



# MT. SAN ANTONIO COLLEGE

## REGULAR MEETING OF THE BOARD OF TRUSTEES

Wednesday, December 10, 2014

### MINUTES

#### CALL TO ORDER

The regular meeting of the Board of Trustees of Mt. San Antonio College was called to order by Board President Chyr at 5:36 p.m. on Wednesday, December 10, 2014. Trustees Baca, Bader, Chen Haggerty, Chyr, Hall, Hidalgo, Santos, and Student Trustee Mendoza were present.

#### STAFF PRESENT

Bill Scroggins, President/CEO; Mike Gregoryk, Vice President, Administrative Services; Irene Malmgren, Vice President, Instruction; and Audrey Yamagata-Noji, Vice President, Student Services were present. James Czaja, Vice President, Human Resources, was absent due to illness.

#### 1. PUBLIC COMMUNICATION REGARDING CLOSED SESSION

None.

#### 2. CLOSED SESSION

The Board adjourned to Closed Session at 5:37 p.m. to discuss the following items:

- Conference with Legal Counsel - Pending Litigation (one case) (Comfort Conditioning)
- Conference with Legal Counsel – Potential Litigation (one case)

#### 3. PUBLIC SESSION

The public meeting reconvened at 6:40 p.m., and the Pledge of Allegiance was led by Mike Gregoryk, Vice President, Administrative Services.

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*The Board reserves the right to modify the order of business in the manner it deems appropriate.*

*Closed session shall not extend past the designated time, but should the business considered in closed session require additional time, the Board shall reserve time after the public meeting to continue discussion.*

## 2. ELECTION OF BOARD OF TRUSTEES OFFICERS

- It was moved by Trustee Hidalgo, seconded by Trustee Bader, that Trustee Hall serve as President of the Board. Ayes: Baca, Bader, Chen Haggerty, Chyr, Hall, Hidalgo, Santos; Noes: None; Abstained: None. Student Trustee concurred.
- Trustee Hall assumed the office of Board President. Trustee Hall thanked Trustee Chyr for his leadership during the past year.
- It was moved by Trustee Bader, seconded by Trustee Baca, that Trustee Chen Haggerty serve as Vice President of the Board. Ayes: Baca, Bader, Chen Haggerty, Chyr, Hall, Hidalgo, Santos; Noes: None; Abstained: None. Student Trustee concurred.
- It was moved by Trustee Chen Haggerty, seconded by Trustee Baca, that Trustee Bader serve as Clerk of the Board. Ayes: Baca, Bader, Chen Haggerty, Chyr, Hall, Hidalgo, Santos; Noes: None; Abstained: None. Student Trustee concurred.
- President Scroggins thanked Trustee Chyr for doing an exemplary job of presiding over Board events and for his excellent representation of the College and the Board in the community this past year. Trustee Chyr was presented with a crystal gavel and a plaque.

## 5. REPORTING OF ACTION TAKEN IN CLOSED SESSION

By a vote of 7:0, the Board voted to authorize a settlement of \$100,000 with Comfort Conditioning Co., Inc. Ayes: Baca, Bader, Chen Haggerty, Chyr, Hall, Hidalgo, Santos; Noes: None; Abstained: None. Student Trustee concurred.

## 6. INTRODUCTIONS

The following newly appointed and promoted employees were introduced:

### Classified Employees (Newly Appointed)

- **Melissa Egan**, Student Services Program Specialist (Student Health Services) (present)
- **Tina Jenkins**, Lead Interpreter (Disabled Student Programs and Services) (present)
- **Kare'I Lokeni**, Student Services Program Specialist (Arise Program) (present)
- **Danette Perkins**, Caseworker (CaWORKs) (present)
- **William (Chris) Riley**, Database Administrator (Information Technology) (present)
- **Jennifer Stephenson**, Lead Interpreter (Disabled Student Programs and Services) (present)

### Management Employee (Newly Appointed)

- **Stefyn Mika Klein**, Senior Facilities Planner (Facilities, Planning & Management) (present)

### Classified Employees (Promoted)

- **Glenda Melissa Aguirre**, Benefits Specialist (Human Resources) (absent)
- **Pamela Childs**, Purchasing Specialist (Purchasing) (absent)

### Management Employees (Promoted)

- **Karelyn Hoover**, Associate Dean, Natural Sciences (Natural Sciences Division) (present)
- **Joumana McGowan**, Executive Dean, Instructional Services (Instruction Division) (present)

## 7. RECOGNITION

- The following Classified retirees were recognized:
  - **Alice Duerden**, Secretary (Arts Division), 25 years of service (absent). Ms. Duerden's Certificate of Service will be mailed to her home address.
  - **Carol Ann Webster**, Teaching/Learning Technology Specialist (Library), 7½ years of service (present)
  - **Michelle Williams**, Account Clerk III (Payroll), 13 years of service (present)
- The following Management retirees were recognized:
  - **Sarah Daum**, Dean, Technology and Health (Technology and Health Division), 16 years of service. Ms. Daum will attend the January 14, 2015, Board of Trustees meeting to receive her Certificate of Service.
  - **Mike Montoya**, Assistant Director, Public Safety (Public Safety), 27 years of service (present)

## 8. APPROVAL OF MINUTES

Trustee Hall indicated that, last month, he attended the Lions Club Costume Party, not the Royal Alliance Costume Party.

It was moved by Trustee Baca and seconded by Trustee Chyr to approve the minutes of the regular meeting of November 12, 2014, as corrected. Ayes: Baca, Bader, Chen Haggerty, Chyr, Hall, Hidalgo, Santos; Noes: None; Abstained: None. Student Trustee concurred.

## 9. PUBLIC COMMUNICATION

- Barbara Mezzaki spoke on behalf of the American Language (AmLa) Department while they celebrate their 25-year anniversary. She distributed candy and ink pens to the trustees to mark this important milestone.
- United Walnut Taxpayers Association Co-Chairs Layla Abu Taleb and Mansfield Collins spoke regarding the desire to work harmoniously with the College in 2015, as good neighbors. They want to end the year on a high note and start the new year on a high note, as well. Mr. Collins commended Trustee Chyr for being so patient with the public communication over the past months, and he congratulated Trustee Hall for being elected the 2015 Board President. He also invited board members to attend a holiday party at his home tomorrow evening, 6:00-8:00 p.m. He lives at 1602 North Timber Ridge Lane, Walnut.

## 10. REPORTS

Reports by the following constituency leaders were given and are posted on the College website with these minutes:

- **Chris Nguyen**, President, Associated Students
- **Dan Smith**, President, Academic Senate
- **John Lewallen**, President, Classified Senate
- **Lance Heard**, President, Faculty Association
- **Sandra Bollier**, 1<sup>st</sup> Vice President, CSEA 262
- **Bill Lambert**, Executive Director, Mt. SAC Foundation

## 11. BOARD COMMUNICATION

- A. Trustee Hall read the following reminder: “At this time, the Board of Trustees will report on matters related to attendance at conferences, professional affiliations, and community involvement directly related to their functions as Board members.”
- B. All Board members shared the following comments:
- They thanked Trustee Chyr and Lance Heard for their service this past year.
  - They welcomed and congratulated newly appointed and promoted employees Melissa Egan, Tina Jenkins, Kare'l Lokeni, Danette Perkins, William Riley, Jennifer Stephenson, Stefyn Mika Klein, Glenda Melissa Aguirre, Pamela Childs, Karelyn Hoover, and Joumana McGowan.
  - They congratulated Alice Duerden, Carol Ann Webster, Michelle Williams, and Mike Montoya on their retirement.
  - They wished everyone happy holidays.
- C. Student Trustee Mendoza reported the following:
- No report this month.
- D. Trustee Santos reported the following:
- She attended the ACE Grade Separation ground-breaking ceremony.
  - She attended the Latino Leaders Drug Policy Summit.
  - She attended the Youth Science Center Gala in Glendora.
  - She attended the Pomona Boys & Girls Club Gala.
  - She attended the Diamond Bar Community Association Gala.
  - She attended the San Gabriel Economic Partnership Merry Mingle and Election Review panel discussion.
  - She attended the Industry Manufacturers Council holiday luncheon.
  - She attended the West Covina City Council swearing-in ceremony.
  - She attended the West Covina Historical Society tree-lighting ceremony.
  - She attended the Baldwin Park Breakfast with Santa.
  - She attended the Mt. SAC Wassail dinner and performance.
  - She attended the Mt. SAC International Students Tea, where she chatted with students from Indonesia, Hong Kong, and Mexico.
  - She attended the Mt. SAC football games against Fullerton College and Riverside City College.
  - She attended the Mt. SAC men's soccer game against De Anza College.
  - She wished everyone Happy Holidays!
- E. Trustee Hidalgo reported the following:
- He attended the West Covina City Council meeting, where Fred Sykes was sworn in as the new Mayor of the City. They are putting together a comprehensive plan for the City.

- He attended the Youth Science Center Gala in Glendora.
- He attended the San Gabriel Valley Public Affairs Network event, where some election results were shared.
- He and his son attended the Mt. SAC Wassail dinner and performance, and they enjoyed it very much.
- He wished everyone Happy Holidays!

F. Trustee Chyr reported the following:

- He congratulated the Men's Soccer Team for going as far as they did in the State.
- He is looking forward to the football game on Saturday for the State Championship.
- He attended the Mt. SAC Wassail dinner and performance and said that it's his family's highlight of the holiday season.

G. Trustee Chen Haggerty reported the following:

- She attended the CCLC Convention in November, where she serves on the ACES Advisory Committee on Education Service, and the keynote speaker was Janet Napolitano. She also attended workshops on CTE Employment, Engaging Employers in Workbase Training, \$15M CTE Enhancement Funds, and Preparing for an Aging America.
- She attended the Industry Manufacturers Council holiday luncheon, where, hopefully, the Mt. SAC Chamber Singers will be invited back.

H. Trustee Bader reported the following:

- She attended Dr. Michael Ortiz's retirement party.
- She attended Mt. SAC's Administration Holiday Tea.
- She attended the Mt. SAC Wassail dinner and performance, and she brought a table of guests who were very impressed.
- She participated in the Pomona Christmas Parade.
- She attended the San Gabriel Valley Economic Partnership holiday luncheon.
- The Pomona USD superintendent was invited to the White House to attend the National Connected Superintendent Summit with President Obama.
- Pomona High School won the CIF Football Championship for the first time since 1951.
- She mentioned that two of the players in the Harvard/Yale football game were from Diamond Ranch High School (one on each team), and the Harvard student made the winning touchdown.
- She congratulated the Men's Soccer, Football, and Flying Teams for their success.
- She wished everyone a Merry Christmas and Happy Holidays!

I. Trustee Baca reported the following:

- He congratulated Coach Sanchez and his soccer team for a great season.
- He congratulated the football team and looks forward to attending the State Championship game on Saturday.

- He attended the Mt. SAC Wassail dinner and performance and was very impressed.
- He participated in the Pomona Christmas Parade with Trustees Bader and Hall.
- He attended the retirement dinner for Dr. Michael Ortiz, the Cal Poly Pomona President.
- He attended the Academic Senate Fall Plenary.
- He attended the CCLC Annual Convention.
- He will be participating with the Kiwanis Club in putting together Christmas baskets for about 100 families.
- He has completed two years as Chair of the Board of Governors.
- He will be attending the Majestic Realty holiday luncheon.

J. Trustee Hall reported the following:

- He attended the Mt. SAC Wassail dinner and performance and said that Bruce Rogers did an extraordinary job, and he thanked William McIntosh for his contributions, as well. He urged everyone to join the Golden Notes.
- He participated in the Pomona Christmas parade.
- He attended the Youth Science Center event, and he congratulated Ted Ebenkamp for being selected Volunteer of the Year.
- He plans to attend the Mt. SAC football state championship game, and he reminded everyone about the tailgate party before the game – the first 250 attendees will receive a free hot dog.
- He congratulated the Flying Team for their 24<sup>th</sup> consecutive year in a row win in the Regional National Intercollegiate Flying Association competition in San Diego, and he congratulated Professor Robert Rogus.
- In the Walnut Family Festival Parade, he saw Dean Matt Judd riding a horse, and he's obviously a horse rider.

## **12. PRESIDENT SCROGGINS' REPORT INCLUDED THE FOLLOWING:**

- He congratulated Dr. Hall for being elected as the next President of the Board of Trustees.
- He thanked Trustee Chyr for his service during the past year as the Board President.
- He welcomed and congratulated newly appointed and promoted employees Melissa Egan, Tina Jenkins, Kare'l Lokeni, Danette Perkins, William Riley, Jennifer Stephenson, Stefyn Mika Klein, Glenda Melissa Aguirre, Pamela Childs, Karelyn Hoover, and Joumana McGowan.
- He congratulated Alice Duerden, Carol Ann Webster, Michelle Williams, and Mike Montoya on their retirement.
- He went out to the football practice field yesterday and gave them a pep talk for this Saturday's state championship game.
- He commended this Board for working so well together.

- He asked Mike Gregoryk, Vice President, Administrative Services, to introduce Gema Ptasinski and Heather McGee, representatives from Vicenti, Lloyd & Stutzman, who then gave an oral report on the audit for the fiscal year ending June 30, 2014, relating to books and records of the Mt. San Antonio Community College District, Financial Aid, and Mt. San Antonio College Auxiliary Services Corporation (Action #2).

Ms. Ptasinski talked about the audit process with the College's management.

Mt. SAC received an unmodified opinion, which is the best opinion that can be received. The opinion does not include the Management Discussion and Analysis because there are limited procedures that apply to that area. Auxiliary Services also received an unmodified opinion.

There's a \$6M accrual for OPEB every year.

Ms. McGee pointed out that, on page 54, there are no audit adjustments to the fund balances reported on the June 30, 2014, Annual Financial and Budget Report (CCFS-311) based upon governmental accounting principles, which is a positive reflection of management.

Ms. Ptasinski indicated that there are three required letters that they issue, and she called everyone's attention to those letters, starting on Page 62.

Ms. Ptasinski thanked everyone for their cooperation, especially Rosa Royce, Audrey Yamagata-Noji, and Gary Nellesen.

The audit reports may be found with these minutes on the College website.

- Dr. Scroggins talked about agenda topics for the Board Study Session on February 7, 2015, such as:
  - The enrollment demand for Mt. SAC services have changed and how we've adjusted to them.
  - Where we are on accreditation, particularly the Board's role during the accreditation process including its self-evaluation.
  - Update the Board on the completion of facilities projects. Five major projects will affect how the College operates during construction.
  - Evaluation on Measure RR projects – what we were able to do, what we were not able to do, and how priorities shifted. How do we keep our promise to the community to build what was intended? What is the Board's vision for the future?
  - Student Success Plan and Student Equity Plan and what changes have affected the role of community colleges.
  - The next three issues that the governor has in mind include noncredit instruction, adult basic education (particularly in partnership with K-12s), and in workforce.
  - Anything else that the Board would like to discuss.

Dr. Hall suggested that a draft agenda be circulated to the Board for input prior to finalizing it.

- Dr. Scroggins asked Dr. Audrey Yamagata-Noji, Vice President, Student Services to present an informational report on the Student Equity Plan. Dr. Yamagata-Noji introduced Carolyn Keys, Dean, Student Services; and Alina Hernandez, Counseling Professor, who also contributed to the presentation.

Trustee Chen Haggerty asked how foster youth is identified. Dr. Yamagata-Noji said that it's difficult, and different methodologies are used. She asked if Pacific Islander is considered part of the Asian category, and the answer was yes.

Trustee Bader said that she was happy to see that foster youth was singled out for special help. She asked if that would be a place to work with community partnerships, and the answer was yes. Trustee Bader commended them on dedicating this work to Phil Maynard.

