



Rancho Santiago Community College District
District Council Meeting
October 3, 2016

Executive Conference Room
3:00 – 5:00 p.m.

Agenda

1. Approval of Minutes of September 19, 2016 Meeting Rodríguez
2. October 10, 2016 Board of Trustees Meeting Rodríguez
3. Employee Open Forums Perez
4. Board Policies Perez
 - a. BP 2715 – Code of Ethics/Standards of Practice
 - b. BP 2735 – Board Member Travel
 - c. BP 2745 – Board Self-Evaluation
 - d. BP 3600 – Auxiliary Organizations
 - e. BP 7400 – Travel
5. Administrative Regulations Perez
 - a. AR 3600 – Auxiliary Organizations
 - b. AR 7400 – Travel
6. Committee Reports Perez
 - a. Planning & Organizational Effectiveness Committee Perez
 - b. Human Resources Committee Chitlik
 - c. Fiscal Resources Committee Hardash
 - d. Physical Resources Committee Hardash
 - e. Technology Advisory Group Krichmar
7. Constituent Representative Reports Jones
 - a. Academic Senate - SAC DeCarbo
 - b. Academic Senate – SCC Pleitez
 - c. Classified Staff Mejia
 - d. Student Government – SAC Chian
 - e. Student Government – SCC
8. Other

Next Meeting:
October 17, 2016
3:00 – 5:00 p.m.
Executive Conference Room #114



Rancho Santiago Community College District District Council Meeting

MINUTES

September 19, 2016

Members:	Raúl Rodríguez	Present
	Peter Hardash	Absent
	Enrique Perez	Present
	Judy Chitlik	Present
	Linda Rose	Present
	John Hernandez	Present
	Elliott Jones	Present
	Michael DeCarbo	Present
	Roxana Pleitez	Absent
	Luis Mejia	Absent
	Esther Chian	Present
	Lee Krichmar	Present
	Bonnie Jaros	Present
	Mary Mettler	Present
	Jim Granitto	Absent
	Victoria Williams	Absent

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

1. Approval of Minutes of August 29, 2016

It was moved by Mr. DeCarbo, seconded by Ms. Chitlik and carried unanimously to approve the minutes of the August 8, 2016 meeting with a minor correction.

2. September 26, 2016 Board of Trustees Meeting

Dr. Rodríguez shared highlights of the agenda for the September 26, 2016 Board of Trustees Meeting.

3. Board Policies/Administrative Regulations

The following administrative regulations were presented:

- AR 2105 – Selection and Regulations of Student Trustee; revisions on qualifications

It was moved by Dr. Hernandez, seconded by Dr. Jaros and carried unanimously to approve AR 2105 as presented.

- AR 6520 – Security for District Property; revised

It was moved by Ms. Chitlik, seconded by Dr. Jaros and carried unanimously to approve AR 6520 as presented.

- Various ARs were presented with changes from the Executive Vice Chancellor Human Resources and Educational Services title to the Vice Chancellor Human Resources or Vice Chancellor Educational Services title.

It was moved by Dr. Jones, seconded by Ms. Chitlik and carried unanimously to approve the various ARs with title changes as presented.

4. Faculty Co-Chairs on District Governance Committees
Discussion on how Co-Chairs are selected for district governance committees took place. All governance committee chairs are asked to provide information to the Chancellor on co-chairs for their committee to ensure they received District Council information.

5. Committee Reports
 - a. Planning and Organizational Effectiveness Committee (POEC)
Vice Chancellor Perez reported that POE had discussed convening a governance summit in January 2017 and the next meeting is scheduled for September 28, 2016.
 - b. Human Resources Committee (HRC)
Vice Chancellor Chitlik reported that the next meeting is scheduled for October 12, 2016.
 - c. Fiscal Resources Committee (FRC)
Assistant Vice Chancellor Krichmar reported that the next meeting is scheduled for September 28, 2016.
 - d. Physical Resources Committee (PRC)
Ms. Krichmar reported that the next meeting is scheduled for October 5, 2016.
 - e. Technology Advisory Group (TAG)
Ms. Krichmar reported the next meeting is scheduled for October 6, 2016.

6. Constituent Representative Reports
 - a. Academic Senate/SAC: Academic Senate President Jones reported on the activities of the SAC Academic Senate.
 - b. Academic Senate/SCC: Mr. DeCarbo reported on the activities of the SCC Academic Senate.
 - c. CSEA: No report. Chancellor Rodríguez provided clarification on the attendance of classified staff at board meetings that those attending take vacation was the decision of CSEA not RSCCD.
 - d. Student Government/SAC: No report.
 - e. Student Government/SCC: Ms. Chian reported on the ASG activities at SCC.

