:	The rate at which the cost of retiree benefits is expected to increase over time. The trend rate usually varies by type of benefit (e.g. medical, dental, vision, etc.) and may vary over time. A higher trend rate results in higher normal costs and actuarial accrued liability.
Turnover Rate:	The rate at which employees cease employment due to reasons other than death, disability or retirement. Turnover rates usually vary based on length of service and may vary by other factors. Higher turnover rates reduce normal costs and actuarial accrued liability.
Unfunded Actuarial Accrued Liability:	This is the excess of the actuarial accrued liability over assets irrevocably committed to provide retiree health benefits.

Valuation Date: The date as of which the OPEB obligation is determined. Under GASB 43 and 45, the valuation date does not have to coincide with the statement date.

Vesting Rate: The proportion of retiree benefits earned, based on length of service and, sometimes, age. (Vesting rates are often set in conjunction with retirement rates.) More rapid vesting increases normal costs and actuarial accrued liability.

Agenda for the Compton Community College District Board of Trustees
from
Human Resources Division
Rachelle Sasser, Dean, Human Resources

Consent Calendar

HRD1. **Management Team Personnel Action**

HRD2. **Academic Employment and Personnel Changes**

HRD3. **Temporary Non-Classified Service Employees**

HRD 1. MANAGEMENT TEAM PERSONNEL ACTION (None)

HRD 2. ACADEMIC EMPLOYMENT AND PERSONNEL CHANGES

1. Retirement – Ms. Carroll Fisher, Professor of Reading, Class I, Step 19, effective June 12, 2010.
2. Retirement – Dr. Hung Wu, Professor of Chemistry, Class VI, Step 35, effective June 12, 2010.
3. Ratification (resignation) – Ms. Tracy McNeil, Women's Head Basketball Coach, Class II, Step 4, effective March 1, 2010.
4. Ratification (employment) – Mr. Paul Cabasa, part time fire technology instructor, Class I, Step 1, for the 2010 spring semester.
5. Ratification – (employment) – Mr. Mike Brownlie, part time fire technology instructor, Class I, Step 1, for the 2010 spring semester
6. Ratification – (employment) – Ms. Sarah Carocholio, part time speech instructor, Class II, Step 1, for the 2010 spring semester.
7. Ratification (employment) – Mr. Joseph Carpenter, contracted robotics instructor, for the 2010 spring semester.
8. Ratification (employment) – Mr. Kevin Toney, part time vocational music instructor, Class I, Step 1, for the 2010 spring semester.
9. Ratification (employment) – Ms. Wendy Walsh, part time English instructor, Class II, Step 1, for the 2010 spring semester.
10. Ratification (employment) – Ms. Ann Pham, part time mathematics instructor, Class II, Step 1, for the 2010 spring semester.
11. Ratification (employment) – Mr. William Doyle, part time music instructor, Class VI, Step 1, for the 2010 spring semester.
12. Ratification (employment) – Ms. Schenell Fumore, part time nursing instructor, Class II, Step 1 for the 2010 spring semester.
13. Ratification (employment) – Ms. Karen Solomon, part time nursing instructor, Class II, Step 1, for the 2010 spring semester.

HRD 3. TEMPORARY NON-CLASSIFIED SERVICE EMPLOYEES:

It is recommended that the Special Trustee approve the employment and personnel changes for non-classified employees as shown below.

1. Ratification -- Rafael Diaz - Tutor, $20.00 per hour, Monday through Friday (days vary), hours between 8:00 a.m. to 8:00 p.m. (hours vary), effective February 10, 2010 through June 10, 2010, Learning Resource Center, Academic Affairs, not to exceed 120 days (NTE 20 hours per week).

2. Ratification -- Max Evans - Teacher Associate, $22.80 per hour, Monday through Friday (days vary), hours between 8:00 a.m. to 8:00 p.m. (hours vary), effective February 13, 2010 through June 11, 2010, English, Academic Affairs, not to exceed 120 days (NTE 35 hours per week).

3. Ratification -- Uche Maduagwu - Tutor, $20.00 per hour, Monday through Friday (days vary), hours between 8:00 a.m. to 8:00 p.m. (hours vary), effective February 10, 2010 through June 10, 2010, Learning Resource Center, Academic Affairs, not to exceed 120 days (NTE 20 hours per week).

4. Ratification -- Carlos Tinoco - Tutor, $20.00 per hour, Monday through Friday (days vary), hours between 8:00 a.m. to 8:00 p.m. (hours vary), effective February 10, 2010 through June 10, 2010, Learning Resource Center, Academic Affairs, not to exceed 120 days (NTE 20 hours per week).

5. Ratification -- Luis Vega - Tutor, $8.75 per hour, Monday through Friday (days vary), hours between 8:00 a.m. to 8:00 p.m. (hours vary), effective February 10, 2010 through June 10, 2010, Learning Resource Center, Academic Affairs, not to exceed 120 days (NTE 20 hours per week).

6. Nancy Alvarado - Teacher Associate, $22.80 per hour, Monday through Friday (days vary), hours between 8:00 a.m. to 8:00 p.m. (hours vary), effective March 27, 2010 through June 15, 2010, Upward Bound Math/Science, Student Affairs, not to exceed 120 days (NTE 35 hours per week).

7. Sanubo Toeque - Teacher Associate, $22.80 per hour, Monday through Friday (days vary), hours between 8:00 a.m. to 8:00 p.m. (hours vary), effective March 27, 2010 through June 15, 2010, Upward Bound Math/Science, Student Affairs, not to exceed 120 days (NTE 35 hours per week).