Trustee Hall said that, when he reads interventions, how is it decided to allocate the \$1.7M across all the gaps that have been identified? Dr. Yamagata-Noji said that the funds can only be spent on what's defined in the Plan. There are guidelines from the State on what can't be spent.

Dr. Baca said that this is a long-term commitment on the part of the State.

Student Trustee Mendoza said that she appreciates the Dream Program and thanked the College for promoting the Student Equity Plan.

The Student Equity Plan presentation may be found with these minutes on the College website.

### 13. CONSENT CALENDAR

The following corrections were made to the Consent Calendar:

- Page 41, Personnel Transactions – for Matthew Dawood, the Range/Step should read Step “4.”
- Page 41, Personnel Transactions – for Laura Demitria, the Salary should read “\$4,992.90/month.”
- On Page 49, Personnel Transactions – for William Wilson, the Effective date should read “1/5/15.”
- On Page 49, Personnel Transactions – for the Interim Dean, Technology and Health, the Name should read “**Jemma Blake-Judd**, the Range/Step should read M-21, Step “**3 + L20**,” the Salary should read “**\$166,898.00/annual**,” and the Effective date should read “**12/11/14**.”
- Item #23 was added to the Consent Calendar.

It was moved by Trustee Baca and seconded by Trustee Bader to approve the following items, as corrected. Ayes: Baca, Bader, Chen Haggerty, Chyr, Hall, Hidalgo, Santos; Noes: None; Abstained: None. Student Trustee concurred.

### ADMINISTRATIVE SERVICES

1. Approval of the Appropriation Transfers and Budget Revisions Summary.
2. Approval to hire various Independent Contractors in order to acquire the expertise needed to accomplish College goals and to meet deadlines.
3. Approval of the re-issuance of stale-dated warrants, as listed.
4. Approval of the single-source purchase of a Citabria Aurora 7ECA Aircraft from 5G Aviation for the Aeronautics Program.



5. Approval of the purchase of furniture for Professional & Organizational Development.
6. Approval of an amendment to the Strata Information Group contract.
7. Approval of an agreement to provide professional design and consulting services with Andreason Engineering, Inc. for the Farm Area Retaining Wall and Drainage Project.
8. This item was pulled and acted upon separately (see Paragraph No. 14).
9. Approval of a deductive change order with Tilden-Coil Constructors using the Lease/Leaseback Construction Delivery Method for Major Grading, Site Improvements, and Temporary Parking.
10. Approval of the following deductive change order for the Design Technology Center Radio Lab & Shop Remodel:
  - Bid No. 2973 NB Construction (General Contractor) – Deductive Change Order No. 1
11. Approval of the purchase of TV instructional equipment for the following Bid:
  - Bid No. 2977 B&H Photo-Video Corp., New York, New York  
Compview, Inc., Beaverton, Oregon  
Samy's Camera Inc., Los Angeles, California  
VTP Inc., Burbank, California
12. Approval of water treatment services for the following Bid:
  - Bid No. 2993 U.S. Water Services, Phelan, California
13. Approval of re-roofing services for the Athletics Division and Facilities Planning and Management Buildings for the following Bid:
  - Bid No. 2994 Best Contracting Services, Inc., Gardena, California

## **HUMAN RESOURCES**

14. Approval of Personnel Transactions.
15. Approval of the Renewal of Management Contracts.

## **INSTRUCTION**

16. Approval of additions and changes in the Continuing Education Division.
17. Approval of participation and travel of the Hospitality Management Club and a faculty advisor in the Hospitality Tradeshow in Chicago, Illinois.
18. Approval of modified courses and new and modified certificates and degrees effective with the 2015-16 academic year.
19. Approval of activities and acceptance of funds for the LA84 Foundation/ Mt. SAC Relays Youth Days Grant.

20. Ratification of an Agreement with Sodexo American, LLC Food Services to provide catering services for the 17<sup>th</sup> Annual Wassail Dinner and Concert.

**PRESIDENT'S OFFICE**

21. Ratification of a contract with P & R Business Services to provide temporary staffing services.

**STUDENT SERVICES**

22. Approval of Independent Contractors to work as note takers in the Disabled Student Programs and Services Department.

**PRESIDENT'S OFFICE**

23. Approval to fund experts and speakers for a Web Visioning Summit.

Motion unanimously carried. Student Trustee concurred.

**14. CONSENT ITEM #8 – APPROVAL OF THE FOLLOWING CONTRACT AMENDMENTS:**

- Contract South Campus Site Improvements – HMC Architects - Amendment No. 1.
- Contract Business and Computer Technology – Tilden-Coil Constructors – Amendment No. 1.
- Contract Parking Structure – Tilden-Coil Constructors – Amendment No. 1.
- Contract Facilities Emergency Operations Center Addition and Plan Room Renovation – PAL id Studio – Amendment No. 1.

It was moved by Trustee Baca and seconded by Trustee Chyr to approve this item.

Discussion: Regarding the Contract for the Parking Structure, Dr. Scroggins said that this work is to identify underground utility locations in Parking Lot A. If, for some reason, the parking facilities were moved to another location, then Parking Lot A would be a primary location for the next academic building to be constructed, due to its proximity to the campus and being in the academic zone of the College. This will be essential information to have regardless of what's built on Parking Lot A.

Ayes: Baca, Bader, Chen Haggerty, Chyr, Hall, Hidalgo, Santos; Noes: None; Abstained: None. Student Trustee concurred.

**15. ACTION ITEM #1 – RE-APPOINT MIKE SHAY TO THE CITIZENS OVERSIGHT COMMITTEE FOR A SECOND TWO-YEAR TERM, EFFECTIVE JANUARY 2015 THROUGH DECEMBER 2016**

It was moved by Trustee Chen Haggerty and seconded by Trustee Bader to approve this item. Ayes: Baca, Bader, Chen Haggerty, Chyr, Hall, Hidalgo, Santos; Noes: None; Abstained: None. Student Trustee concurred.

**16. ACTION ITEM #2 – ACCEPT THE AUDIT REPORTS FROM VICENTI, LLOYD & STUTZMAN, CERTIFIED PUBLIC ACCOUNTANTS, FOR THE FISCAL YEAR ENDING JUNE 30, 2014, RELATING TO BOOKS AND RECORDS OF THE MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT, FINANCIAL AID, AND MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES CORPORATION**

It was moved by Trustee Baca and seconded by Trustee Chyr to approve this item. Ayes: Baca, Bader, Chen Haggerty, Chyr, Hall, Hidalgo, Santos; Noes: None; Abstained: None. Student Trustee concurred.

**17. ACTION ITEM #3 – APPROVAL OF A PROPOSAL TO INITIATE CSEA, CHAPTER 262 NEGOTIONS FOR FIRST-YEAR REOPENER AGREEMENT, DATED JULY 1, 2014, THROUGH JUNE 30, 2017**

It was moved by Trustee Bader and seconded by Trustee Chyr to approve this item. Ayes: Baca, Bader, Chen Haggerty, Chyr, Hall, Hidalgo, Santos; Noes: None; Abstained: None. Student Trustee concurred.

**18. ACTION ITEM #4 – APPROVAL OF A PROPOSAL TO INITIATE CSEA, CHAPTER 651 NEGOTIONS FOR FIRST-YEAR REOPENER AGREEMENT, DATED JULY 1, 2014, THROUGH JUNE 30, 2017**

It was moved by Trustee Chyr and seconded by Trustee Chen Haggerty to approve this item. Ayes: Baca, Bader, Chen Haggerty, Chyr, Hall, Hidalgo, Santos; Noes: None; Abstained: None. Student Trustee concurred.

**19. ACTION ITEM #5 – APPROVAL TO COLLECT A STUDENT TRANSPORTATION FEE FROM ALL REGISTERED STUDENTS**

It was moved by Trustee Baca and seconded by Trustee Chen Haggerty to approve this item.

Discussion: Did the students approve this, and the answer was yes, by 81% (2,800 in favor and 660 opposed).

Ayes: Baca, Bader, Chen Haggerty, Chyr, Hall, Hidalgo, Santos; Noes: None; Abstained: None. Student Trustee concurred.

**20. ACTION ITEM #6 – APPROVAL OF THE STUDENT EQUITY PLAN**

It was moved by Trustee Hidalgo and seconded by Trustee Chyr to approve this item. Ayes: Baca, Bader, Chen Haggerty, Chyr, Hall, Hidalgo, Santos; Noes: None; Abstained: None. Student Trustee concurred.

**21. ACTION ITEM #7 – APPROVAL OF PROPOSED REVISIONS TO BOARD POLICY 2330 – QUORUM AND VOTING**

It was moved by Trustee Bader and seconded by Trustee Baca to approve this item.

Discussion: Does this mean that each individual name needs to be recorded? The answer was that the vote needs to be recorded in the minutes.

Ayes: Baca, Bader, Chen Haggerty, Chyr, Hall, Hidalgo, Santos; Noes: None; Abstained: None. Student Trustee concurred.

**22. ACTION ITEM #8 – APPROVAL OF PROPOSED REVISIONS TO BOARD POLICY 3430 – PROHIBITION OF HARASSMENT**

It was moved by Trustee Chen Haggerty and seconded by Trustee Chyr to approve this item.

Ayes: Baca, Bader, Chen Haggerty, Chyr, Hall, Hidalgo, Santos; Noes: None; Abstained: None. Student Trustee concurred.

**23. ADJOURNMENT**

The meeting adjourned at 9:35 p.m.

WTS:dl

# Rebuttal to Dr. Scroggin's "Fact Sheet"

## Site Selection Background

1) Four other sites were considered (lots H, B, F and A)

***Neither the 2012 master plan nor the supplemental EIR address any other alternative contrary to CEQA requirements of section 15126.6***

### **"Section 15126.6. Consideration and Discussion of Alternatives to the Proposed Project.**

(a) Alternatives to the Proposed Project. An EIR shall describe a range of reasonable alternatives to the project, or to the location of the project, which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project, and evaluate the comparative merits of the alternatives. An EIR need not consider every conceivable alternative to a project. Rather it must consider a reasonable range of potentially feasible alternatives that will foster informed decision making and public participation. An EIR is not required to consider alternatives which are infeasible. The lead agency is responsible for selecting a range of project alternatives for examination and must publicly disclose its reasoning for selecting those alternatives. There is no ironclad rule governing the nature or scope of the alternatives to be discussed other than the rule of reason. (Citizens of Goleta Valley v. Board of Supervisors(1990) 52 Cal.3d 553 and Laurel Heights Improvement Association v. Regents of the University of California(1988) 47 Cal.3d 376)."

***The supplemental EIR states: "No alternative sites are being considered for the project. The project is a renovation and modernization program for the existing campus facilities at the project site. While enrollments could be shifted to other campuses, the increased enrollment may cause adverse impacts at those locations, and student vehicular travel at alternative campus sites from the MTSAC District may increase traffic and traffic-related impacts beyond those projected for the 2008 MPU."***

2) Selected site is near classrooms where parking is needed the most.

***Most students park in lot B, D, or G. Most non-credit students park in lot F or H. Mt. SAC has 37,000 non-credit students. If most non-credit students park in lot F, there will be more parking available to credit students in A and elsewhere. Majority of other campuses parking is off campus or at perimeter of campus and students walk a minimum of 15 minutes. Walking is good exercise for students. Another option is to have shuttle service available to and from parking.***

3) Selected site is only site that meets Measure RR goals of improving parking, traffic and pedestrian safety.

***How could you make that determination if alternatives were not studied!***

***Lot F would accomplish all of these and more:***

- ***Improving Parking: A parking structure on lot F, or any other potential sites for the parking structure, will also improve parking. Lot F is also much larger than Lot A.***
- ***Traffic: Lot F would minimize traffic impact by allowing student travelling southbound on Grand Ave. to Mountaineer/Edingerway/Bonita, and westbound on Temple Ave. to access parking while avoiding the most traffic bound intersection in the area (Grand and Temple).***
- ***Pedestrian safety: the existing pedestrian bridge overpass on Bonita would serve that purpose.***
- ***Even better: this lot allows the parking for the stadium, and allows future expansion as Mt. SAC's remaining undeveloped land is on the east and south. The parking structure here would be further away from the residential area, and therefore less detrimental effects on the residents. The cost of building on lot F would be less than lot A as it is flatter than A, and it doesn't have to go down 2 levels.***

4) The selected site allows the parking structure to be built below the sightlines of the neighboring homes and will not affect the structural integrity of the hillside.

- ***The proposed 5-story parking structure will have a huge footprint in this narrow area of Timberline, and will make the entire area look cramped and confined, and would have significant impact on the aesthetic of not only the immediate area, but also the city of Walnut (as the parking structure would be seen when driving***

northbound on Grand Ave.)

- *There can be no guarantee that the structural integrity of the hillside will not be affected. Mt. SAC didn't do any studies to guarantee this. Common sense says it could easily crack the walls, damage windows, glass doors, and the structure/foundation of the homes nearby. If Mt. SAC is so sure, can they provide insurance coverage for all of the residents that could be impacted?*

*Mt. Sac has not conducted an environmental study showing the impact of the parking structure on the immediate surroundings, in addition there has not been an environmental study encompassing all of current and future development and its impact on the immediate surroundings.*

- *Lot F would be less detrimental to the residents with respect to the two points above.*

5) The site selected resulted in the lowest overall environmental impact:

*While traffic impact on lot A and F may be similar, the environmental impact on lot A will be more significant as it'll create more air, noise and light pollution to the Timberline community. The selected site creates a potential nightmare in case of an evacuation if necessary during a major disaster. In addition, Lot A will significantly reduce the aesthetic of the area compared to that of lot F.*

6) The design of the parking structure includes significant enhancements to improve or enhance the exterior appearance including an extensive landscape plan with large trees and a metal screen system to give the exterior the look of an educational building.

- *As one of our neighbor pointed out at the very first meeting with Mt. SAC BOT last year, no matter how good the design is, the parking structure is still a parking garage. It attracts the unwanted such as trash, traffic, noise, and crime. It is unaesthetic. Most people would not want them near their homes and their neighborhood.*
- *Mt. SAC could spend the money to enhance the look of the parking structure at lot F as well.*

## **Public Safety**

1) The project also included public safety enhancements for security including a video surveillance system.

- *(As we know,) many of our neighbors' homes with video security alarm system were still broken in. A video surveillance system by itself will not prevent crime.*
- *Public Safety would be better without the parking structure than having a parking structure with a video surveillance system. The fact that Mt. SAC does not have a video surveillance system there now, and plan to build it for the parking structure indicates that Mt. SAC anticipates that public crime will be likely to increase.*
- *Mt.SAC can have the same video surveillance system on lot F to enhance security as well, and the net effect of public safety would be better than a parking structure on lot A.*

## **Traffic Issues**

1) Grand Ave at Temple (Level of service D)

*Per supplemental EIR Level of Service at Grand and Temple is at E!*

*The May 2011 traffic analysis completed by Albert Grover & Associates indicated that the intersection functions at LOS D for both peak hours in 2011 but will function at LOS E during the AM Peak Hour in 2014 when the Parking Structure is operational.*

*Therefore, the Temple/Grand intersection is anticipated to continue to function at unacceptable levels of service for build out of the 2012 Facility Master Plan in 2025. While the 2012 Facility Master Plan does not result in a new significant impact at the intersection, service will remain unacceptable and a Statement of Overriding Considerations will also be required when the 2012 FEIR is certified.*

2) Traffic impact minimized by allowing students traveling southbound on Grand and Westbound on Temple to access parking while avoiding most traffic bound intersection grand and temple.

***In other words they are shifting the traffic burden to Grand and Mountaineer!***

3) Traffic flow occurs at opposite times compared to residents.