7. Other
No discussion.

8. Next Meeting: The next District Council meeting will be held on Monday, October 3, 2016 in the Executive Conference Room (#114).

Meeting Adjournment: 3:45 p.m.

Approved:

BP 2715 - Code of Ethics/Standards of Practice

References:

ACCJC Accreditation Standard IV.C.11 (formerly IV.B.1.a, e, & h)
Government Code Section 54956.3

All Rancho Santiago Community College District board members, including the student trustee, are committed to maintaining the highest standards of conduct and ethical behavior. The Board believes that in promoting trust, confidence, and integrity in the working relationship between Trustees, administrators, faculty and ~~S~~ staff. The Board and its individual Trustees are committed to the following:

- In all decisions the Board will consider the educational welfare and equality of opportunity of all students in the District.
- Trustees are elected to represent the interests and serve the needs of the entire District and to promote the mission of Rancho Santiago Community College District.
- Trustees are non-partisan elected officials and will always put District and college priorities before their own political or personal priorities.
- Trustees hold a public trust that requires and will ensure that their actions avoid conflicts of interest and any appearance of impropriety, including adherence to Board Policy 3821 Gift Ban Policy.
- Trustees will speak on behalf of the Board only when granted such authority by a majority of the Board.
- Trustees shall be respectful of others in any discussions related to the ~~d~~ District and colleges.
- Trustees clearly articulate to the Chancellor the Board's expectations, will support the work and efforts of the Chancellor, and keep the Chancellor informed of matters related to the ~~d~~ District and colleges.
- Trustees ~~will respect the confidentiality of all privileged information~~ shall not disclose confidential information acquired in closed session or in confidential communications with the Chancellor and shall adhere to Board Policy 2315 and Government Code Section 54963.
- Trustees will uphold the letter and spirit of the Ralph M. Brown Act and make all official decisions and actions of the Board of Trustees in open and public meetings.
- Trustees will remain informed about the ~~d~~ District, educational issues, and responsibilities of trusteeship, and will work in the best interest of the entire ~~d~~ District.

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

Violations of the ~~b~~ Board's policy code of ethics will be addressed by the President of the Board, who will first discuss the violation with the ~~t~~ Trustee to reach a resolution. If resolution is not achieved and further action is deemed necessary, the ~~p~~ President may appoint an ad hoc committee to examine the matter and recommend further courses of action to the ~~b~~ Board. Sanctions will be determined by the ~~b~~ Board officers and may include a recommendation to the ~~b~~ Board to censure of the ~~t~~ Trustee, remove the ~~t~~ Trustee from a ~~b~~ Board officer position or from ~~b~~ Board committee assignments. If the President of the Board is perceived to have violated the code, the vice president of the ~~b~~ Board is authorized to pursue resolution.

Revised: April 25, 2016 (Previously BP9002)

References Updated: March 16, 2015

Revised:

BP 2735 - Board Member Travel

Reference:

Education Code Section 72423

Members of the Board shall have travel expenses reimbursed whenever they travel as representatives of and perform services directed by the Board. Such board travel and reimbursement for travel by Board members outside of the district boundaries must receive prior approval from the Board of Trustees. The Executive Committee of the Board of Trustees, in consultation with the Chancellor, may provide prior authorization for such travel when needed, pending full Board approval. Standard district travel procedures and rates will be used for reimbursement.

The Board President, in conjunction with the Chancellor, will prepare a list of conferences and legislative executive visits that Board members may wish to attend or will assist Board members in their continuing education and fulfillment toward the mission of the district. The Chancellor, in consultation with the Board President, shall prepare a budget for board travel.

The timely registration for conferences is required. The district will only reimburse conference registration fees at the published early registration rate.

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

See Administrative Regulations (AR 7400)

Revised: October 8, 2012 (Previously BP9011)

Revised: _____

BP 2745 - Board Self-Evaluation

Reference:

ACCJC Accreditation Standard IV.C.10 (formerly IV.B.1.e & g)

Effective and efficient governing board operations are an integral part of sound policy making and broad oversight that lead to successful educational programs and student learning outcomes. The board is committed to assessing its own performance as a board in order to identify its strengths and areas in which it may improve its functioning in carrying out its responsibilities to the citizens of the Rancho Santiago Community College District.

