

**PERALTA COMMUNITY COLLEGE DISTRICT  
GOVERNING BOARD  
Board Special Workshop  
Thursday, November 10, 2011**

MINUTES

Present: Trustees Riley, Gulassa, Gonzalez Yuen, Handy, Hodge, Student Trustees Brumfield and Copenhagen. Meeting materials are posted on Granicus:

<http://web.peralta.edu/trustees/meetings-votelog/>

In the past, the Board had committees that are now temporarily disbanded. Tonight's workshop allows for an in-depth discussion into these same topic areas. Individual trustees have different areas of expertise and interests, and the Trustees were invited to submit questions in advance for staff to address at tonight's workshop.

**I. Communications from Members of the Public**

None.

**II. Finance Department Questions, including Audit and FCMAT Findings**

**- Vice Chancellor Gerhard**

The auditors are completing their audit for last year this week. All requested items have been received, and a focused, effective audit is substantially complete. Some areas may continue to show concerns into the future as part of our evolving process toward recovery, and as we build out our PeopleSoft reporting modules, to provide more detailed reports. A draft audit report will be provided to the Board on schedule. Federal and State compliance issues have been addressed. Attendance numbers and State compliance were a focus this year to provide the correct number of FTES, with a prior error of less than 1%. The centralization of Financial Aid has had a big impact on improving our procedures. If our structure stays in place, we are on the track to have a clean future audit. If there are significant auditing concerns, the Chancellor would be notified, who in turn would then notify the Board, to avoid any surprises. The auditors are continuing with the bond audit, which should be complete in the next few weeks, and they haven't seen any major issues at this time. The Foundation audit is conducted by a different firm.

The distributed presentation was reviewed. A single audit finding is a state or federal compliance issue, looking at certain criteria, if it was completed or not. Updated budgets are now easier to access and are available for college users from the Promt system, including benefit expenses, which is different than the past system. A standard operating procedure (SOP) is now in place to timely post payroll expenditure reports. Users previously didn't always know where to access their budget and how to contribute to the budget building process, which has also changed, as shareholders participate in the shared governance process.

Reconciliations are up-to-date, except for some auxiliary accounts, and a system will be instituted to account for all expenditures. Reporting mechanisms will be explored to build-out our PeopleSoft system. Special admit high school students should not be reported as part of our FTES numbers, which has now been corrected. Equipment purchased with special federal grant funds requires appropriate stickers and recording. All capital assets are tracked with routine inspections.

The Chancellor stated that the District needs consultants and experts to fix the many audit findings that no one else in the District can perform. Trustee Withrow expressed that this thorough report and new audit process is wonderful for our organization. There will be a RFQ competitive process for future audit firms when the current firm contract ends, but there is no legal requirement to change audit firms over time. FCMAT recommendations will be added to the Corrective Action Matrix (CAM) findings, as well. The FCMAT items are not prioritized, but they will be prioritized in-house. The internal auditor helps to ensure contract documents are compiled appropriately. The FCMAT audit was conducted 1.5 years ago, and we now have procedures to correct the listed issues in the future. The FCMAT contract amounts can be provided to the Board.

The Board asked that all deliverables and scope of work, and a timeframe for completion, be included in all of our contracts, especially within IT operations. Bond issuance issues will also be addressed at a future time.

### **III. Update on Accreditation Issues of Governance and Leadership**

#### **- Consultant Tom Henry**

WASC suggested that the Board conduct a training on the issues of governance and leadership, and this presentation complies with that recommendation. ACCJC standards require a Board presentation on accreditation such as this one, as well. This workshop is an example of the type of ongoing workshop the commission recommends. Board members can review the presented points, and contact Tom anytime with added comments. The distributed presentation was reviewed. The accreditation visiting team can address any of the 21 eligibility requirements. Financial resources and accountability will be a focus. Standards are best practices at a minimum. There was a suggestion to schedule another similar board workshop prior to the team's April visit, and to review specific examples of how the Board has applied its code of ethics as evidence at a Board meeting, to review the code of ethics with specific examples. The Board should show regular and steady process in reviewing board policies and administrative procedures, which the Board is doing. A draft accreditation report will proceed to the Board in February.

### **IV. Peralta Foundation Update - Executive Director Casenza**

The Foundation Board and staff have worked very hard and have made a lot of progress to date. Their financials are now documented in Quick Books. An update was given on their progress to build and document their database, to expand planned giving, and develop their Board membership. The distributed sheet was

reviewed. Surveyed sponsors reported that they loved hearing the student testimonies and college president speeches about our colleges at past events, so a decision was made not to hold the yearly Gala dinner, but instead to host smaller, intimate gatherings to share our student and college life-changing stories. The Foundation will work to contact our alumni so that they can tell their stories and help out, as well.

While the annual gala dinner took a tremendous amount of effort to organize, it also functioned as a communal district and team-building event to celebrate Peralta yearly, so it's disappointing that it won't continue. College fundraising and community events, similar to BCC's events, are scheduled in the spring. The database should also include retired employees, staff, and faculty. There was a suggestion to have student interns to assist with Foundation staffing, and college and community outreach. Graduate contact information can be collected at graduation ceremonies, which would have to be given voluntarily, rather than from admissions and records. The Foundation is Peralta's only fundraising venue. There are some growing pains as people adjust to the Foundation's new structure and changes falling into place within Peralta. The SMT senior leadership meetings (attended monthly by the Foundation) and shared governance process meetings need to be involved to vet Foundation Board decisions, as well. Student leaders asked that colleges be more inclusive to gain student participation. More students are applying for scholarships, and the Foundation is trying to get the word out to the College presidents, faculty, student leadership, and students to apply. Current staff, faculty, and student leadership could be brought into the Foundation process more, as well.

#### **V. Trustee Tentative Questions for Future Board Workshops**

The Board is asked to submit possible future board workshop questions to the Chancellor. It was suggested that this "Committee of the Whole" structure continue, possibly meeting at other locations within Peralta's service areas.

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Wise E. Allen  
Chancellor and Board Secretary