***Residents have to exit and return to their properties (taking kids to school and running errands). Additionally the impact is at its peak when residents are returning home and students are coming for evening classes. What about in cases of major disaster such as fire and/or earthquakes, when residents and students are rushing to exit at the same time!***

***Lot F has pretty much the same traffic effects with those lot A without the added burden on the Timberline development.***

***A parking structure on lot D could also avoid the traffic at the intersection of Grand and Template. Mt. SAC can open a road right behind the Wildlife Sanctuary from northbound on Grand to Mt.SAC Way. This lot is in fact the closest to most instructional buildings. It is also within the short walking distance to all the student services buildings.***

## **Environmental Concerns**

All of the criteria outlined in the CEQA were considered including traffic, noise, air pollution and other effects. In fact CEQA was not followed in the following instances;

### **Section 15126. Consideration and Discussion of Environmental Impacts.**

All phases of a project must be considered when evaluating its impact on the environment: planning, acquisition, development, and operation. The subjects listed below shall be discussed as directed in Sections 15126.2, 15126.4 and 15126.6, preferably in separate sections or paragraphs of the EIR. If they are not discussed separately, the EIR shall include a table showing where each of the subjects is discussed.

- (a) Significant Environmental Effects of the Proposed Project.
- (b) Significant Environmental Effects Which Cannot be Avoided if the Proposed Project is Implemented.
- (c) Significant Irreversible Environmental Changes Which Would be Involved in the Proposed Project Should it be Implemented.
- (d) Growth-Inducing Impact of the Proposed Project.
- (e) The Mitigation Measures Proposed to Minimize the Significant Effects.
- (f) Alternatives to the Proposed Project.

### **Section 15126.6. Consideration and Discussion of Alternatives to the Proposed Project.**

(a) Alternatives to the Proposed Project. An EIR shall describe a range of reasonable alternatives to the project, or to the location of the project, which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project, and evaluate the comparative merits of the alternatives. An EIR need not consider every conceivable alternative to a project. Rather it must consider a reasonable range of potentially feasible alternatives that will foster informed decision making and public participation. An EIR is not required to consider alternatives which are infeasible. The lead agency is responsible for selecting a range of project alternatives for examination and must publicly disclose its reasoning for selecting those alternatives. There is no ironclad rule governing the nature or scope of the alternatives to be discussed other than the rule of reason. (Citizens of Goleta Valley v. Board of Supervisors(1990) 52 Cal.3d 553 and Laurel Heights Improvement Association v. Regents of the University of California(1988) 47 Cal.3d 376).

(b) Purpose. Because an EIR must identify ways to mitigate or avoid the significant effects that a project may have on the environment (Public Resources Code Section 21002.1), the discussion of alternatives shall focus on alternatives to the project or its location which are capable of avoiding or substantially lessening any significant effects of the project, even if these alternatives would impede to some degree the attainment of the project objectives, or would be more costly.

(c) Selection of a range of reasonable alternatives. The range of potential alternatives to the proposed project shall include those that could feasibly accomplish most of the basic objectives of the project and could avoid or substantially lessen one or more of the significant effects. The EIR should briefly describe the rationale for selecting the alternatives to be discussed. The EIR should also identify any alternatives that were considered by the lead agency but were rejected as infeasible during the scoping process and briefly explain the reasons underlying the lead agency's determination. Additional information explaining the choice of alternatives may be included in the

administrative record. Among the factors that may be used to eliminate alternatives from detailed consideration in an EIR are: (i) failure to meet most of the basic project objectives, (ii) infeasibility, or (iii) inability to avoid significant environmental impacts.

(d) Evaluation of alternatives. The EIR shall include sufficient information about each alternative to allow meaningful evaluation, analysis, and comparison with the proposed project. A matrix displaying the major characteristics and significant environmental effects of each alternative may be used to summarize the comparison. If an alternative would cause one or more significant effects in addition to those that would be caused by the project as proposed, the significant effects of the alternative shall be discussed, but in less detail than the significant effects of the project as proposed. (County of Inyo vs. City of Los Angeles (1981) 124 Cal.App.3d 1).

**Supplemental EIR does not address any of the above CEQA requirements sufficiently.**

### **Mt. Sac Enrollment Growth & National Perspective**

**Graph presented is misleading as comparative colleges have multiple campuses. For instance Ivy Tech Community College has an enrollment of approximately 200,000, however, that is divided over an area of 30 different campuses thus making the average campus approximately 6,666!**

<b>Largest Enrollment Colleges</b>	<b>Mt Sac Numbers</b>	<b>Actual</b>	<b>Number of Campuses</b>
Ivy Tech Community	100,272	200,000	30
Lone Star College System	60,428	90,000	07
Houston Community College	58,476	57,364	06
Northern Virginia Community College	51,864	50,044	06
Tarrant County College District	50,439	49,108	05
Austin Community College	43,315	60,100	10
Valencia College	42,915	60,000	Bachelor
Broward College	42,309	67,000	Bachelor
East LA College	37,055	34,697	01
Portland Community College	33,767	90,000	04
Mt Sac 2013-2014	54,363	??	01

**None of the listed campuses have the population of a single-campus that is more than double the population of the city where it is located.**

### **Measure RR Ballot Language**

**Measure RR does not have any reference to a parking structure. When residents of Walnut voted for the measure it was to implement the priorities set out of retrofit and repair! Increasing parking capacity does not translate to a parking structure! Lot F could very well meet all of the needs spelled out in measure RR.**

**This is another example of how sneaky and deceptive Mt. SAC is in communicating with the community and the voters at large. Mt. SAC had intended to build the parking structure at the time it's presenting the measure RR to the voters; Instead of being straight-forward and transparent, it chose to be deceptive and ambiguous. Deception's evidenced through the Trustees' comments in the Special Meeting on June 18, 2008, and the fact that nowhere in the full text of the measure that the words "parking structure" being mentioned, and that nothing related to parking was listed in the priority projects. Ambiguity is where Mt. SAC was using the phrase "increasing parking capacity" to mean a construction of a massive five-story**



***parking structure which costs \$50 million, and among the most expensive projects of the campus.***

### **Allocation of Parking Spaces**

***Where is there any documentation limiting the number of spaces allocated to staff to 125?***

### **Students on Campus**

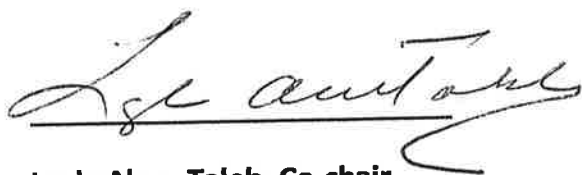
**Peak student count on first day of Spring 2014 Semester was 9,577 at 10 a.m.**

***If that is the peak then Mt. Sac definitely does not need a 2300 stall parking structure. Based on the 2012 Master Plan there are currently 7,344 parking spaces. This should be more than adequate for the peak number of students provided.***

***Something is not making sense here. According to the flyer, Mt. SAC student population peaked in 2008-2009 at 69,624. In 2013-2014, there were only 54,363. If Mt. SAC is growing 2.5% annually (which is about the same rate for the last two years, if not higher), it would take Mt. SAC 10 years to get back to the population of 2008-2009. If that's the case, and if Mt. SAC was able to handle parking back in that year, why would Mt. SAC needs to build this massive parking structure now?***

***What was the peak student count in 2008-09?***

**This response to President Scroggin's flyer that was distributed at the Mt. SAC Board of Trustees Meeting of November 12, 2014 was prepared by United Walnut Taxpayers, residents of Walnut who are against the proposed site of a five story parking structure in their backyard.**



**Layla Abou-Taleb, Co-chair**

**(909) 964-6185**



# Associated Students Report

*Presented by A.S. President Christopher Nguyen  
December 10, 2014*

---

## **The Class Pass:**

During November 17-20th, AS hosted special elections regarding the implementation of a transportation fee to pay for the Class Pass program. We also conducted classroom and club meeting presentations and hosted an information booth in order to get out the vote.

An average AS election has roughly 1,200 voters. In this special election, 2,798 students voted in favor of the transportation fee and 663 voted against the fee. We now encourage the board to implement the transportation fee.

## **Library Extension Hours:**

The extended library hours have been very well utilized. The extended hours are December 3 & 4, from 7:30am – 11pm, December 7, 4pm – 11pm, & Dec. 8-10, from 7:30am – 11pm.

I highly recommend we continue this practice of extending the library hours during finals week and that we expand these extended hours to include all the computer labs and other study areas on campus, as well.

## **Holiday Celebration:**

On December 2, from noon – 2pm in the 9C stage we hosted our annual Holiday Celebration. We served over 600 plates of Italian food. It was a great celebration.

## ..... ▼ UPCOMING EVENTS ▼ .....

## **Finals Frenzy:**

During finals week, AS will be giving away scantrons, bluebooks, coffee and snacks out of the 9C – Kitchen to support our students.

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**Academic Senate Report  
to the Board of Trustees  
November 12, 2014**

**Full Senate Activity**

The Senate met on October 9, 23 and 30. The following actions were taken:

- Set 17 Goals and strategic objectives for the remainder of the 2014-15 academic year
- Agreed on Basic Skills budget allocation revisions
- Agreed to participate in the Online Education Initiative pilot program
- Reviewed and made recommendations for the state senate resolutions and four proposed teaching disciplines

The Senate also made appointments to five committees and task forces: President's Advisory Council, Accreditation Writing Team, Role of Paraprofessionals task force, CTE Expansion task force, and the Baccalaureate Pilot Program task force.

The full Senate will next meet tomorrow.

**Faculty Hiring**

Sixty requests for new or replacement faculty positions were submitted this year. The Academic Senate Executive Board created a prioritized list of these positions at special meetings on October 17 and 24, and this list was then merged with the list from the Instruction Team at AMAC on October 27. I am pleased to report that thus far, Dr. Scroggins has authorized ten faculty hires in the disciplines of History, Earth Sciences and Oceanography, Hospitality Management, Mathematics, Air Conditioning and Refrigeration, Kinesiology, Graphic Design and Illustration, Librarian, Fashion Merchandising and English. In addition, three previously-approved counseling hires and four additional counselors hired from monies outside of the General Fund will be moving forward.

The Senate will be working with the college in the coming months to address the revision of the faculty prioritization process, which is described in AP 7120 on Faculty Hiring. The Senate will be voting on the establishment of a task force tomorrow to propose specific revisions.

**Coordinator Positions Available**

The Academic Senate has begun the process of seeking coordinators for Fall 2015. The available positions are Assistant Curriculum Liaison, Assistant Distance Learning Faculty Coordinator, and Assistant Study Abroad Coordinator. Letters-of-interest are due by December 12, 2014.

**Fall Senate Plenary**

The fall meeting of the State Academic Senate will begin tomorrow in Irvine. Dan Smith, Jeff Archibald, Luisa Howell, and Eric Kaljumägi will officially attend on behalf of Mt. SAC, with Professor Howell serving as our voting delegate. Michelle Grimes-Hillman will attend in her role as a member of the statewide Executive Committee, and Michelle Sampat as a member of the state Resolutions committee. A total of 23 resolutions are scheduled for consideration during the plenary.

Respectfully submitted,  
Dan Smith  
President, Academic Senate



# MT. SAN ANTONIO COLLEGE CLASSIFIED SENATE

REPORT TO THE BOARD OF TRUSTEES  
WEDNESDAY DECEMBER 10, 2014

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1. Work continues on planning better ways to communicate with Classified Staff such things as events, news, and opportunities. Considerations include:
  - i. Classified Senate information
  - ii. CSEA news and information
  - iii. VOICES news and awardees
  - iv. Input from classified leaders for ideas on re-structuring what and how information is presented and disseminated.
2. The next Classified Event/Mixer will be our annual Valentine's Day affair. Plenty of sweets will be offered, as well as information for Classified on how to stay informed and connected.
3. A collaborative effort with Classified Professional Development (CPDC) is moving forward to create a survey to collect data regarding classified employee needs and interests concerning professional development. The data will be used to plan future workshop subjects and more convenient scheduling times and dates for workshops offered through Professional Organization & Development (POD) for classified employees.
4. Planning continues on this years Classified Recognition and Classys Awards

Respectfully submitted by,  
John Lewallen, President, Classified Senate



**Faculty Association Report  
To the Board of Trustees  
December 10, 2014**

**1. Negotiations**

The Faculty Association has chosen their negotiations team for 2015. The team will consist of Eric Kaljumagi as lead, Sandra Esslinger, Lance Heard, Luisa Howell, and Joan Sholars. The FA has reviewed the results of the negotiations survey and has sent the District our intent to bargain notice in order to start negotiations in January. We anticipate an announcement on the next BOT agenda.

Please recognize Dr. Scroggins for his positive contributions to Faculty-District negotiations. In January we will benefit from the best training available for collective bargaining in education. The leadership and direction Dr. Scroggins provides to ensure Mt.SAC achieves the highest standards should not be underestimated.

**2. Representative Council**

In December the FA approved a Governance Committee to review the Constitution, Bylaws, and Standing Orders. Their first objective will be to study a proposal for a Conflict of Interest Policy. The Representative Council is also considering a resolution in support of fair accreditation. A vote could take place at the March 10<sup>th</sup> meeting.

**3. CCA Winter Conference**

The FA is sending a full delegation to San Diego CCA Conference February 20-22. Collective Bargaining is the focus of the professional development workshops.

**4. Closing**

Lance Heard is pleased to welcome Eric Kaljumagi as President of the Faculty Association. As elected officials we are often reminded that the most important ingredient in our success is support. As outgoing President I personally urge the Board of Trustees to support Eric in his sincere efforts to lead the Faculty Association in a productive relationship with the MtSAC Community College District. Lance Heard has accepted the role of Past President and will continue to serve in that capacity.

Respectfully submitted by,  
Lance Heard, Faculty Association President



AFL-CIO

## CSEA 262 Report to the Mt. SAC Board of Trustees Meeting

12-10-14

Good evening Board of Trustees, President Scroggins, Vice Presidents, Constituent Leaders, Students, Staff and visitors.

CSEA 262 has an issue regarding the Board Agenda Item on page 41-44 under Personnel Transactions:

Titled: Temporary Out-of-Class Assignment Extensions

CSEA 262 Would like to insure that the Mt. SAC Board of Trustees is aware that the MOU regarding out of class assignment extensions which you will find in the board packet beginning on page 41, has not been approved by the CSEA 262 membership and we would look to ratify it in January, in the future we ask that the district provide us these MOUs in enough time to have our members review and consider ratification .....

before implementation..... not after.

It my privilege to announce that we have completed our elections for our CSEA 262 Chapter Executive Board officers for 2015 and they are as follows:

Chapter President: Mr. Bill Rawlings

Chapter 1<sup>st</sup> Vice President: Sandra Bollier

Chapter 2<sup>nd</sup> Vice president: Mark Fernandez

Chapter Secretary: Lakshimi Rai

Chapter Treasurer: Elizabeth Jauragui

Chapter Chief Job Steward: Katherine MacDonald

Chapter Public Relations officer: John Lewallen

Chapter Site Representative Coordinator: Maryann Mulvihill

Chapter Past President: If she accepts will be Jacolyn Martinez (non-voting member at large, and is offered to the most current past president)

That Concludes My report to the board, do you have any questions?



## Foundation Report to the Board of Trustees December 10, 2014

There's exciting news to report. Since last we met, we have hosted two more scholarship donor luncheons. Representatives from Cardenas Markets and Kaiser Permanente came to campus to have lunch with recipients of their scholarships. We utilized the space in front of the newly renovated Building 12 for the receptions. It was a terrific example of high-level stewardship—connecting donors with the students who benefit directly from their support. We'll plan more of this type of activity in the future. Special thanks to Audrey who joined the Cardenas reception and really helped to make the event very special.