For its self-evaluation the board shall be evaluated as a whole and not as individuals. The evaluation will focus on the internal board operations and performance. Board members shall develop goals which will be used in the self-evaluation process. A self-evaluation instrument will be based on these goals and not goals set for the district. The self-evaluation process shall include the establishment of strategies for improving board performance. Policies and goals will be reviewed and updated for the following year's self-evaluation. The student trustee will participate in the self-evaluation process.

No later than the end of September of every year the Board Policy Committee shall recommend to the full board a self-evaluation instrument and process to be used in board self-evaluation, as well as any changes to the list of individuals who will receive a copy of the instrument. The board shall promptly review and act on these recommendations. Any self-evaluation instrument shall incorporate criteria contained in these board policies regarding board operations, criteria defining board effectiveness as defined by recognized practitioners in the field and any other criteria the board determines would enhance the goal of identifying the board's strengths and areas in which it might improve its functioning.

The board is committed to having an annual self-evaluation meeting no later than December, at a date selected at the board's annual organizational meeting. All trustees will attend this self-evaluation meeting which will be open to the public, and district students, employees, and residents will be encouraged to attend and provide input to the board at the meeting.

Board members will be given the self-evaluation instrument prior to the annual self-evaluation meeting but shall not complete the self-evaluation instrument until after the meeting. The completed and signed instrument shall be submitted to an office designated by the Board President. The results will be tabulated and discussed at the next board meeting. The results will be widely communicated and maintained in the district office. The results will be used to identify accomplishments in the past year and goals for the following year that will be reviewed and updated annually.

Some district students, employees, and residents will, because of their position or regular attendance at board meetings, have some familiarity with internal board operations and performance so as to provide meaningful input to the board in their self-evaluation process. Therefore, prior to the board's self-evaluation meeting, the board shall make available the self-evaluation instrument to a list of individuals which will include but not be limited to the associated student government officers, officers of the academic senates, the college presidents, the chancellor, vice chancellors, assistant vice chancellors, officers of the district's employee unions, community members who serve on the district bond oversight committees or foundations, accreditation representatives at each college, Chief/District Safety & Security, Lieutenants/Safety & Security, ~~five~~ ~~ten~~ community members, five part-time faculty members, five full-time faculty members, five administrators, five department chairs, five students, and ten members of the classified staff. Any input from these individuals shall be given and reviewed at the self-evaluation meeting.

In addition, any student, community member, or employee shall be entitled to provide input to the board at the board's self-evaluation meeting.

Revised: October 12, 2015 (Previously BP9022)

References Updated: March 16, 2015

Revised: _____

BP 3600 - Auxiliary Organizations

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 Chancellor shall establish the administrative procedures necessary to fully comply with California law relating to auxiliary organizations, and to submit this policy and those procedures to the Chancellor for the California Community Colleges as required by law. At a minimum, the procedures 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 procedures adopted by the Chancellor pursuant to this policy. Notwithstanding anything contained in the administrative procedures, 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 and services for disabled students.

No trustee shall serve as an employee of an auxiliary organization.

Revised August 19, 2013 (Previously BP3221, BP3222, and BP3227)

Revised: _____

BP 7400 - Travel

Reference:

Education Code Section 87032

The Chancellor is authorized to attend conferences, meetings and other activities that are appropriate to the functions of the District.

The Chancellor shall establish procedures regarding the attendance of other employees at conferences, meetings, or activities. The procedures shall include authorized expenses, advance of funds, and reimbursement.

The Chancellor shall ensure travel funds are expended in the most economical and appropriate manner.

See Administrative Regulations (AR 7400)

Revised: October 28, 2013 (Previously BP4108 and 4403)

Revised: _____

AR 3600 - Auxiliary Organizations, ~~Accounting Services and Internal Control~~

References:

Education Code Sections 72670 et seq.;
Government Code Sections 12580 et seq.;
Title 5 Sections 59250 et seq.

Definitions

Board of Directors: The term board of directors as used herein means the governing board of an authorized auxiliary organization.

Board of Trustees: The term Board of Trustees as used herein means the Board of Trustees of the Rancho Santiago Community College District.

Board of Governors: The term Board of Governors as used herein means the Board of Governors of the California Community Colleges.

District: The term District as used herein means the Rancho Santiago Community College District (RSCCD).

