



MINUTES OF THE REGULAR MEETING OF THE GOVERNING BOARD

January 17, 2012



CALL TO ORDER / OPEN SESSION

Vice President Henry called the meeting of the Board of Trustees to order at 1:18 pm.

Board members present:

Mark McKean, President
Bill Henry, Vice President
Nina Oxborrow, Clerk
Jeff Levinson
Edna Ivans
Jack Minnite
Steve Cantu

Board members absent:

Gerald Butler, Student Trustee

Administrators present:

Frank Gornick, Chancellor
Ken Stoppenbrink, Vice Chancellor of Business Services
Don Warkentin, President, West Hills College Lemoore
Willard Lewallen, President, West Hills College Coalinga
Pedro Avila, Vice Chancellor of Institutional Effectiveness and Enrollment Management
Carole Goldsmith, Vice Chancellor of Educational Services and Workforce Development
Frances Squire, Executive Director, West Hills Community College Foundation
Dave Bolt, Vice President of Educational Services, West Hills College Lemoore
Jill Stearns, Vice President of Educational Services, West Hills College Coalinga
Sylvia Dorsey-Robinson, Vice President of Student Services, West Hills College Lemoore
Michelle Kozlowski, Assoc. Vice Chancellor of Educational Services & Information Technology
Keith Stearns, Associate Vice Chancellor of Academic and Information Services/Registrar
Richard Larson, Director of Farm of the Future, West Hills College Coalinga
Joseph Koroma, Director of Financial Aid, West Hills College Coalinga
Marcel Hetu, Director of North District Center, Firebaugh
Raquel Rodriguez, Associate Dean of Student Learning, West Hills College Coalinga
Marlon Hall, Vice President of Student Services, West Hills College Coalinga

Public Comments

There were no public comments made at this time.

Introduction of Guests

There were no guests introduced at this time.

REPORTS FROM ORGANIZATIONS / COLLEGES / DISTRICT OFFICE

Academic Senate Report – Mr. Jeff Wanderer, Academic Senate President for West Hills College Coalinga, was not present to report at this time.

Mr. Kurt Sterling, Academic Senate President for West Hills College Lemoore, was not present to report at this time.

WHCFA Report – Mr. Ken Sowden, WHCFA President, was not present to report at this time.

CSEA Report – Mr. John Ieronimo, CSEA President, was not present to report at this time.

Student Trustee Report – Mr. Gerald Butler, Student Trustee, was not present to report at this time.

Dr. Frank Gornick stated that the faculty and student absences from the meeting are due to this being the first day of the spring semester.

West Hills College Coalinga and North District Center, Firebaugh – Dr. Willard Lewallen, President, passed around a postcard from Joplin, Missouri thanking the college for its donation to aid with the damage done by the tornado. He explained that the proceeds from one of the college's golf tournaments were donated to them. Dr. Lewallen commented on the Lights of Love sponsorships. He reported on the progress of the ag science facility and stated that everything looks good. Mr. Bruce Hunt is back at work today after a lengthy recuperation following an illness and surgery. The 80th anniversary banners are hung on Cherry and Elm Streets and look really nice. In closing, Dr. Lewallen introduced Dr. Joseph Koroma, new Director of Financial Aid for West Hills College Coalinga.

West Hills College Lemoore – Mr. Don Warkentin, President, thanked Dr. Lewallen and West Hills College Coalinga for hosting the staff on Duty Day last Friday. He briefly commented on the milestones of Bob Gibson who just celebrated 35 years as an employee of West Hills College; and Pat Kraft, who recently pinned Colonel Bars on her son in honor of his military service. Mr. Warkentin expressed his thanks to Ms. Sylvia Dorsey-Robinson and Mr. Dave Bolt for their work in getting people in the right classes. He also thanked Mr. John Bernal for his assistance this morning with some areas of ice and water on the campus, making sure that students and staff were safe.

Chancellor's Report – Dr. Frank Gornick, Chancellor, shared portions of his State of the District presentation from Duty Day which included the accreditation response timeline, strategic planning update, grants update, recommendations of the Student Success Task Force, Closing the Gap update, budget information, and upcoming Board Retreat topics.

Trustee Cantu questioned ACT testing. It was stated that we cannot use it for placement purposes into English or math courses. Brief discussion took place regarding placement tests and policy changes.

President McKean arrived during the Chancellor's Report.

Mr. Cal Tinchler arrived during the Chancellor's Report to provide a report for the West Hills College Coalinga Academic Senate. He stated that Mr. Jeff Wanderer was unable to attend the meeting due to his class schedule and that the Academic Senate has nothing to report at this time.

Mr. Ken Sowden, WHCFA President, arrived during the Chancellor's Report. He briefly commented on the Memorandum of Understanding (MOU) with regard to the online calendar compression. He stated that he hopes to have this matter ironed out in the next month or so. Mr. Sowden also reported that CTA met on Flex Day and has decided to send out a survey to the faculty concerning potential openers for negotiations. They should have some tentative ideas to present for sunshining at the February Board meeting.