Another activity of note is that we sent a direct mail appeal out to 156,000 alumni. This is the second mass mailing to Mt. SAC alumni we have done in the last three years and it landed in people's hands over the last week. It is generating a huge amount of activity. People are making gifts online, through the mail and by phone. We are also getting piles and piles of returned mail back to us and phone calls from many people who are surprised to be hearing from the college after so many years. All of this is helping to address one of our biggest challenges in the Foundation—database hygiene. We will have more to report on the results in the months ahead.

We have also had some very constructive meetings with on campus and off campus partners as we begin preparations for the annual golf tournament in May. We are working closely with the Golf committee to fine-tune what is already a strong process. Our goal is to get out in front of this early. We've had meetings with the people at Pacific Palms to develop a more expanded experience beyond the golf tournament with a block of rooms, and spa packages. This in conjunction with the save-the-date being sent to our sponsors this month will start to generate more interest and earlier interest.

The Foundation was heavily involved in Wassail over the last weekend. On Thursday night we held our largest donor reception before the dinner, with twice as many of our guests in attendance over last year. Over three days, this event brought together campus partners, donors, community members and new guests, many of who offered feedback that this would be a new tradition for them. We had a significant number of Foundation Board members in attendance—most of which brought guests that we intend to follow up with. Special thanks to Gloria Baca—her wreath and centerpiece creations brought oohs and ahs from the crowd each night. Congratulations to Bruce Rogers, Bill McIntosh and all the students who help make this event so spectacular.

One final note: Tomorrow is the Majestic Realty Holiday Fundraiser. As you know, this is the annual lunch put on by the Majestic Realty Foundation that benefits four local charities. The Mt. SAC Foundation is fortunate to be included as their "community college". We have been selling raffle tickets on campus over the last couple of weeks and I'm so pleased to report that the campus response has been fantastic. We have sold nearly four times as many tickets as we did last year. Much of this success is due to a more strategic sales and marketing approach.

And on the final, final note. Saturday the football team squares off against San Francisco City College for the state title. Many former players will be there including Antonio Pierce. We have been encouraging alumni to join the pre-game BBQ and cheer on the Mounties to another state title.

Annual Giving Stats	FY2013/14	FY2014/15	FY2014/15 Goal	FY2014/15 % to Goal
Total Dollars Raised	\$532,757.53	\$111,959.93	\$559,395.41	20%
Total # of Donors	468	200	491	40.7%

*Submitted by Bill Lambert, Executive Director, Mt. SAC Foundation*

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**LOS ANGELES COUNTY**

**REPORT ON  
AUDIT OF FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION  
INCLUDING REPORTS ON COMPLIANCE  
June 30, 2014**





**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**AUDIT REPORT  
June 30, 2014**

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**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**AUDIT REPORT**

**June 30, 2014**

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## INDEPENDENT AUDITOR'S REPORT

The Board of Trustees  
Mt. San Antonio Community College District  
1100 North Grand Avenue  
Walnut, California 91789

### **Report on the Financial Statements**

We have audited the accompanying basic financial statements of the Mt. San Antonio Community College District, and its discretely presented component unit, as of and for the year ended June 30, 2014, and the related notes to the financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

2210 E. Route 66, Ste. 100, Glendora, CA 91740

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Board of Trustees  
Mt. San Antonio Community College District

## **Opinion**

In our opinion, the financial statements listed in the aforementioned table of contents present fairly, in all material respects, the financial position of the Mt. San Antonio Community College District, and its discretely presented component unit, as of June 30, 2014, and the results of its operations, change in net position and cash flows for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of postemployment healthcare benefits funding progress and the schedule of employer contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the Mt. San Antonio Community College District financial statements as a whole. The supplementary schedules, and the continuing disclosure information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements of Mt. San Antonio Community College District.

Board of Trustees  
Mt. San Antonio Community College District

**Other Matters (continued)**

*Other Information (continued)*

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

The continuing disclosure information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2014 on our consideration of the Mt. San Antonio Community College District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Mt. San Antonio Community College District's internal control over financial reporting and compliance.

  
VICENTI, LLOYD & STUTZMAN LLP  
Glendora, California  
November 20, 2014

# MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

### Introduction

The following discussion and analysis provides an overview of the financial position and activities of the Mt. San Antonio Community College District (the "District") for the year ended June 30, 2014. This discussion is prepared by management and should be read in conjunction with the financial statements and notes thereto which follow this section.

Mt. San Antonio Community College District is a public Community College that offers a diversified program designed to develop qualities of general education essential for citizens in a democratic society. The mission of the District is to support students in achieving their full educational potential in an environment of academic excellence.

Mt. San Antonio Community College District has emerged as a leader in education not only in the San Gabriel Valley, but in the State of California. The District is the largest, single-campus community college district in the State. The District proudly celebrates over 66 years of educational excellence. The District will continue to offer access to quality programs and services as well as provide an environment for educational excellence throughout the 21<sup>st</sup> century.

### Accounting Standards

In June 1999, the Governmental Accounting Standard's Board (GASB) released Statement No. 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments," which established a new reporting format for annual financial statements. In November 1999, GASB released Statement No. 35, "Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities," which applied new reporting standards to public colleges and universities. The Fiscal Accountability and Standards Committee of the California Community Colleges Chancellor's Office recommended that all California community colleges follow the new standards under the Business Type Activity (BTA) model. Nearly all public Colleges and Universities nationwide have selected the BTA reporting model. As such, the District is reporting its financial statements according to these standards.

In June 2004, the Governmental Accounting Standard's Board (GASB) issued Statement No. 45, Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions." The Fiscal Accountability and Standards Committee of the California Community Colleges Chancellor's Office recommended that all California community colleges follow these new standards. GASB 45 establishes standards for governmental employers to measure and report their costs and obligations related to post-employment benefits other than pensions, or retiree health benefits. The term "post-employment benefits" refers to benefits earned during employment, but taken after employment has ended. As such, the District is reporting according to this standard.

# MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

### **Financial Highlights**

This section is to provide an overview of the District's financial activities. A comparative analysis is included in the Management's Discussion and Analysis using prior year information.

### **Selected Highlights**

- Prior to July 2009, the Los Angeles County Superintendent of Schools provided the District with fiscal, budgetary, and financial management services through a contractual agreement for many years. On August 27, 2008, the Board of Trustees approved the District's application to the Los Angeles County Superintendent of Schools requesting Fiscal Accountability Status. The District began this process by following the steps as defined in Education Code 85266, which required adhering to statutory requirements with specific deadlines. Part of this approval process was to demonstrate to the Los Angeles County Superintendent of Schools that the District had a financial management system in place, as it would no longer be using the County's Finance and Payroll Systems. The integrity and security of the new Banner Finance and Human Resources/Payroll systems were validated by a team of external auditors prior to obtaining Fiscal Accountability status. In addition, the auditors also validated that the District had a system of adequate internal controls, processes and procedures.

Effective July 1, 2009 the District obtained Fiscal Accountability Status as approved by the Los Angeles County Superintendent of Schools. Achieving the Fiscal Accountability Status was necessary, because it allowed the District to implement an integrated management information system without the need for extensive interfaces with the County's systems. This transition has given departments the ability to obtain accurate and timely information that is required to monitor budgets and analyze current financial data in order to ensure sound financial decision making.

As a result of the Fiscal Accountability Status, the District assumed the majority of the responsibilities previously performed by the Los Angeles County Superintendent of Schools for fiscal, budget, human resources/payroll, and financial management systems processing. In addition, the District assumed oversight for the internal audit function for the issuance of payroll and commercial warrants. With the Fiscal Accountability status, the Los Angeles County Superintendent of Schools retained high-level oversight of the District, but was no longer involved in the day-to-day activities. Their role was to ensure that the District complied with the approved Fiscal Accountability Plan.

## **MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

This transfer of responsibilities from the Los Angeles County Superintendent of Schools to the District was an enormous undertaking. The time and effort required to obtain Fiscal Accountability Status was achieved by hard work, collaboration, and dedication by the District's staff.

- On August 2011, after two years of operation, under the Fiscal Accountability Status, the District submitted an application to the County Superintendent of Schools and the State Chancellor's Office to obtain Fiscal Independence status.

Under Education Code, Section 85266.5, Fiscal Independence is granted upon the approval of the Board of Governors of the California Community College Systems Office, based largely on the recommendation from the Los Angeles County Superintendent of Schools and the Los Angeles County Auditor/Controller, supported by the results of an assigned independent Certified Public Accountant firm's survey of Mt. SAC's accounting controls. Obtaining Fiscal Independence status, allows the District to have broad authority to issue warrants without the review or approval of the Los Angeles County Superintendent of Schools or the Los Angeles County Auditor/Controller.

Based on the District's excellent reputation for fiscal management, validation of the internal controls by a team of external auditors, a recommendation from the Los Angeles County Superintendent of Schools, and a recommendation from the Los Angeles Auditor-Controller, the State Chancellor's Office submitted a request to the Board of Governors to grant Fiscal Independence status to Mt. San Antonio Community College District. On November 7, 2011, the Board of Governors approved Mt. San Antonio College Fiscal Independence status, effective July 1, 2012.

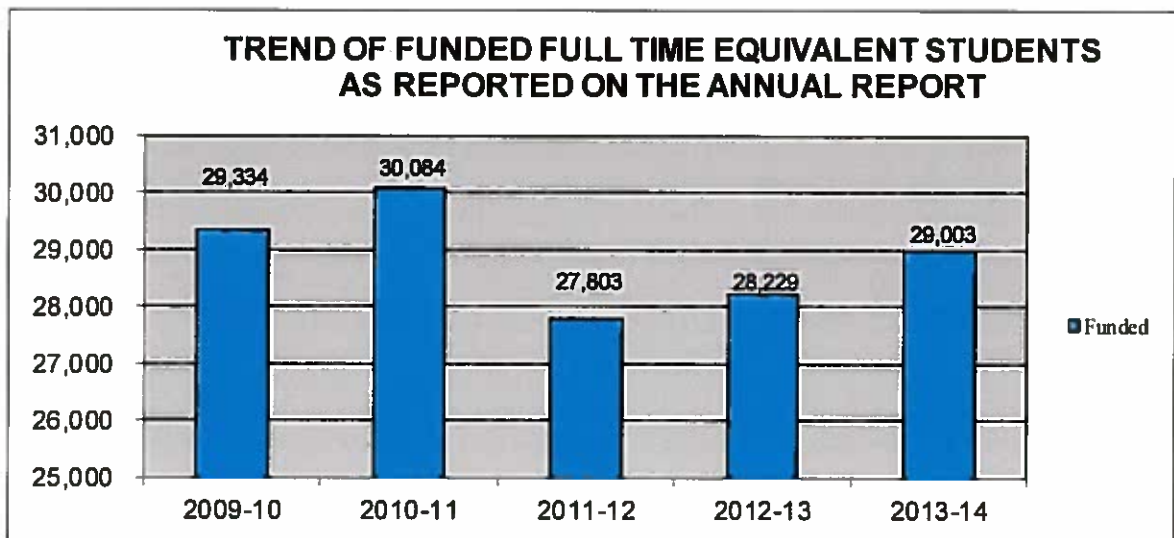
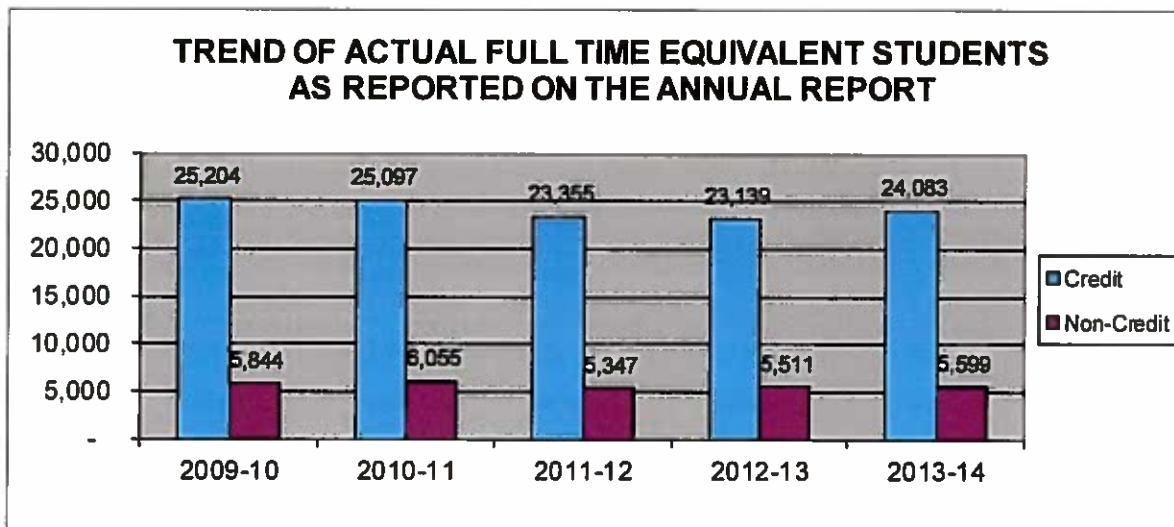


# MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

- As of June 30, 2014, the total actual full-time equivalent students (FTES) increased from 28,650 to 29,682, or a 3.6% increase for credit and noncredit courses. Funded credit and noncredit FTES are the basis for which the District receives State apportionment. The District funded FTES base for credit and noncredit for the fiscal year 2013-14 was 29,003. In order to achieve growth, the District increased approximately 774 funded FTES. The final funded FTES increase for the fiscal year 2013-14 will be known with the final apportionment recalculation in February 2015.



## MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT

### MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

- On November 6, 2001, the voters of the District approved a \$221 million general obligation bond (Measure R) under Proposition 39 to provide better facilities for the students, faculty, and the community. Originally, there were 17 construction projects planned, but due to the increase in construction costs, three of these projects were eliminated; which left 14 major projects to be undertaken. Ground breaking began, for some of the projects, during 2001-02 and will continue through 2014-15. The project close-out for all bond projects is scheduled for 2014-15. The following bonds were issued:
  - \$40 million Series A were issued in May 2002,
  - \$75 million Series B were issued in February 2004,
  - \$75.7 million Refunding bonds were issued in September 2005. This issuance refunded certain Series A and B bonds,
  - \$80 million Series C were issued in September 2006,
  - \$26 million Series D were issued in July 2008,
  - \$29.9 million Refunding bonds were issued in June 2012. This issuance refunded certain 2005 Refunding bonds,
  - \$74.9 million Series A and \$48.2 million Series B Refunding bonds were issued in August 2013. These issuances refunded certain 2006 Series C bonds, 2005 Refunding bonds, and 2012 Refunding bonds.
  
- On November 4, 2008, the voters of the District approved a \$353 million general obligation bond (Measure RR) under Proposition 39 to finance the repair, upgrade and acquisition of equipment and instructional facilities for the science and computer labs, library, fire academy training facility, classrooms for nursing, paramedics and police officers, classrooms for education and vocational job training, a new computer technology center, and the establishment of a 2008 lease revenue bonds escrow account. The following bonds were issued:
  - \$205.6 million Series A and \$11.7 million Series B were issued in August 2013.
  
- On May 1, 2010, the District issued \$65 million in bond anticipation notes. This was the result of the District's inability to issue bonds from the 2008 election (Measure RR) due to the decreased property valuations and the need to continue with scheduled construction projects. These bond anticipation notes financed the repair, upgrade, acquisition, construction and equipment of certain District property and facilities, and an escrow account was established to retire the debt for the 2008 lease revenue bonds. The District retired this obligation in August 2013 with the issuance of Series A and B 2008 Election general obligation bonds.