Associated Student Body: The terms Associated Student Body, Associated Student Organization, Student Association, Student Organization, or ASB as used herein means an organization formed by any group of students from a College of the District in accordance with the provisions of Education Code Section 76060. All clubs and organizations recognized by an Associated Student Body or Organization shall be included in any auxiliary organization established by the Student Body or Organization.

Recognized RSCCD Auxiliary Organizations

The following auxiliary organizations are recognized by the Board of Trustees of the Rancho Santiago Community College District:

- The Associated Student Government of Santa Ana College
- The Associated Student Government of Santiago Canyon College
- The Santa Ana College Foundation
- The Santiago Canyon College Foundation
- The Rancho Santiago Community College District Foundation

Recognition and Establishment of New Auxiliary Organizations

The Chancellor shall submit a recommendation to the Board of Trustees to establish an auxiliary organization when the organization will serve the District. The recommendation includes, but is not limited to, the following:

- The purpose(s) for which the auxiliary organization is to be established;
- Whether the proposed auxiliary organization will primarily serve the District or a particular College;
- The functions which the auxiliary organization is intended to perform;
- The proposed bylaws and articles of incorporation for the auxiliary organization, including the size and composition of the board of directors; and
- The proposed written agreement between the auxiliary organization and the District, as required in Title 5 Section 59259.

The process of recognition shall be as follows:

- The Chancellor shall submit a recommendation concerning the establishment of said organization to the Board of Trustees.
- The Board of Trustees shall hold a public hearing on each recommendation concerning the establishment of an auxiliary organization.

- At a subsequent scheduled meeting after the public hearing, the board shall announce its decision concerning the establishment of the organization, and, if approved, authorize the functions it may perform, identify the number and category or categories of the board of directors and approve contractual arrangements.

At such time as the District recognizes an auxiliary organization, it shall submit to the California Community Colleges Chancellor's Office any written agreements with the auxiliary organization, as well as the articles of incorporation, bylaws, or other governing instruments.

Recognized Services, Programs and Functions

Education Code 72670 authorizes the Board of Trustees to establish auxiliary organizations for the purpose of providing supportive services and specialized programs for the general benefit of the District or its colleges.

Title 5 identifies the following supportive services and specified programs that have been determined by the Board of Governors to be appropriate:

- Student association or organization activities;
- Bookstores;
- Food and campus services;
- Student union programs;
- Facilities and equipment, including parking;
- Loans, scholarships, grants-in-aid;
- Workshops, conferences, institutes and federal and specially funded projects;
- Alumni activities;
- Supplementary health services;
- Gifts, bequests, devises, endowments and trusts; and
- Public relations programs.

This section shall not be construed to prohibit an auxiliary organization from taking actions essential to satisfy the non-profit corporation or tax laws of the State of California or the Federal tax laws.

Operations of commercial services on a campus shall be self-supporting when operated by an auxiliary organization.

Authority and Responsibility of Auxiliary Organizations

Participation in workshops, conferences, or institutes offered by auxiliary organizations shall not be included in reports to the state for the purpose of receiving apportionment funding.

All services, programs and activities that may be undertaken by an auxiliary organization shall be maintained for the general benefit of the educational programs of the District. Upon Board of Trustees approval, an auxiliary organization may assume any of the services, programs and activities listed in these procedures in order:

- To provide the fiscal means and the management procedures that allow the District to carry on educationally related activities not normally funded by State apportionment;
- To eliminate the undue difficulty that would otherwise arise under the usual governmental budgetary, purchasing and other fiscal controls except as expressly prohibited by the Education Code or Title 5, or the District's procedures; or
- To provide fiscal procedures and management systems that allow effective coordination of the auxiliary activities with the District in accordance with sound business practices.

Composition of Boards of Directors

The board of directors of each auxiliary organization shall have the following composition:

Student Associations or Organizations: The board of directors shall consist primarily of students. The appropriate college vice president of student services or designee may attend and participate in meetings of the board of directors in order to advise on policy and to provide for the control and regulation required by Education Code Section 76060.

Other Auxiliary Organizations: Any other District approved auxiliary organization that is established pursuant to Section 72670 et seq. of the Education Code shall have a board of directors appointed in accordance with the organization's articles of incorporation or bylaws and consisting of voting membership from one or more of the following categories: administration, staff; members of the community; students.

The size of the board of directors of an auxiliary organization shall be at least large enough to accommodate the one or more categories from which board members are selected.

Conduct of Boards of Directors

No member of the board of directors of an auxiliary organization shall be financially interested in any contract or other transaction entered into by the board of which he/she is a member. Any contract or transaction entered into in violation of this section is void.