CONSENT AGENDA

The following consent agenda items were approved on a motion by Trustee Cantu, seconded by Trustee Ivans, and carried unanimously:

- CA-28** Minutes – The minutes of the December 13, 2011 meeting of the Governing Board were approved as submitted.
- CA-29** Warrants – The warrants were approved as submitted.
- CA-30** Quarterly Financial Status Report, 311Q – The Quarterly Financial Status Report, 311Q for the quarter ending December 31, 2011, was approved as submitted.
- CA-31** Change in Bid Threshold – The change in the bid threshold from \$78,900 to \$81,000 was approved as submitted.
- CA-32** Non-Resident Tuition Rates – The non-resident tuition rates for 2012-2013 were approved as submitted.
- CA-33** Personnel Transactions – The list of personnel transactions was approved as submitted.

CHANCELLOR'S OFFICE

- CO-31** Request to Serve Alcoholic Beverages – On a motion by Trustee Levinson, seconded by Trustee Ivans, and carried unanimously, the

request to serve alcoholic beverages at the submitted list of West Hills Community College Foundation sponsored events was approved.

FISCAL SERVICES

FS-25 2010-2011 Audit Report – Mr. Ken Stoppenbrink introduced Mr. Bill Williams, auditor. Mr. Williams reported that there are no major changes in the audit report. The report is as of June 30, 2011. He commented on various areas of the report and stated that “unqualified” remarks mean everything is okay (see specifically page 79 of the audit report). Mr. Williams also discussed To Be Arranged (TBA) Hours (page 82), stating that these are easy fixes and they just need to be reviewed.

Trustee Oxborrow questioned debt and obligations and if there is a percentage or ratio that is a maximum. Mr. Williams responded that there is no benchmark. The general obligation bonds are the best to have. The district is in a very good situation where the public support is there. Dr. Gornick commented that colleges get into trouble with the OPEB (Other Post Employment Benefits) issue when they issue Certificates of Participation (COP) to take care of the GASB requirement and then they have issues funding the COP. He stated that it affects the whole operation.

The 2010-2011 audit report was approved on a motion by Trustee Levinson, seconded by Trustee Minnite, and carried unanimously.

FS-26 Fiscal Services Report – Mr. Stoppenbrink briefly reported on a recent Bloomberg Report, summarizing that we have a precarious revenue stream in the state based on the report.

Mr. Stoppenbrink provided the fiscal services report. He reported that the district is 50% through the fiscal year. General fund revenues are at 61.1% and general fund expenditures are at 46.9%.

Mr. Stoppenbrink also provided a quarterly summary of the enterprise fund revenues and expenses for the cafeteria, farm, child development centers, residence halls, and international student program.

Dr. Gornick commented on the residence hall application and workflow process and how it is helping to improve the bottom line in that fund.

FS-27 New Markets Tax Credit (NMTC) – Mr. Stoppenbrink introduced Mr. TJ Cox of Central Valley New Market Tax Credit (NMTC) Fund. Dr. Gornick commented that Mr. Cox approached us. Mr. Cox provided a presentation to the Board on the program.

Central Valley NMTC Fund LLC is a Fresno based Community Development Entity (CDE) serving Fresno, Madera, Merced, and Kings

counties. In March 2011 Central Valley NMTC Fund was awarded a \$35 million allocation by the Community Development Financial Institutions (CDFI) Fund. Over the first ten years, \$32 billion of allocation authority has been granted to qualified CDEs. Awards to CDEs are made annually and the average award is \$50 million of allocation. CDEs are tasked with deploying allocation as expeditiously as possible. The program was enacted in 2001 and is intended to spur economic development in low-income communities. It is managed by the CDFI of the Treasury Department. It is popular with both political parties. Just about any private or public/private business or project will qualify. It can be used for take-out construction financing for projects completed within two years. The project must be in a qualified census tract. Allocation provides a 39% tax credit taken over seven years. The tax credit is sold to a tax credit investor, typically a large bank. Since the tax credit is taken over time, the purchase is discounted. There are several fees (attorney, compliance, etc.), but the program can provide 15-25% of a project's capital cost. Due to the high fees and complexity, the minimum deal size is \$5 million. Deals in Fresno include Community Medical Center's Ambulatory Care Building; The Met; and the Hacienda.

Mr. Cox showed a diagram of the financing structure and explained how it would work for a \$10 million project.

Typical NMTC transaction steps are as follows:

1. Sponsor identifies and gets commitment from leverage lender and CDE with available allocation (Central Valley NMTC Fund).
2. CDE identifies tax credit investor and gets terms and pricing.
3. Term sheets are signed with the sponsor/CDE, sponsor/investor, and CDE/investor.
4. Investor forms and investment fund (100% owned by investor).
5. Leverage lender(s) to make loan(s) to the investment fund.
6. Investment fund makes Qualified Equity Investment (QEI) into a sub-CDE of CDE.
7. Sub-CDE makes "A" and "B" loans to Qualified Active Low-Income Business (QALICB).
8. Sub-CDE receives interest payments over seven years and forwards along interest payments to leverage lender. Tax credit investor receives tax credits over seven years.
9. At the end of year seven, investor executes a "put" to put their interest in the investment fund down to the QALICB, or an affiliate of the QALICB. Leverage loans are then refinanced.
10. Guarantees and indemnities provided by QALICB to leverage lender and to tax credit investor.