## **MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

- The District paid off \$20 million tax and revenue anticipation notes in December 27, 2013. The notes were issued, as a precaution, to primarily ensure sufficient cash to cover payroll and operating expenses for the 2012-13 fiscal year. This was the result of the State's financial crisis prior to the passage of Proposition 30. During the fiscal year 2012-13, Community Colleges experienced increased apportionment deferrals, reduced apportionment payments, and a large portion of the apportionment was paid with a balloon payment in June 2013.
- The District ended the fiscal year 2013-14 with an ending fund balance of \$30.2 million in the Unrestricted General Fund, which represents 20.64% well above the 10% unassigned fund balance board policy. The District will continue with its conservative approach to maintain healthy fund balances. These healthy fund balances will permit the continuation of many outstanding programs and services for which the District is known, while allowing for careful consideration of budget plans for the 2014-15 fiscal year and beyond.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

**Financial Statement Presentation and Basis of Accounting**

The District's financial report includes three financial statements: The Statement of Net Position; the Statement of Revenues, Expenses and Change in Net Position; and the Statement of Cash Flows. Additional information regarding these financial statements is provided on the following pages.

The financial statements noted above are prepared in accordance with Governmental Accounting Standard Board Statements No. 34 and No. 35 which provides an entity wide perspective. Therefore, the financial data presented in these financial statements is a combined total of all District funds including Student Financial Aid Programs.

Also, in accordance with Governmental Accounting Standards Board Statements No. 34 and No. 35, the financial statements have been prepared under the full accrual basis of accounting which requires that revenues are recognized when earned and expenses are recorded when an obligation has been incurred. A reconciliation between the fund balances reported on the June 30, 2014 Annual Financial and Budget Report (CCFS-311), based upon governmental accounting principles and the modified accrual basis of accounting, and the total net position recorded on the full accrual basis of accounting is as follows:

General Fund - Unrestricted Fund Balance	\$	30,236,185
General Fund - Restricted Fund Balance		1,508,445
General Obligation Bond Funds Balance		121,201,965
Capital Outlay Projects Funds Balance		14,836,650
All Other Funds		<u>2,043,871</u>
Total fund balances as reported on the Annual Financial and Budget Report (CCFS-311)		169,827,116
Bond Interest and Redemption Fund Balance (not reported on CCFS-311)		<u>16,192,405</u>
Total ending fund balances	\$	<u>186,019,521</u>

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

Total ending fund balances	\$	186,019,521
Amounts recorded for governmental activities in the Statement of Net Position:		
Cash held with trustee for property and liability self-insurance is added to total net position		625,309
Interest earned but not accrued through June 30, 2014 is added to total net position		306,522
Amounts for 2013-14 property taxes levied for debt service not received as of June 30, 2014 are added to total net position		1,286,330
Capital assets used for governmental activities are not financial resources and therefore are not reported as assets in governmental funds. Capital assets, net of accumulated depreciation are added to total net position		352,415,905
Interest expense related to bonds incurred through June 30, 2014 is recognized as a liability which reduces the total net position		(2,710,790)
Employer contributions for other postemployment retirement benefits which are less than the actuarially determined required contribution are recognized as a liability which reduces total net position		(13,156,754)
Long-term liabilities, including general obligation bonds and bond anticipation notes and notes payable are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds. Long-term liabilities, net of deferred outflows, reduces the total net position		<u>(370,837,730)</u>
Total net position	\$	<u>153,948,313</u>

# **MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

### **Statement of Net Position**

The Statement of Net Position presents the assets, liabilities and net position of the District as of the end of the fiscal year and is prepared using the accrual basis of accounting, which is similar to the accounting basis used by most private-sector organizations. The Statement of Net Position is a point of time financial statements. The purpose of this statement is to present to the readers a fiscal snapshot of the District. The Statement of Net Position presents end-of-year data concerning assets (current and non-current), liabilities (current and non-current) and net position (assets minus liabilities).

From the data presented, readers of the Statement of Net Position are able to determine the assets available to continue the operations of the District. Readers are also able to determine how much the District owes vendors and employees. Finally, the Statement of Net Position provides a picture of the net position and their availability for expenditure by the District.

The difference between total assets and total liabilities (net position) is one indicator of the current financial condition of the District as the change in net position is an indicator of whether the overall financial condition has improved or worsened during the year. Assets and liabilities are generally measured using current values. One notable exception is capital assets, which are stated at historical cost less an allocation for depreciation expense.

The Net Position is divided into three major categories. The first category, invested in capital assets, provides the equity amount in property, plant and equipment owned by the District. The second category is expendable restricted net position; this net position is available for expenditure by the District, but must be spent for purposes as determined by external entities and/or donors that have placed time or purpose restrictions on the use of the assets. The final category is unrestricted net position that is available to the District for any lawful purpose of the District.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

A summarized comparison of the Statement of Net Position is presented below:

	(in thousands)		
	<u>2014</u>	<u>2013</u>	<u>Change</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 27,132	\$ 39,975	-32.13%
Account receivables, net	26,552	29,215	-9.12%
Due from component unit	<u>78</u>	<u>32</u>	143.75%
<b>Total Current Assets</b>	<u>53,762</u>	<u>69,222</u>	-22.33%
<b>Non-Current Assets</b>			
Restricted cash and cash equivalents	160,694	50,795	216.36%
Capital assets, net	<u>352,416</u>	<u>328,961</u>	7.13%
<b>Total Non-Current Assets</b>	<u>513,110</u>	<u>379,756</u>	35.12%
<b>Deferred Outflow of Resources</b>			
Deferred change on refunding	<u>24,439</u>	<u>3,669</u>	566.09%
<b>TOTAL ASSETS</b>	<u>\$ 591,311</u>	<u>\$ 452,647</u>	30.63%
<b>LIABILITIES AND NET POSITION</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities	\$ 17,539	\$ 13,384	31.04%
Unearned revenue	3,350	2,848	17.63%
Due to component unit	123	53	132.08%
Amount held in trust for loans	32	21	52.38%
Tax Revenue Anticipation Notes (TRANS)		20,117	-100.00%
Long-term liabilities - current portion	<u>10,326</u>	<u>13,958</u>	-26.02%
<b>Total Current Liabilities</b>	<u>31,370</u>	<u>50,381</u>	-37.73%
<b>Non-Current Liabilities</b>			
Compensated absences	6,501	6,237	4.23%
Long-term liabilities less current portion	<u>399,492</u>	<u>228,946</u>	74.49%
<b>Total Non-Current Liabilities</b>	<u>405,993</u>	<u>235,183</u>	72.63%
<b>TOTAL LIABILITIES</b>	<u>437,363</u>	<u>285,564</u>	53.16%
<b>NET POSITION</b>			
Invested in capital assets, net of related debt	78,341	93,775	-16.46%
Restricted	32,461	46,953	-30.86%
Unrestricted	<u>43,146</u>	<u>26,355</u>	63.71%
<b>TOTAL NET POSITION</b>	<u>153,948</u>	<u>167,083</u>	-7.86%
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 591,311</u>	<u>\$ 452,647</u>	30.63%

## **MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

- The total cash balance had a net increase of \$97.1 million. The General Fund cash increased by \$6.7 million primarily as result of the decrease in apportionment deferrals, decreased by \$317 thousand for the transfer of the book rental program to the Auxiliary Services, and decreased by \$20.2 million for the payment of the Tax Revenue Anticipation Notes. The cash also increased by \$144.8 million due to the receipt of Measure RR bond proceeds issued in August 2013. Finally, the cash decreased by \$34.5 million for Measure R and Measure RR bond construction projects payments for the Administration Building Site Improvement, the Business and Computer Technology Building, the Parking Structure, the Site Improvement South of Building 12, the Building 12 Renovation for Classroom Space, the Building 47 Facilities Renovation, Various Portable Buildings, the Utility Infrastructure South West of Building 12, the Child Development Center, the Agricultural Science Building, and the Construction Support Project. The cash flow statement included in these financial statements provides greater detail on the sources and uses of the District's cash.
- The total account receivables had a net decrease of \$2.7 million. The account receivables primarily decreased by \$3.4 million in the Unrestricted General Fund due to the decrease of the statewide apportionment deferrals from \$801 million to \$592.5 million. The remaining balances were slight increases for \$700 thousand in the Student Accounts Receivable and Miscellaneous Accounts Receivables for interest earned as of June 30, 2014.
- Capital assets had a net increase of \$23.5 million. The District had additions of \$34.9 million related to equipment purchases, site and site improvement, capitalized interest, and construction in progress. The District recognized depreciation expense of \$11.5 million during 2013-14. The capital asset section of this discussion and analysis provides greater information.
- The accounts payable and accrued liabilities had a net increase of \$4.2 million. This is mainly due to an increase of \$2.7 million in accounts payable for the Fire Academy Site Preparation, the Emergency Infrastructure Project, the Building 12 Renovation for Classroom Space, and the Building 47 Facilities Renovation. Other increases account for \$636 thousand for an increase in the adjunct faculty salaries due to the increase in courses and \$849 thousand for interest payable of Measure R and Measure RR general obligation bonds.
- The District implemented GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions" in fiscal year 2007-08 and GASB Statement No. 43, "Financial Reporting for Post-employment Benefits Plans Other than Pension Plans" in fiscal year 2008-09. With the implementation of GASB Statement No. 43, the District established the Mt. San Antonio Community College District OPEB Trust. Factors such as annual required contribution (ARC), interest income and contributions effect the change in net OPEB obligation. Additional information related to this asset/liability can be found in Note 13 of the financial statements.

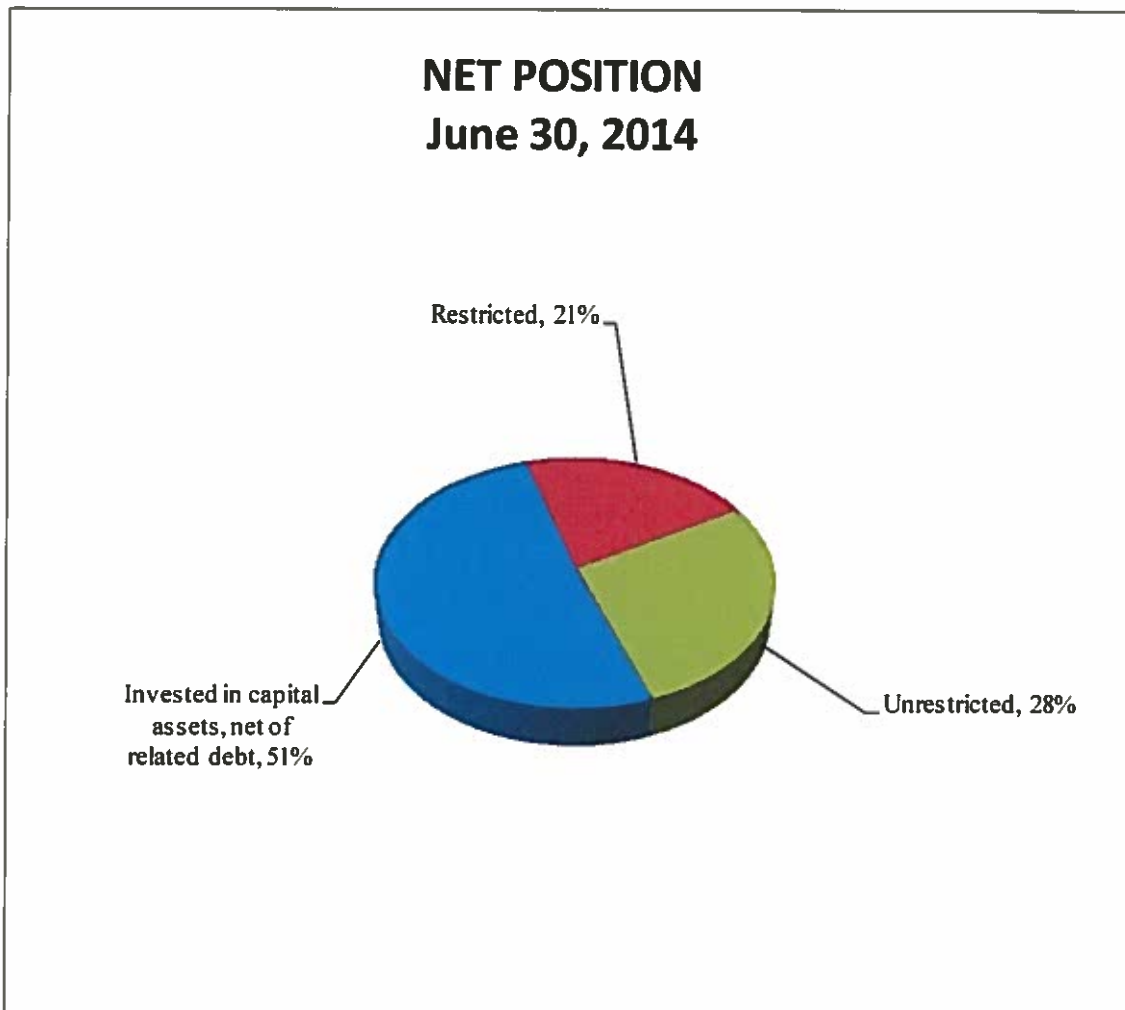


**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

- The current liabilities decreased by \$20.1 million for the payment of tax and revenue anticipation notes in December 2013. These notes were issued to supplement the District's cash flow.
- The net increase of \$167.1 million in our long term debt liabilities (current and non-current portions) is mainly due to the issuance of Measure RR general obligation bonds of \$234 million, the transfer of the \$73.6 million into an escrow account for the retirement of the bond anticipation notes debt upon maturity, and the increase of \$6.7 million of Other Postemployment Benefits Other Than Pensions (OPEB). The debt section of this discussion and analysis provides additional information.
- The following is a graphic representation of the Net Position as of June 30, 2014:



**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

**Statement of Revenues, Expenses and Change in Net Position**

Change in net position as presented on the Statement of Net Position are based on the activity presented in the Statement of Revenues, Expenses and Change in Net Position. The purpose of this statement is to present the operating and non-operating revenues earned, whether received or not, by the District, the operating and non-operating expenses incurred, whether paid or not, by the District, and any other revenues, expenses, gains and/or losses earned or incurred by the District. Thus, this Statement presents the District's results of operations.