No contract or other transaction entered into by the board of directors of an auxiliary organization is void under the provisions of Education Code Section 72677; nor shall any member of such board be disqualified or deemed guilty of misconduct in office under such provisions, if pursuant to Education Code Section 72678 both of the following conditions are met:

- The fact of such financial interest is disclosed or known to the board of directors and noted in the minutes, and the board thereafter authorizes, approves, or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such financially interested member or members.
- The contract or transaction is just and reasonable as to the auxiliary organization at the time it is authorized or approved.

The provisions of Education Code Section 72678 above shall not be applicable if any of the following conditions are met:

- The contract or transaction is between an auxiliary organization and a member of the board of directors of that auxiliary organization.
- The contract or transaction is between an auxiliary organization and a partnership or unincorporated association of which any member of the governing board of that auxiliary organization is a partner or in which he/she is the owner or holder, directly or indirectly, of a proprietorship interest.
- The contract or transaction is between an auxiliary organization and a corporation in which any member of the board of directors of that auxiliary organization is the owner or holder, directly or indirectly, of five percent or more of the outstanding common stock.
- A member of the board of directors of an auxiliary organization is interested in a contract or transaction within the meaning of Education Code Section 72677 and without first disclosing such interest to the governing board at a public meeting of the board, influences or attempts to influence another member or members of the board to enter into the contract or transaction.

It is unlawful for any person to utilize any information, not a matter of public record, which is received by the person by reason of his/her membership on the board of directors of an auxiliary organization, for personal pecuniary gain, regardless of whether he/she is or is not a member of the board at the time such gain is realized.

Bylaws

The bylaws of an auxiliary organization shall include, but not be limited to, specifying:

- The number of members of the board of directors, the categories from which members shall be selected and the method by which they shall be selected.
- The size of the board of directors.
- That at least one public business meeting will be held each quarter.
- The time table for the preparation and adoption of its program and annual budget and the submission of both for review to the Chancellor.
- That an attorney admitted to practice in this state and a licensed certified public accountant shall be selected to provide advice and counsel to the board of directors. Each shall have experience appropriate to the responsibility and shall have no financial interest in any contract or other transaction

entered into by the board which he/she serves. Neither the attorney nor the certified public accountant needs to be a member of the board of directors.

- The procedures for approving expenditures.
- The procedures for accepting gifts, donations, bequests, trusts and specially funded grants and other income.

Master Agreement between District and Auxiliary Organizations

In the recognition and establishment of an auxiliary organization, there shall be a written agreement between the District and the auxiliary organization which sets forth the purposes of the auxiliary organization as permitted under this Regulation, and Title 5 Section 59259.

Should an auxiliary organization provide more than one service, program or function, such service, program or function may be authorized in one of more written contracts with the District. Such services, programs and functions thereby performed by an auxiliary organization may also be part of a joint powers agreement in accordance with Education Code Section 72671 and Government Code Sections 6500 et seq.

An auxiliary organization shall provide only those services, programs or functions authorized by a written agreement. No other service, program or function shall be permitted or performed unless a written agreement between the District and the auxiliary organization is amended to provide otherwise.

The agreement shall include, but is not limited to, the following provisions:

- The services, programs, or functions the auxiliary organization is to manage, operate or administer.
- A statement of the reasons for administration of the functions by the auxiliary organization instead of by the District under usual District procedures.
- The areas of authority and responsibility of the auxiliary organization and the District or College.
- The facilities and services to be made available by the District to permit the auxiliary organization to perform the services, programs or functions specified in the written agreement.
- The charge or rental to be paid to the District by the auxiliary organization for the facilities used or services provided in connection with the performance of its function. The charge or rental specified shall be identified in sufficient time before it is incurred so that the organization may determine to what extent it is liable.
- Full reimbursement to the District for services performed by the District or by District employees in support of the auxiliary organization. No more than 50% of the reimbursement may be made in the form of non-monetary benefits that the auxiliary organization provides to the District, such as increased community awareness or other such benefits that are agreed upon by authorized District officials and the auxiliary organization. The District shall assign a good-faith reimbursement value to such non-monetary benefits. Student body auxiliary organizations may be exempt from reimbursing all or any portion of the costs for such services. Methods of proration where services are performed by District employees for the organization shall be as mutually determined.
- A mutually agreed upon method of determining in advance to what extent the organization shall be liable for indirect costs relating to specially funded programs (including federally sponsored programs.).
- The responsibility for maintenance and payment of operating expenses.
- Proposed expenditures for public relations or other purposes which would serve to augment District appropriations for operation of the District. With respect to these expenditures, the auxiliary organization may expend funds in such amount and for such purposes as are approved by the board of directors of the auxiliary organization. The board of directors shall file with the Chancellor a statement of such policy on accumulation and use of public relations funds. The statement shall include the policy and procedure on solicitation of funds, source of funds, amounts, and purpose for which the funds will be used, allowable expenditures, and procedures of control.
- The disposition to be made of net earnings derived from the operation of the auxiliary organization, including earnings derived from facilities owned or leased by the auxiliary organization, and provisions for reserves.
- The disposition to be made of net assets and liabilities on dissolution of the auxiliary organization or cessation of the operations under the agreement.
- The covenant of the auxiliary organization to maintain its organization and to operate in accordance with Education Code Sections 72670-72682 and with Title 5 Sections 59250 et seq. as well as District Board Policy.
- The understanding that the auxiliary organization shall obtain the services and counsel of an attorney admitted to practice in the State of California whenever the need arises.