The key to the NMTC deals is having the debt (leverage) component. The project sponsor provides leverage lender/leverage funds. The lender must understand the NMTC program and limitations on security. The project

must show community impact, job creation, and provide goods/services to the community. The CDEs want showcase projects. The project must be ready to go as the competition for allocation is fierce.

Trustee Minnite commented on the term sheet and the dates involved. It was explained that it is a draft term sheet and meant as an example only. Discussion took place regarding how the item should be handled. On a motion by Trustee Minnite, seconded by Trustee Henry, and carried unanimously, it was agreed to table the item for further discussion and review.

FS-28 Resolution – Labor Compliance Program (LCP) – On a motion by Trustee Levinson, seconded by Trustee Minnite, and carried unanimously, this item was pulled from the agenda.

PERSONNEL SERVICES

PS-4 Administrative Job Description – Mr. Stoppenbrink explained that the new administrative job description is for a budgeted position in the Department of Labor Grant. The position will report to Dr. Carole Goldsmith.

The following new administrative job description was approved on a motion by Trustee Ivans, seconded by Trustee Minnite, and carried unanimously:

- Director of C6 Project

BOARD REPORTS / COMMENTS / REQUESTS AND ANNOUNCEMENTS

Trustee Cantu stated that it is nice to come to Coalinga. He wished everyone a happy new year and welcomed everyone back to the new semester.

Trustee Minnite stated that it is good to see everyone and encouraged all to keep up the good work.

Trustee Ivans welcomed Dr. Joseph Koroma and stated that it is good to see Ms. Donna Isaac back at work. She thanked everyone for the reports that were provided.

Trustee Henry echoed Trustee Ivans' comments and also welcomed Dr. Koroma to West Hills.

Trustee Oxborrow welcomed everyone and stated that it is good to see Ms. Isaac. She commented that the presentations provided were good and informative.

Trustee Levinson echoed the comments concerning Ms. Isaac.

President McKean echoed the comments of his fellow Board members. He stated that he enjoyed the auditor's report and commented that it seems to get more complicated every year with all of the rules they have to follow.

President McKean announced that the next meeting of the Board of Trustees is the annual Board Retreat scheduled for February 3, 2012. The next regular meeting is scheduled for February 14, 2012.

CLOSED SESSION

The meeting was adjourned to closed session at 3:50 pm.

- Discussion of Land Acquisition/Disposition of Property (as per Government Code Section 54956.8). Property: Firebaugh, California; Lemoore, California
- Public Employee Discipline/Dismissal/Release (as per Government Code Section 54957)
- Conference with Labor Negotiator (as per Government Code section 54957.6. Agency negotiator: Chancellor; Vice Chancellor of Business Services. Employee organization: CTA; CSEA

ADJOURNMENT

There being no further business before the Board of Trustees, the meeting was adjourned at 4:32 pm.

Nina Oxborrow
Clerk of the Board of Trustees

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Personnel Transactions

1. Temporary Hires

| Name | Title & Location | Schedule | Salary Placement | Funding | Effective Date | Additional Information |
|----------------|---|-----------|---------------------|---------|----------------------|------------------------|
| Padilla, Laura | Child Dev. Center Associate Teacher Huron Child Development Center | 40 hrs/wk | Range 30, Step A | Grant | 1/18/12 – 6/30/12 | |

2. Changes in Assignment

| Name | Current Assignment | Change | Effective Date | Additional Information |
|-------------------|---|--|----------------|---------------------------------|
| Arredondo, Hector | Program Eligibility Assistant Intake/ Recruitment Classified West Hills Community College District Range 46, Step A | Student Services Assistant Classified West Hills College Coalinga Range 36, Step E | 2/1/12 | Replacement for Reyna Moreno |
| Devine, Erin | Secretary Classified West Hills College Coalinga Range 36, Step C 19 hrs/wk, 12 mo/yr | Senior Secretary Classified West Hills College Coalinga Range 40, Step B 40 hrs/wk, 12 mo/yr | 1/1/12 | Replacement for April Chavarria |
| Preston, James | Interim Dean of Educational Services Administrative West Hills College Lemoore | Dean of Educational Services Administrative West Hills College Lemoore | 1/1/12 | |

3. Resignations / Retirements / Releases During Probation / Terminations

| Name | Title & Location | Effective Date |
|----------------|--|----------------|
| Borges, Lauren | After School Program Activity Specialist West Hills College Lemoore | 12/16/11 |
| Loya, Matt | After School Program Site Coordinator West Hills College Lemoore | 1/5/12 |
| Pulido, Jorge | After School Program Assistant Coordinator West Hills College Lemoore | 1/31/12 |