Generally, operating revenues are earned for providing goods and services to the various customers and constituencies of the District. Operating expenses are those expenses incurred to acquire or produce the goods and services provided in return for the operating revenues and to fulfill the mission of the District. Non-operating revenues are those received or pledged for which goods and services are not provided; for example, State appropriations are non-operating because they are provided by the legislature to the District without the legislature directly receiving commensurate goods and services for those revenues.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

A summarized comparison of the Statement of Revenues, Expenses and Change in Net Position is presented below:

	(in thousands)		
	<u>2014</u>	<u>2013</u>	<u>Change</u>
<b>OPERATING REVENUES</b>			
Net enrollment, tuition and fees	\$ 17,351	\$ 17,082	1.57%
Grants and contracts, non-capital	<u>64,472</u>	<u>64,237</u>	0.37%
Total operating revenues	<u>81,823</u>	<u>81,319</u>	0.62%
Total operating expenses	<u>234,800</u>	<u>226,369</u>	3.72%
Operating loss	<u>(152,977)</u>	<u>(145,050)</u>	5.47%
Non-Operating revenues (expenses), non-capital			
State apportionments, non-capital	106,316	84,370	26.01%
Local property taxes	20,787	29,925	-30.54%
State taxes and other revenues (losses)	5,560	5,462	1.79%
Contributions, grants and other local revenue	180	346	-47.98%
Investment income, net	392	533	-26.45%
Transfer to/from fiduciary funds, net	(6)	55	-110.91%
Book rental program transfer	(317)		100.00%
Transfers Auxiliary agency funds		869	-100.00%
Interest expense	<u>(11,902)</u>	<u>(6,917)</u>	72.07%
Total non-operating revenues (expenses)	<u>121,010</u>	<u>114,643</u>	5.55%
Other revenues, expenses, gains or losses, capital	<u>18,832</u>	<u>23,057</u>	-18.32%
Change in net assets	<u>(13,135)</u>	<u>(7,350)</u>	78.71%
Net Position, beginning of year, as originally stated	167,083	170,851	-2.21%
Cumulative effect of change in accounting principle		<u>3,582</u>	-100.00%
Net position, beginning of year, as restated	<u>167,083</u>	<u>174,433</u>	-4.21%
Net position, end of year	<u>\$ 153,948</u>	<u>\$ 167,083</u>	-7.86%

## **MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

- Net enrollment, tuition and fees increased by approximately 1.6%. This increase is mainly due to the increase in classes offered to students as a result of growth funding approved by the state for 2013-14 fiscal year. The Board of Governors (BOG) fee waivers also increased due to the Dream Act/540 students becoming eligible effective in the fiscal year 2013-14 and an increase in financial aid applications.
- Non-capital grants and contracts had a slight increase of 0.4% as a result of the increase of Cal Grants and Pell awarded to students, Disabled Student Program and Services, and Student Success and Support Program.
- The net increase in operating expenses of 3.7% is mainly due the increase in academic salaries for course increases in the 2013-14 fiscal year, a 1.57% ongoing salary increase, an additional one-time 1% salary increase, and a one-time annual \$1,500 health and welfare increase for all regular employees. Other notable increases are the Other Operating Expenses and Services and the Depreciation expense. As new buildings are completed, depreciation expense is recognized.
- Until the fiscal year 2011-12, the District's base apportionment sources of funding included the following three components: State apportionment, property taxes and enrollment fees. On November 2012, voters approved Proposition 30, The Schools and Local Public Safety Protection Act of 2012. This proposition temporarily raises the sales tax and use tax by .25 cents for four years, and raises the income tax on annual earnings over \$250,000 for seven years. The language of this proposition required the creation of the Education Protection Account (EPA) in the State's General Fund. Therefore, this new component has been added as a source of the District's base apportionment, effective with fiscal year 2012-13. The EPA funds are not additional funds. Similar to Local Property Taxes, district's state aid is reduced by one dollar for each dollar received from the EPA. The State Apportionment Non-capital increased by \$21.9 million due to restoration/growth funding as well as backfilling the Local Property Taxes decrease of \$9 million as a result of lower Educational Revenue Augmentation Fund (ERAF) and Redevelopment Revenues property collections.
- The District transferred \$317 thousand for the Book Rental Program to Auxiliary Services. This federal grant was handled in the District's accounting books and managed by the Sac Book Rac, a component of Mt. San Antonio Auxiliary Services. One of the grant's objectives was to create a self-sustaining textbook rental program to be transferred to the Sac Book Rac at the completion of the grant.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

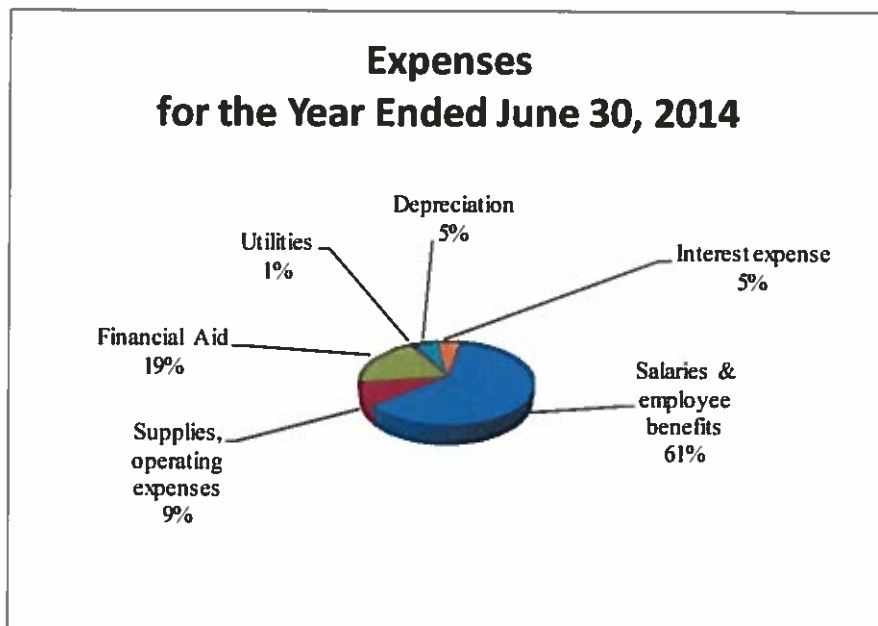
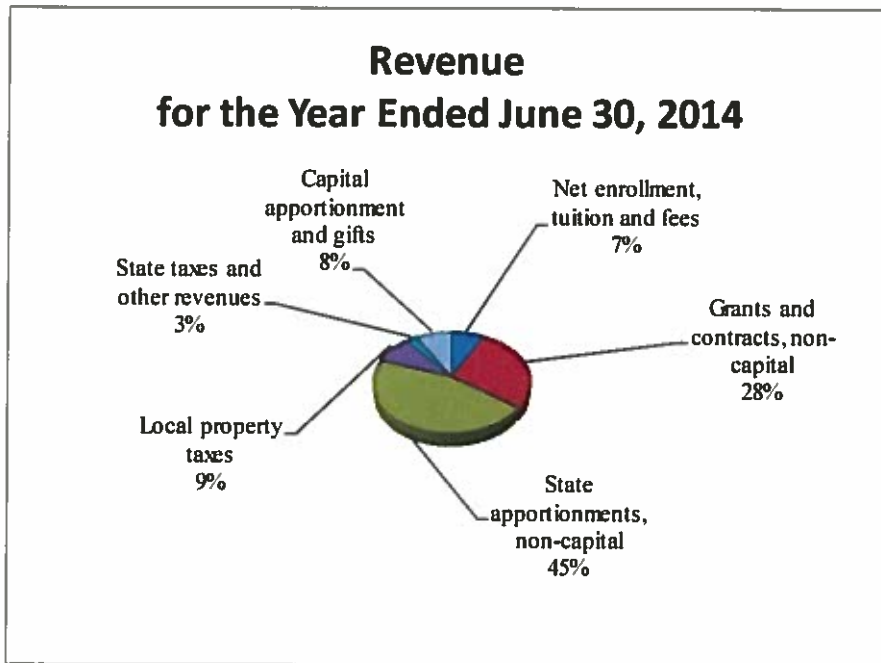
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

- Interest expense increased by \$5.0 million primarily due to the timing of interest payments, net of the 2013-14 write off of the general obligation bond premiums related to the 2013 Series A and B refunding, and a decrease in the interest expenses that were capitalized in the fiscal year 2013-14.
- The category “Other revenues, expenses, gains or losses, capital” reflects a net decrease of \$4.2 million. This is due to an increase of \$238 thousand for the Proposition 39 Energy Efficiency and Renewable Generation project, a decrease of \$5.4 million for the property taxes collected for general obligation bond repayments, and an increase of \$735 thousand for interest earned in the Bond Construction Fund as the District received bond proceeds for Measure RR general obligation bonds in August 2013.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**June 30, 2014**

- Functional expenses are detailed in Note 16 of the financial statements.



# MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

### Statement of Cash Flows

The Statement of Cash Flows provides information about cash receipts and cash payments during the fiscal year. This Statement also helps users assess the District's ability to generate positive cash flows, meet obligations as they come due, and obtain external financing.

The Statement of Cash Flows is divided into five parts. The first part reflects operating cash flows and shows the net cash used by the operating activities of the District. The second part details cash received for non-operating, non-investing and non-capital financing purposes. The third part shows cash flows from capital and related financing activities, disclosing the cash used for the acquisition and construction of capital and related items. The fourth part provides information from investing activities and the amount of interest received. The last section reconciles the net cash used by operating activities to the operating loss reflected on the Statement of Revenues, Expenses and Change in Net Position.

	(in thousands)		
	<u>2014</u>	<u>2013</u>	<u>Change</u>
Cash Provided By (Used in)			
Operating activities	\$ (132,947)	\$ (130,959)	1.52%
Non-capital financing activities	114,681	160,643	-28.61%
Capital and related financing activities	114,793	(5,712)	2109.68%
Investing activities	<u>529</u>	<u>219</u>	141.55%
Net change in cash and cash equivalents	97,056	24,191	301.21%
Cash Balance, Beginning of Year	<u>90,770</u>	<u>66,579</u>	36.33%
Cash Balance, End of Year	<u>\$ 187,826</u>	<u>\$ 90,770</u>	106.93%

## **MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

- Cash receipts from “Operating activities” are from student enrollment, tuition and other fees and from Federal, State and local grants. Uses of cash are payments to employees, vendors and students related to the instructional programs. The net increase in cash used by operating activities is primarily due to the timing of when revenue is received and payments are paid. During 2013-14, the main contributors to this net decrease were the increase in state categorical programs such as Disabled Student Program and Services and the payment of salary and health welfare increase for regular employees.
- Cash received from “Non-capital financing activities” decreased by \$46 million. This was the result of the increase in apportionment and decrease of the statewide apportionment deferrals from \$801 million in fiscal year 2012-13 to \$592.5 million in fiscal year 2013-14. The District received \$9.2 million less in property taxes due to lower collections of the Educational Revenue Augmentation Fund (ERAF) and Redevelopment Revenues property taxes. In addition, the District paid the \$20.2 million on tax revenue anticipation notes and transferred \$317 thousand to Auxiliary Services for the Book Rental Program.
- The cash from “Capital and related financing activities” had a net increase of \$120.5 million. This cash increase is primarily due to the receipt of Measure RR general obligation bond proceeds and purchase of capital assets.
- Cash provided by “investing activities” includes interest earned on bank accounts and cash invested through the Los Angeles County pool. This revenue primarily consists of interest earned in the Unrestricted General Fund.



# MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

### District's Fiduciary Responsibility

The District includes Mt. San Antonio Auxiliary Services as a component unit. The Auxiliary is a separate not-for-profit corporation formed to promote and assist the educational programs of the District. Separate financial statements for the Auxiliary can be obtained through the District.

The Mt. San Antonio Community College District OPEB Trust was established in 2008-09. The Trust is an irrevocable government trust for the purpose of funding post-employment health benefits. The District acts as the fiduciary of the Trust and the financial activity of the Trust has been discretely presented in the financial statements.

The District has the responsibility of accounting for the Associated Student Trust, Student Loans and Scholarships, Student Representation Fee, Other Trusts, and Student Clubs. These fiduciary activities are reported in separate Statements of Fiduciary Net Position and Change in Fiduciary Net Position. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

# MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

### Capital Asset and Debt Administration

#### Capital Assets

As of June 30, 2014, the District had over \$382.7 million invested in depreciable capital assets. Total cost of capital assets of \$462.2 million consist of land, buildings and building improvements, construction in progress, vehicles, data processing equipment and other office equipment. These assets have accumulated depreciation of \$109.8 million. Significant capital asset additions and deletions of \$34.7 million, which is mainly a net increase in construction in progress totaling \$20.6 million, an increase in equipment totaling \$3.1 million, and a net increase in site improvements totaling \$11.0 million, occurred during 2013-14. Depreciation expense of \$11.5 million was recorded for the fiscal year.

During 2013-14, the following projects were capitalized:

- Founders Hall Alterations
- San Jose Hills Entrance Intersection
- Temple/Bonita Intersection Realignment
- Bonita/Walnut Intersection Signalization
- Science building 60
- Landscape Improvements
- Astronomy Dome building
- Portable buildings 21E, 21F, 21G, 21H, 21I, and 21J
- Building 18
- Building 28B
- Remodel portions of buildings 1A Printmaking, 45 Physical Education, and 50G Classrooms

Construction in progress during 2013-14 includes the following projects:

- Building 9C Improvements
- Athletic Complex
- Chiller and Cooling Tower building 2
- Business/Computer Technology Center building 63
- Child Development Center building 70
- Renovation for Classroom Space building 12
- Facilities Planning Renovation building 47
- Site Improvement South of building 12
- Parking Structure
- Utility Infrastructure NE Quadrant of building 12
- Utility Infrastructure NW Quadrant

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

Note 5 to the financial statements provides additional information on capital assets. A comparison of capital assets, net of depreciation is summarized below:

	(in thousands)		
	<u>2014</u>	<u>2013</u>	<u>Change</u>
Land	\$ 619	\$ 619	0.00%
Buildings and improvements	264,670	262,584	0.79%
Equipment and collections	8,489	7,744	9.62%
Construction in progress	<u>78,638</u>	<u>58,014</u>	35.55%
Capital assets, net	<u>\$ 352,416</u>	<u>\$ 328,961</u>	7.13%

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

**Debt**

On June 30, 2014, the District had \$416.3 million in debt. The balance primarily includes the remaining principal debt for the Measure R (Election 2001) and the Measure RR (Election 2008) bonded debt. The outstanding bond debt of Measure R consists of \$2.2 million in Series B general obligation bonds issued in February 2004, \$2.9 million in Series C general obligation bonds issued in September 2006, \$22.4 million in Series D general obligation bonds issued in July 2008, \$74.9 million Series A general obligation refunding bonds issued August 2013, and \$48.2 million Series B general obligation refunding bonds issued August 2013. The outstanding bond debt of Measure RR consists of \$205.6 million Series A general obligation and \$11.7 million Series B issued in August 2013. The general obligation bonds were issued to finance the repair, upgrade, acquisition, construction and equipment of certain District property and facilities. The general obligation bonds comprise approximately 93% of the District's total long-term debt. Debt payments on the bond will be funded through property tax receipts collected over the term of the bonds. The District's bond rating of AA, Standard & Poor's has not changed from the prior year.

Notes 7 through 11 to the financial statements provide additional information on long-term liabilities. A comparison of long-term debt is summarized below:

	(in thousands)		
	<u>2014</u>	<u>2013</u>	<u>Change</u>
Long-term debt			
Loan payable	\$ 139	\$ 180	-22.78%
Compensated absences	7,886	7,494	5.23%
Bond anticipation notes (including premium)		65,426	-100.00%
Bond anticipation notes - accreted interest		8,184	-100.00%
Bonds payable (including premium)	388,820	151,970	155.85%
Bonds - accreted interest	6,317	9,426	-32.98%
Other postemployment benefits other than pensions (OPEB)	<u>13,157</u>	<u>6,461</u>	103.64%
Total long-term debt	416,319	249,141	67.10%
Less current portion	<u>(10,326)</u>	<u>(13,958)</u>	-26.02%
Long-term portion	<u>\$ 405,993</u>	<u>\$ 235,183</u>	72.63%

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

**Economic Factors that May Affect the Future**

As of June 30, 2014, the District's overall financial position is strong due to prior year's prudent fiscal management, which resulted in a healthy balance of \$30.2 million in the Unrestricted General Fund.

The 2014-15 Governor's budget for community colleges includes a 2.75% growth increase. Accordingly, the District plan is to increase course offerings by 943 FTES for the fiscal year 2014-15.

The economic position of the District is closely tied to the State of California. There are significant unknown factors that may affect the District in future years such as: the Passage of Proposition 30 tax increases are temporary fixes to the state revenues and will phase out in 2018; the continuous apportionment deficits as a result of shortfalls in property taxes and enrollment fees, and the significant increases in the STRS employer contributions.

**Subsequent Events**

Effective July 1, 2014, all regular employees will receive a 1% on schedule salary increase and \$500 annually for health and welfare. In addition, if the District receives 2013-14 Over Cap Growth, 15% of these funds will be used to provide a proportional health and welfare contribution of up to a maximum of \$1,100 per fiscal year, retroactive to July 1, 2014.