- The understanding that the auxiliary organization shall not enter into any contract or other business arrangement involving real property either by lease involving payments of more than \$25,000 per annum and duration terms of more than one year, or by purchase without prior notification and consultation with the Chancellor.

Personnel

In the event that an auxiliary organization has employees, it shall develop general regulations to govern its operations, including policies and regulations concerning the salaries, working conditions and benefits of its employees.

The aforesaid regulations shall not conflict with the implementing policies adopted by the Board of Trustees or with these procedures.

Except as otherwise provided in any board rules, the board of directors of each auxiliary organization shall, pursuant to Education Code Section 72672, provide salaries, working conditions and benefits for its full-time employees that are comparable to those provided District employees performing substantially similar services. For those full-time employees who perform services that are not substantially similar to the services performed by District employees, the salaries established shall be comparable to the salaries prevailing in other educational institutions in the area or commercial operations of like nature in the area.

Regular District employees may be employed by the auxiliary organization. District employees must resign or request a personal leave of absence from the District in order to accept employment with the auxiliary organization. District officers and employees who are required by the District's Conflict of Interest Code (AP 2712) to file disclosure of financial information are responsible to determine whether or not they are eligible to accept employment with the auxiliary organization immediately upon resignation from the District.

- **Educational Administrators or other Management Employees** may be granted a personal leave of absence for two semesters, which may be extended to a maximum of ten consecutive semesters
- **Classified management employees** may be granted a personal leave of absence for up to one year. This leave may not be extended beyond one year without the employee first having returned to active duty.
- **Academic (faculty) employees** may be granted personal leave of absence for two semesters. The leave may be extended for not more than six consecutive semesters.
- **Classified employees** may be granted a personal leave of absence for up to one year. This leave may not be extended beyond one year without the employee first having returned to active duty.

The board of directors of each auxiliary organization may provide retirement benefits different from those provided comparable District employees and may withhold retirement benefits or permanent status benefits or both from temporary employees. For the purposes of this procedure, a temporary employee is:

- An employee employed for a specific research project, workshop, institute or other special project funded by any grant, contract or gift; or
- An employee whose contract of employment is for a fixed term not exceeding three years.

The board of directors of each auxiliary organization may withhold permanent status benefits from executive employees. For the purposes of this procedure, an executive employee is any management employee with responsibility for the development and execution of the auxiliary organization's policies and includes, but is not limited to, general managers, managers, directors and the like, as determined by the board of directors of each auxiliary organization.

Should retirement benefits be provided, they may but need not be provided by the Public Employees' Retirement System. Any newly created auxiliary organization is exempted from the requirement of providing retirement benefits for a period not to exceed three years from the date on which the Board of Trustees recognizes the establishment of such auxiliary organization.

An auxiliary organization may contract with the District for the services of a District employee and reimburse the District for that portion of the employee's full-time assignment (and corresponding benefits) that is spent in providing said services.