**BASIC FINANCIAL STATEMENTS**

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**STATEMENT OF NET POSITION**

June 30, 2014

	<u>Primary Government</u>	<u>Component Unit Auxiliary Services</u>
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 27,131,990	\$ 1,954,995
Accounts and notes receivable, net	26,551,925	231,179
Due from Auxiliary Services	77,774	
Due from the District		122,628
Due from fiduciary fund		109,100
Inventories		1,711,843
Prepaid expenses and deposits		23,575
<b>Total Current Assets</b>	<u>53,761,689</u>	<u>4,153,320</u>
Non-Current Assets:		
Restricted cash and cash equivalents	160,694,051	
Notes receivable		24,705
Capital assets		
Nondepreciable	79,380,376	66,908
Depreciable, net of accumulated depreciation	273,035,529	222,083
<b>Total Non-Current Assets</b>	<u>513,109,956</u>	<u>313,696</u>
<b>Total Assets</b>	<u>566,871,645</u>	<u>4,467,016</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>		
Deferred charge on refunding	24,438,852	
<b>TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES</b>	<u>\$ 591,310,497</u>	<u>\$ 4,467,016</u>
<b>LIABILITIES AND NET POSITION</b>		
Current Liabilities:		
Accounts payable	\$ 10,725,782	\$ 176,185
Accrued liabilities	4,102,263	82,594
Accrued interest payable	2,710,790	
Unearned revenue	3,349,527	16,018
Due to Auxiliary Services	122,628	
Due to the District	77,774	
Amount held in trust for loans or others	31,970	
Compensated absences - current portion	1,385,281	64,993
Loans payable - current portion	30,870	
To General obligation bonds payable - current portion	8,910,000	
	<u>31,369,111</u>	<u>417,564</u>
Non-Current Liabilities:		
Compensated absences	6,500,607	
Other postemployment benefits other than pensions (OPEB)	13,156,754	
Loans payable	107,968	
To General obligation bonds payable, net	386,227,744	
	<u>405,993,073</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<u>437,362,184</u>	<u>417,564</u>
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	(1,039,087)	288,991
Re Scholarships and loans	2,826	
Capital projects	14,836,649	
Debt service	14,767,945	
Other special services	2,853,757	
Unrestricted	122,526,223	3,760,461
<b>TOTAL NET POSITION</b>	<u>153,948,313</u>	<u>4,049,452</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 591,310,497</u>	<u>\$ 4,467,016</u>

See the accompanying notes to the financial statements.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION**  
**For the Fiscal Year Ended June 30, 2014**

	<u>Primary Government</u>	<u>Component Unit Auxiliary Services</u>
<b>OPERATING REVENUES</b>		
Enrollment, tuition and other fees (gross)	\$ 38,244,683	\$
Less: Scholarship discounts and allowances	<u>(20,893,374)</u>	
Net enrollment, tuition and other fees	17,351,309	-
Grants and contracts, non-capital:		
Federal	49,090,528	
State	12,443,762	
Local	2,564,822	
Sales and charges, net	<u>372,458</u>	<u>1,610,841</u>
<b>TOTAL OPERATING REVENUES</b>	<u>81,822,879</u>	<u>1,610,841</u>
<b>OPERATING EXPENSES</b>		
Salaries	117,468,649	644,016
Employee benefits	33,046,380	287,509
Supplies, materials and other operating expenses and services	21,898,029	544,085
Financial aid	47,325,799	13,000
Utilities	3,605,458	
Depreciation	<u>11,456,017</u>	<u>82,667</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>234,800,332</u>	<u>1,571,277</u>
<b>OPERATING LOSS</b>	<u>(152,977,453)</u>	<u>39,564</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
State apportionments, non-capital	106,316,533	
Local property taxes	20,787,189	
State taxes and other revenues	5,560,504	
Contributions, grants and other local revenue	179,558	118,922
Investment income, net	392,200	6,671
Transfer to fiduciary trust funds	(6,038)	
Book rental program transfer	(317,345)	469,814
Settlement		(35,373)
Interest expense	<u>(11,901,966)</u>	
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	<u>121,010,635</u>	<u>560,034</u>
<b>GAIN (LOSS) BEFORE OTHER REVENUES, EXPENSES, GAINS OR (LOSSES)</b>	<u>(31,966,818)</u>	<u>599,598</u>
<b>OTHER REVENUES, EXPENSES, GAINS OR (LOSSES)</b>		
State apportionments, capital	1,160,514	
Local property taxes and revenues, capital	16,625,533	
Investment income, capital	1,023,676	
Gain on disposal of fixed assets	<u>22,557</u>	
<b>TOTAL OTHER REVENUES, EXPENSES, GAINS OR (LOSSES)</b>	<u>18,832,280</u>	<u>-</u>
<b>INCREASE (DECREASE) IN NET POSITION</b>	<u>(13,134,538)</u>	<u>599,598</u>
<b>NET POSITION, BEGINNING OF YEAR</b>	<u>167,082,851</u>	<u>3,449,854</u>
<b>NET POSITION, END OF YEAR</b>	<u>\$ 153,948,313</u>	<u>\$ 4,049,452</u>

See the accompanying notes to the financial statements.



**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**STATEMENT OF CASH FLOWS**  
For the Fiscal Year Ended June 30, 2014

	<u>Primary Government</u>	<u>Component Unit Auxiliary Services</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Enrollment, tuition and fees	\$ 17,269,631	\$
Federal grants and contracts	47,698,789	
State grants and contracts	14,115,480	
Local grants and contracts	2,432,956	
Sales and commissions	372,458	4,774,052
Payments to suppliers	(24,764,702)	(3,888,835)
Payments to/on-behalf of employees	(142,789,384)	(1,129,945)
Payments to/on-behalf of students	(47,306,923)	
Other receipts/(payments)	24,475	272,271
Net cash provided (used) by operating activities	<u>(132,947,220)</u>	<u>27,543</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
State apportionments and receipts	107,888,144	
Property taxes	20,747,386	
Grants, gifts and other local revenue for other than capital purposes	6,688,370	
Principal and interest paid on tax revenue anticipation notes, net Settlement	(20,318,889)	(35,373)
Transfer of book rental proceeds to Auxiliary	(317,345)	317,345
Transfer to fiduciary trust fund	(6,038)	
Net cash provided by non-capital financing activities	<u>114,681,628</u>	<u>281,972</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
State apportionment and receipts for capital purposes	1,996,505	
Property taxes and other local revenue for capital purposes	16,625,533	
Net purchase and sale of capital assets	(32,729,948)	(54,913)
Proceeds from capital debt, net of premium and costs	359,258,268	
Principal and interest paid on capital debt	(230,852,280)	
Interest on capital investments	495,479	
Net cash provided (used) by capital and related financing activities	<u>114,793,557</u>	<u>(54,913)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Note receivable payments		7,058
Interest on investments	528,407	6,671
Net cash provided by investing activities	<u>528,407</u>	<u>13,729</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	97,056,372	268,331
<b>CASH BALANCE - Beginning of Year</b>	<u>90,769,669</u>	<u>1,686,664</u>
<b>CASH BALANCE - End of Year</b>	<u>\$ 187,826,041</u>	<u>\$ 1,954,995</u>

See the accompanying notes to the financial statements.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**STATEMENT OF CASH FLOWS  
For the Fiscal Year Ended June 30, 2014**

	<u>Primary Government</u>	<u>Component Unit Auxiliary Services</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>		
<b>CASH USED BY OPERATING ACTIVITIES</b>		
Net Operating Income (Loss)	\$ (152,977,453)	\$ 39,564
Adjustments to reconcile net loss to net cash used by operating activities:		
Depreciation expense	11,456,017	82,667
Bad debt write off	119,271	
Changes in assets and liabilities:		
Accounts and notes receivable, net	171,970	73,892
Due from Auxiliary Services	(45,470)	
Due from District		(60,123)
Inventories		(8,996)
Prepaid expenses		(11,216)
Accounts payable and accrued liabilities	1,091,308	(29,499)
Due to Auxiliary Services	69,945	
Due to District		33,475
Unearned revenue	68,700	(174)
Compensated absences	392,348	5,738
Other postemployment benefit obligation	6,695,655	(97,785)
Amount held in trust	10,489	
Net cash provided (used) by operating activities	<u>\$ (132,947,220)</u>	<u>\$ 27,543</u>
<b>Breakdown of ending cash balance:</b>		
Cash and cash equivalents	\$ 27,131,990	\$ 1,954,995
Restricted cash and cash equivalents	160,694,051	
Total	<u>\$ 187,826,041</u>	<u>\$ 1,954,995</u>
<b>Supplemental Disclosure</b>		
Non cash financing activities:		
Reduction on loans payable - usage credits	\$ 28,915	\$
Book rental inventory transfer from District		152,469

See the accompanying notes to the financial statements.

MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT

STATEMENT OF FIDUCIARY NET POSITION

June 30, 2014

	Primary Government	
	Trust Funds	Agency Funds
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,810,685	\$ 130,592
Accounts receivable	53,265	-
<b>TOTAL ASSETS</b>	<u>2,863,950</u>	<u>130,592</u>
<b>LIABILITIES</b>		
Accounts payable	23,330	3,872
Unearned revenue	4,417	
Amount held in trust for loans	104,457	126,720
<b>TOTAL LIABILITIES</b>	<u>132,204</u>	<u>130,592</u>
<b>NET POSITION</b>		
Restricted	2,731,746	-
<b>TOTAL NET POSITION</b>	<u>\$ 2,731,746</u>	<u>\$ -</u>

See the accompanying notes to the financial statements.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**STATEMENT OF CHANGE IN FIDUCIARY NET POSITION**

**For the Fiscal Year Ended June 30, 2014**

	<b>Primary Government</b>
	<b>Trust Funds</b>
<b>ADDITIONS</b>	
Contributions	\$ 586,440
Student representation fee	603,282
Interest income	12,020
Local income	5,596
Special events	469,708
<b>TOTAL ADDITIONS</b>	<b>1,677,046</b>
<b>DEDUCTIONS</b>	
Salaries	293,750
Benefits	70,821
Supplies and materials	54,122
Capital outlay	12,869
Other operating	417,855
Scholarships awarded	536,070
<b>TOTAL DEDUCTIONS</b>	<b>1,385,487</b>
<b>OTHER SOURCES (USES)</b>	
Interfund transfers from governmental funds	6,038
<b>TOTAL OTHER SOURCES (USES)</b>	<b>6,038</b>
Increase in Net Position	297,597
<b>NET POSITION, BEGINNING OF YEAR</b>	<b>2,434,149</b>
<b>NET POSITION, END OF YEAR</b>	<b>\$ 2,731,746</b>

See the accompanying notes to the financial statements.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**STATEMENT OF OTHER POSTEMPLOYMENT BENEFITS TRUST NET POSITION**  
**June 30, 2014**

	<b>Primary Government</b>	<b>Component Unit Auxiliary Services</b>
	<b>Retiree Benefit Trust</b>	<b>Retiree Benefit Trust</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 7,164,919	\$ 164,931
Contributions receivable	184,163	
Interest receivable	541,273	38,911
Investments	<u>64,581,556</u>	<u>3,269,931</u>
<b>TOTAL ASSETS</b>	<u>72,471,911</u>	<u>3,473,773</u>
<b>LIABILITIES</b>		
Due to governmental funds	<u>-</u>	<u>109,100</u>
<b>TOTAL NET POSITION - RESTRICTED FOR OTHER POSTEMPLOYMENT BENEFITS</b>	<u>\$ 72,471,911</u>	<u>\$ 3,364,673</u>

See the accompanying notes to the financial statements.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**STATEMENT OF CHANGE IN OTHER POSTEMPLOYMENT BENEFITS TRUST NET POSITION  
For the Fiscal Year Ended June 30, 2014**

	<u>Primary Government</u>	<u>Component Unit Auxiliary Services</u>
	<u>Retiree Benefit Trust</u>	<u>Retiree Benefit Trust</u>
<b>ADDITIONS</b>		
Interest and investment income	\$ 3,073,787	\$ 163,374
Net realized/unrealized gains	<u>1,609,889</u>	<u>96,864</u>
<b>TOTAL ADDITIONS</b>	<u>4,683,676</u>	<u>260,238</u>
<b>DEDUCTIONS</b>		
Benefits	3,994,645	109,100
Administrative expenses	<u>140,903</u>	<u>9,372</u>
<b>TOTAL DEDUCTIONS</b>	<u>4,135,548</u>	<u>118,472</u>
Increase in Net Position	548,128	141,766
<b>NET POSITION - RESTRICTED FOR OTHER POSTEMPLOYMENT BENEFITS, BEGINNING OF YEAR</b>	<u>71,923,783</u>	<u>3,222,907</u>
<b>NET POSITION - RESTRICTED FOR OTHER POSTEMPLOYMENT BENEFITS, END OF YEAR</b>	<u>\$ 72,471,911</u>	<u>\$ 3,364,673</u>

See the accompanying notes to the financial statements

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**A. REPORTING ENTITY**

The District is the level of government primarily accountable for activities related to public education. The governing authority consists of elected officials who, together, constitute the Board of Trustees.

The District considered its financial and operational relationships with potential component units under the reporting entity definition of GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*.

The basic, but not the only, criterion for including another organization in the District's reporting entity for financial reports is the ability of the District's elected officials to exercise oversight responsibility over such agencies. Oversight responsibility implies that one entity is dependent on another and a financial benefit or burden relationship is present and that the dependent unit should be reported as part of the other.

Oversight responsibility is derived from the District's power and includes, but is not limited to: financial interdependency; selection of governing authority; designation of management; ability to significantly influence operations; and accountability for fiscal matters.

Due to the nature and significance of their relationship with the District, including ongoing financial support of the District or its other component units, certain organizations warrant inclusion as part of the financial reporting entity. A legally separate, tax-exempt organization should be reported as a component unit of the District if all of the following criteria are met:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the District, its component units, or its constituents.
2. The District, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**A. REPORTING ENTITY (continued)**

3. The economic resources received or held by an individual organization that the District, or its component units, is entitled to, or has the ability to otherwise access, are significant to the District

Based upon the application of the criteria listed above, the following potential component units have been included in the District's reporting entity:

Mt. San Antonio College Auxiliary Services – The Auxiliary is a separate not-for-profit corporation formed to promote and assist the educational programs of the District. The Board of Directors are comprised of the Vice President of Administrative Services and Vice President of Student Services of the District along with the Associated Students' President and two other members appointed by the Vice President of Administrative Services. In addition, the Auxiliary may not carry on any activities not approved by the Vice President of Administrative Services of the District. Upon dissolution of the Auxiliary, net position, other than trust funds, will be distributed to the District. The Auxiliary's accounting function was transferred to the District's Fiscal Services department in July 2012. The financial activities of the Auxiliary have been discretely presented. Separate financial information for the Auxiliary can be obtained through the District.

Mt. San Antonio Community College District OPEB Trust – The Trust is an irrevocable governmental trust pursuant to Section 115 of the Internal Revenue Code for the purpose of funding certain post-employment benefits. The Trust Investment Committee, comprised of the Vice President, Administrative Services; Associate Vice President, Fiscal Services; and a Manager appointed by the President/CEO provide oversight over Trust investments. The Trust Administrative Committee comprised of the Vice President, Administrative Services, and a representative from the Faculty Association, CSEA 651 and CSEA 262, provide oversight over the plan administration. As such, the District acts as the fiduciary of the Trust. The financial activity of the Trust has been discretely presented. Separate financial statements are not prepared for the Trust.