Accounting and Reporting for Auxiliary Organizations

- ~~1. The Auxiliary Services accounting staff shall employ accepted accounting standards and practices to control receipt and disbursement of funds for the auxiliary organizations.~~
- ~~2. Auxiliary Services shall facilitate the processing of warrants for various funds and trust accounts in relation to addressing student body needs, activity and academic function.~~
- ~~3. Auxiliary Services shall implement cash handling guidelines which include cashiering responsibilities, procedures, and internal control. The guidelines shall include procedures covering segregation of duties, cash receiving and recording, check cashing, depositing, reporting by major cashiering stations, cash register features, accounting office control functions, returned checks, physical security, reporting losses, and petty cash funds.~~
- ~~4. Auxiliary Services shall establish an annual budget which shall be included within the district's annual budget to be adopted by the Board of Trustees.~~
- ~~5. Auxiliary Services shall monitor the income, expenses and fund balances of all auxiliary service accounts in relationship to the adopted budget.~~
- ~~6. Auxiliary Services shall monitor and control expense requests in accordance with the availability of funds and appropriate authorized signatures.~~

The fiscal year of the auxiliary organization shall coincide with that of the District.

Each auxiliary organization shall develop an accounting system that is in accordance with generally accepted accounting principles.

The auxiliary organization shall implement financial practices that will assure its fiscal viability. Such standards shall include professional management, adequate working capital, adequate reserve funds for current operations, capital replacements, contingencies and adequate provisions for new business requirements.

Each auxiliary organization serving the District shall submit its programs and budgets for review at a time and in a manner specified by the Chancellor.

Funds derived from indirect cost payments shall only be appropriated with the specific approval of the Chancellor. All uses of such funds shall be regularly reported to the District's governing board.

Should the Chancellor determine that any program or appropriation planned by an auxiliary organization is not consistent with District policy, the program or appropriation shall not be implemented. Further, should a program or appropriation which has received approval, upon review, be determined by the Chancellor to be operating outside the acceptable policy of the Board of Governors or the District, then that program or appropriation shall be discontinued by direction of the Chancellor until further review is accomplished and an appropriate adjustment is made.

The board of directors of an auxiliary organization shall approve all expenditure authorizations.

The audited financial statements shall be available for inspection by the Attorney General and shall be made available to members of the public.

Records and Annual Report of Auxiliary Organizations

Personnel and payroll records shall be maintained as permanent records by each auxiliary organization.

Adequate records of all other transactions of an auxiliary organization shall be maintained for a minimum of five years. Transactions of the organization include, but are not limited to, purchases, disbursements, and investments.

An annual report shall be submitted to the Board of directors of the auxiliary organization and to the Chancellor by September 15. The report shall include, but is not limited to:

- All financial statements required to be filed with the California Community Colleges Chancellor's Office
- A comparison of budgeted and actual expenditures
- A description of major accomplishments of the organization
- A description of improvements proposed for operation of the organization.

Records maintained by an auxiliary organization shall be available to the public to inspect or copy at all times during the office hours of the auxiliary organization, pursuant to and with the exceptions provided in Education Code Sections 72690 et seq.

Annual Audit

Each auxiliary organization shall have an annual fiscal audit of any and all funds. The audit shall be performed by a certified public accountant in accordance with procedures prescribed by the Chancellor. Copies of the annual audit report shall be submitted to the Board of Trustees and to the California Community Colleges Chancellor's Office within 30 days after it is received by the auxiliary organization. Thereafter, it shall be a public record, except as otherwise provided by law. Such audits may be conducted as part of a fiscal audit of the District itself.

Auxiliary organizations shall annually publish an audited statement of their financial condition, which shall be disseminated as widely as feasible and be available to any person on request. A reasonable fee may be charged to cover the costs of providing a copy. An auxiliary organization shall comply with this requirement by:

- Publishing the audited financial statement in a campus newspaper; or
- Publishing a notice in a campus newspaper indicating the on-campus location where copies of the financial statement may be obtained or reviewed; or
- Publishing or noticing the audited statement in a campus bulletin or other appropriate medium if a campus newspaper is unavailable.

Insurance

If insurance appropriate coverage is not provided through the District's insurance policies, an auxiliary organization shall secure and maintain insurance adequate to protect its operations from catastrophic losses and as required by law, including but not limited to, the following:

- Comprehensive liability;
- Property and extended coverage, when applicable;
- All risks, money and securities;
- Fidelity and performance bonds covering its chief fiscal officer;
- Automotive liability when applicable; and
- Workers' Compensation

In any insurance policy secured by the auxiliary organization, the District shall be named as additional insured.

A copy of each policy or endorsement or insurance certificates setting forth the coverage and limits shall be provided to the District within 30 days from the receipt of the document.

In obtaining the insurance coverage, the auxiliary organization may secure the insurance directly through its own broker or through the District.

Auxiliary Organizations: Use of Facilities

Facilities may be made available by the District to an auxiliary organization to perform the functions specified in these regulations or in an agreement, under the following circumstances:

- The auxiliary organization may occupy, operate and use such District facilities as are mutually identified as appropriate for the functions and/or activities that have been undertaken by the auxiliary organization.
- The auxiliary organization shall pay to the District a charge or rental for the District facilities to be used by it in connection with the performance of its function or functions.
- The charge or rental to be paid by the auxiliary organization shall not require involved methods of computation, and shall be identified by the District and the auxiliary organization in sufficient time before it is incurred so that the auxiliary organization may determine to what extent it shall be liable.
- The charge or rental to be incurred by an auxiliary organization for use of District facilities in excess of five days shall be incorporated into the agreement between the parties.
- An auxiliary organization shall provide full reimbursement to the District for any services performed by District employees under the direction of the auxiliary organization. Methods of proration where

services are performed by District employees for the auxiliary organization shall be simple and equitable.

List of Auxiliary Organizations in Good Standing

Each year, the Chancellor shall provide to the Board of Trustees a list of all auxiliary organizations in good standing. All auxiliary organizations which, after periodic review in the manner specified hereinafter in these regulations, are found to be in compliance with applicable laws, policies and regulations shall be included in the list.

When the Chancellor has reason to believe that a particular organization should be removed from the list of auxiliary organizations in good standing, a conference shall be held to determine whether such grounds for removal do in fact exist. The board of directors of such organization shall be entitled to participate in this conference, and shall have a minimum of one month notice to prepare response to the issues which have been raised.

Based upon such conference, the Chancellor shall decide whether the particular organization shall be removed from the list of auxiliary organizations in good standing.

An organization so removed shall not be permitted to do any of the following:

- Use the name of the District;
- Have as a director any official in the District acting in his/her official capacity;
- Operate a commercial service for the benefit of the District or any of its Colleges; and
- Receive gifts, property or funds to be used for the benefit of the District or any of its Colleges.

If the auxiliary organization is dissolved or ceases operations upon removal from the list of organizations in good standing, its net assets and liabilities shall be distributed according to the terms of the written agreement between the organization and the District.

Limitation on Transfer of Funds to Auxiliary Organizations

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 which constrain community college districts or providing the District with an unfair advantage with respect to the application of 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 and services for disabled students.

Compliance Review by Chancellor

All auxiliary organization procedures and practices shall be reviewed to determine compliance with Education Code Sections 72670 et seq., and the policies, rules and regulations of the Board of Governors, and of the District. The Chancellor shall designate the individual to conduct this review, which shall be conducted at the end of the first complete fiscal year after its establishment and at least once every three years thereafter.

When the Chancellor's designee determines, after inspection and review, that certain auxiliary organization procedures and practices are not in compliance with policies, rules and regulations of the Board of Governors and the District, a recommendation concerning the items of noncompliance shall be communicated in writing to the Chancellor and to the board of directors of the auxiliary organization. The board of directors shall reply in writing within one month, either describing the actions which will be taken, including time table, to bring said procedures and practices into compliance; or describing the reasons why the board considers the procedures already to be in compliance.

If the Chancellor's designee considers the proposed corrective actions to be acceptable, the auxiliary organization shall be so informed. A second compliance review shall be held at the end of the time agreed to and the results communicated in writing to the Chancellor and to the board of directors.

When the auxiliary organization fails to provide an acceptable proposal for corrective actions or fails to implement successful corrective actions within the agreed upon time, the Chancellor shall inform the board of directors of such further action as he/she considers appropriate, which may include a recommendation to the Board of Trustees for termination of the contract.

Revision of Rules and Procedures and Reports to the State Chancellor's Office

Rules and procedures for the administration of auxiliary organizations may be revised as necessary by the Chancellor or designee. The board of directors of each auxiliary organization in good standing shall be promptly notified in writing of such revisions and be informed of the date by which any changes in the organization's procedures must be accomplished.

Any such revisions shall be submitted to the State Chancellor's Office for approval.

The District shall report, as may be required from time to time, on the operation of its auxiliary organizations.

Revised: June 16, 2014 (Previously AR 3222)

Revised:

AR 7400 - Travel

Reference:

Education Code Section 87032

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

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

Mileage:

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

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

Travel:

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

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

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

Responsible Manager: Assistant Vice Chancellor of Fiscal Services

Revised: February 16, 2016

Revised: _____