**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**A. REPORTING ENTITY (continued)**

Based upon the application of the criteria listed above, the following potential component unit has been excluded from the District's reporting entity:

Mt. San Antonio College Foundation - The Foundation is a separate not-for-profit corporation created for the benefit of the District and its students and organized for educational purposes. The Foundation is not included as a component unit because the third criterion was not met; the economic resources received and held by the Foundation are not significant to the District. Separate financial information for the Foundation can be obtained through the District.

**B. FINANCIAL STATEMENT PRESENTATION**

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). The financial statement presentation required by GASB provides a comprehensive, entity-wide perspective of the District's financial activities. The entity-wide perspective replaces the fund-group perspective previously required. Fiduciary activities, with the exception of Student Financial Aid Programs, are excluded from the entity-wide perspective and are reported separately in the fiduciary statements.

The District operates a Warrant Pass-Through agency fund as a holding account for amounts collected from employees for Federal taxes, state taxes and other contributions. The District had cash in the County Treasury amounting to \$4,847,705 on June 30, 2014, which represents withholdings payable. The Warrant Pass-Through Fund is not reported in the basic financial statements.

**C. BASIS OF ACCOUNTING**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**C. BASIS OF ACCOUNTING (continued)**

For financial reporting purposes, the District is considered a special-purpose government engaged in business-type activities. Accordingly, the District's basic financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated with exception of those between the District and its fiduciary funds and its component units.

The statements of plan net position and change in plan net position of the other postemployment benefits trust are prepared using the accrual basis of accounting. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

For internal accounting purposes, the budgetary and financial accounts of the District have been recorded and maintained in accordance with the Chancellor's Office of the California Community College's *Budget and Accounting Manual*.

To ensure compliance with the California Education Code, the financial resources of the District are divided into separate funds for which separate accounts are maintained for recording cash, other resources and all related liabilities, obligations and equities.

By state law, the District's Governing Board must approve a budget no later than September 15. A public hearing must be conducted to receive comments prior to adoption. The District's Governing Board satisfied these requirements. Budgets for all governmental funds were adopted on a basis consistent with generally accepted accounting principles (GAAP).

These budgets are revised by the District's Governing Board during the year to give consideration to unanticipated income and expenditures. Formal budgetary integration was employed as a management control device during the year for all budgeted funds. Expenditures cannot legally exceed appropriations by major object account.

MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**C. BASIS OF ACCOUNTING (continued)**

1. Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Cash in the County Treasury is recorded at cost, which approximates fair value, in accordance with the requirements of GASB Statement No. 31.

2. Accounts Receivable

Accounts receivable consists primarily of amounts due from the Federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the District's grant and contracts. All material receivables are considered fully collectible. The District recognized for budgetary and financial reporting purposes any amount of state appropriations deferred from the current fiscal year and appropriated from the subsequent fiscal year for payment of current year costs as a receivable in the current year.

Accounts receivable from students for tuition and fees is recorded net of a provision for uncollectable amounts. In addition, accounts receivable also includes student loans receivable which consist of loan advances to students awarded under the student financial aid programs the District administers for federal agencies. Student loans receivable are recorded net of cancelled principal. The receivables are held in trust for the awarding federal agency.

3. Investments

Investments are reported at fair value, which is determined by the most recent bid and asking price as obtained from dealers that make markets in such securities.

4. Due from Auxiliary Services

Due from Auxiliary Services consists primarily of salary and benefits reimbursement, accounting services, workers' compensation, photo ID sales and reimbursements for leasehold improvements.

MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**C. BASIS OF ACCOUNTING (continued)**

5. Inventories

Instructional, custodial, health and other supplies held for consumption are expensed when purchased. The District has evaluated balances at year end and determined amounts on hand are not material to the financial statements.

6. Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents are those amounts designated for acquisition or construction of non-current assets or that are segregated for the liquidation of long-term debt.

7. Capital Assets

Capital assets are recorded at cost at the date of acquisition. Donated capital assets are recorded at their estimated fair value at the date of donation. For equipment, the District's capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life of greater than one year. Buildings valued at a cost of \$150,000 or more as well as renovations to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized.

Interest costs are capitalized as part of the historical cost of acquiring certain capital assets. To qualify for interest capitalization, assets must require a period of time before they are ready for their intended purpose. In determining the amount to be capitalized, interest costs are offset by interest earned on proceeds of the District's tax-exempt debt restricted to the acquisition of qualifying assets.

The cost of normal maintenance and repairs that does not add to the value of the asset or materially extend the asset's life is recorded in operating expense in the year in which the expense was incurred. Depreciation is computed using the straight-line method with a whole month convention over the estimated useful lives of the assets, generally 50 years for buildings and building improvements, 10 years for land improvements, 8 years for equipment and vehicles and 3 years for technology.

The collections - art includes donated paintings and fine art. The collections - art is on display in the art gallery. All items are deemed inexhaustible assets and therefore are not depreciated.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**C. BASIS OF ACCOUNTING (continued)**

**8. Deferred Outflow of Resources**

Deferred outflow of resources represent a consumption of net position that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The District has a deferred charge on refunding reported in the statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

**9. Accounts Payable and Accrued Liabilities**

Accounts payable consists of amounts due to vendors. Accrued liabilities consist of salaries and benefits payable.

**10. Accrued Interest Payable**

Accrued interest payable consists of interest expense related to financing incurred through June 30, 2014.

**11. Unearned Revenue**

Cash received for summer student enrollment fees and federal and state special projects and programs are recognized as revenue to the extent that qualified expenditures have been incurred. Unearned revenue is recorded to the extent cash received on specific projects and programs exceed qualified expenditures.

**12. Due to Auxiliary Services**

Due to Auxiliary Services consists primarily of expenses related to the Bookstore for various campus program functions, and a District contribution.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**C. BASIS OF ACCOUNTING (continued)**

**13. Compensated Absences**

Accumulated unpaid employee vacation benefits are recognized as liabilities of the District as compensated absences in the statement of net position. The District has accrued a liability for the amounts attributable to load banking hours within compensated absences. Load banking hours consist of hours worked by instructors in excess of a full-time load for which they may carryover for future paid time off.

Sick leave benefits are accumulated without limit for each employee. The employees do not gain a vested right to accumulated sick leave; therefore, accumulated employee sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expense in the period taken; however, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires within the constraints of the appropriate retirement systems.

**14. Net Position**

Invested in capital assets, net of related debt: This represents the District's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but proceeds have not yet been expensed for capital assets, such amounts are not included as a component of invested in capital assets, net of related debt.

Restricted net position – expendable: Restricted expendable net position includes resources in which the District is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties or by enabling legislation adopted by the District. The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**C. BASIS OF ACCOUNTING (continued)**

14. Net Position (continued)

Restricted net position – nonexpendable: Nonexpendable restricted net position consists of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal. The District had no restricted net position – nonexpendable.

Unrestricted net position: Unrestricted net position represents resources available to be used for transactions relating to the general operations of the District, and may be used at the discretion of the governing board to meet current expenses for any purpose.

15. Minimum Fund Balance Policy

The District has adopted a minimum fund balance policy in order to assure ongoing fiscal health and stability. The policy requires an unassigned fund balance of no less than 10% of unrestricted general fund expenditures. This policy meets the minimum reserve balance recommended by the California Community College Chancellor's Office that districts provide for a minimum prudent reserve balance of 5% of unrestricted expenditures.

16. State Apportionments

Certain current year apportionments from the state are based upon various financial and statistical information of the previous year.

Any prior year corrections due to recalculations in February of 2015 and subsequently will be recorded in the year computed by the State.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**C. BASIS OF ACCOUNTING (continued)**

**17. Property Taxes**

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on November 1 and February 1. Unsecured property taxes are payable in one installment on or before August 31.

Real and personal property tax revenues are reported in the same manner in which the County auditor records and reports actual property tax receipts to the Department of Education. This is generally on a cash basis. A receivable has not been recognized in the basic financial statements for property taxes due to the fact that any receivable is offset by a payable to the State for apportionment purposes. Property tax receivables for debt service purposes have been accrued in the basic financial statements.

For the fiscal year 2013-14, The District received a premium of \$17,161 in local revenue from the California Statewide Delinquent Tax Finance Authority for the sale of \$201,889 in delinquent tax receivables.

**18. On-Behalf Payments**

GASB Statement No. 24 requires that direct on-behalf payments for fringe benefits and salaries made by one entity to a third party recipient for the employees of another, legally separate entity be recognized as revenue and expenditures by the employer government. The State of California makes direct on-behalf payments for retirement benefits to the State Teachers' Retirement System on behalf of all Community Colleges in California. However, a fiscal advisory was issued by the California Department of Education instructing districts not to record revenue and expenditures for these on-behalf payments. The amount of on-behalf payments made for the District is estimated at \$3,595,000 for STRS.



MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**C. BASIS OF ACCOUNTING (continued)**

19. Classification of Revenues

The District has classified its revenues as either operating or nonoperating revenues according to the following criteria:

Operating revenues: Operating revenues include activities that have the characteristics of exchange transactions, such as student fees, net of scholarship discounts and allowances, and federal and most state and local grants and contracts.

Nonoperating revenues: Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as state apportionments, taxes, and other revenue sources that are defined as nonoperating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that use Proprietary Fund Accounting*, and GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

20. Scholarship Discounts and Allowances

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the statement of revenues, expenses and change in net position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the District, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other federal, state or nongovernmental programs, are recorded as operating revenues in the District's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the District has recorded a scholarship discount and allowance.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**C. BASIS OF ACCOUNTING (continued)**

**21. Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**22. Fiscal Accountability and Fiscal Independence**

On October 12, 2011, the District received approval from the Los Angeles County Superintendent of Schools to operate under the fiscal independence status beginning July 1, 2012. On November 7, 2011, the Board of Governor's confirmed and approved the District's request. As a district with fiscal independence, Los Angeles County Superintendent of Schools will continue to have the ability to monitor the district to assure that proper internal controls are in place to provide the appropriate oversight and internal audit functions for the issuance of payroll and commercial warrants directly through the County Treasury without review and approval by Los Angeles County Superintendent of Schools for scrutiny of the legality and propriety of district accounting transactions.

**NOTE 2 - DEPOSITS AND INVESTMENTS:**

**A. Deposits**

**Custodial Credit Risk**

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial risk. As of June 30, 2014, none of the District's bank balance of \$493,952 was exposed to credit risk.

In addition, at June 30, 2014, \$7,164,919 of the Mt. San Antonio OPEB Trust's (the Trust's) assets were exposed to credit risk as uninsured and uncollateralized deposits. These deposits are held with a trustee in money market funds and are rated AAA or better by Standard and Poor's, in accordance with the Trust's investment policy.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 2 - DEPOSITS AND INVESTMENTS: (continued)**

**A. Deposits (continued)**

**Cash in County**

In accordance with the Budget and Accounting Manual, the District maintains substantially all of its cash in the Los Angeles County Treasury as part of the common investment pool. These pooled funds are carried at amortized cost which approximates fair value. The fair market value of the District's deposits in this pool as of June 30, 2014, as provided by the pool sponsor, was \$189,312,719, as is based upon the District's pro-rata share of the fair value for the entire portfolio (in relation to amortized cost of the portfolio).

The county is authorized to deposit cash and invest excess funds by California Government code Section 53648 et. seq. The county is restricted by Government Code Section 53635 pursuant to Section 53601 to invest in time deposits, U.S. government securities, state registered warrants, notes or bonds, State Treasurer's investment pool, bankers' acceptances, commercial paper, negotiable certificates of deposit, and repurchase or reverse repurchase agreements. The funds maintained by the County are either secured by Federal depository insurance or are collateralized. The county investment pool is not required to be rated. Interest earned is deposited quarterly into participating funds, except for the Restricted General Fund, Student Financial Aid Fund and the Warrant Pass-Through Fund, in which case interest is credited to the General Fund. Any investment losses are proportionately shared by all funds in the pool.

MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

**NOTE 2 - DEPOSITS AND INVESTMENTS: (continued)**

**A. Deposits (continued)**

**Cash with Fiscal Agent**

The District has deposited certain amounts with the Alliance of Schools for Cooperative Insurance Programs (ASCIP). ASCIP is regulated by California Government Code Sections 16430, 53601 and 53635 (as is the District). The balance available for withdrawal is the carrying value, based upon historical cost. At June 30, 2014, the carrying value reported in the accompanying financial statements was \$625,309 which approximates fair value based upon the District's pro-rata share of the fair value provided by ASCIP for the entire ASCIP portfolio (in relation to the amortized cost of the portfolios). The investment is not required to be rated. The District has a written agreement with ASCIP for this deposit arrangement.

**B. Investments**

Investments held by the Mt. San Antonio OPEB Trust (the Trust) are limited to those within the terms of the trust agreement, any applicable plan documents and in accordance with California Code Section 53620 through 53622. The Trust did not violate any provisions of the above during the fiscal year ended June 30, 2014.

Investments held by the Trust at June 30, 2014 are presented below:

<u>Investment Type</u>	<u>Fair Value</u>
Corporate Bonds	\$ 20,100,494
Foreign Issues	3,273,945
Municipal Bonds	23,235,512
Common Stock	11,458,505
Equity Mutual Funds	<u>6,513,100</u>
Total	<u>\$ 64,581,556</u>

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 2 - DEPOSITS AND INVESTMENTS: (continued)**

**B. Investments (continued)**

**Interest Rate Risk – Debt Securities**

Interest risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The Trust does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Investment Maturities (in Years)	Fair Value	Debt Investments		
		Corporate Bonds	Foreign Bonds	Municipal Bonds
<Than 1	\$ 1,114,529	\$	\$	\$ 1,114,529
1 - 5	10,561,975	7,250,871	1,077,500	2,233,604
6 - 10	17,925,250	7,347,573	1,663,410	8,914,267
>Than 10	<u>17,008,197</u>	<u>5,502,050</u>	<u>533,035</u>	<u>10,973,112</u>
Total	<u>\$ 46,609,951</u>	<u>\$ 20,100,494</u>	<u>\$ 3,273,945</u>	<u>\$ 23,235,512</u>

**Credit Risk – Debt Securities**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Trust authorizes the use of a broad range of investment choices that have distinctly different risk and return characteristics, with the provision that all investments must continue to adhere to the underlying requirements of California Government Code Section 53600.5 and, in particular, its emphasis on preservation of capital. The individual investment ratings are indicated below.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 2 - DEPOSITS AND INVESTMENTS: (continued)**

**B. Investments (continued)**

**Credit Risk – Debt Securities (continued)**

Quality Ratings	Fair Value	Rated Debt Investments		
		Corporate Bonds	Foreign Bonds	Municipal Bonds
A	\$ 7,980,986	\$ 3,120,990	\$ 533,035	\$ 4,326,961
A-	5,486,465	1,953,580		3,532,885
A+	3,340,575	651,913		2,688,662
AA	8,185,240			8,185,240
AA-	2,326,187	922,841		1,403,346
AA+	1,291,899			1,291,899
B	537,500	537,500		
BB	3,334,503	2,257,003	1,077,500	
BB-	2,250,113	2,250,113		
BB+	560,000	560,000		
BBB+	315,057		315,057	
BBB-	3,758,685	2,716,455	1,042,230	
Not Rated	7,242,741	5,130,099	306,123	1,806,519
	<u>\$ 46,609,951</u>	<u>\$ 20,100,494</u>	<u>\$ 3,273,945</u>	<u>\$ 23,235,512</u>

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 2 - DEPOSITS AND INVESTMENTS: (continued)**

**B. Investments (continued)**

**Concentration of Credit Risk**

Concentration of credit risk is the risk of a loss attributed to the magnitude of a government's investment in a single issuer, however, the Trust places no limit on the amount that may be invested in any one issue; however, the Trust is exposed to concentration of credit risk whenever investments in any one issuer exceeds 5%. At June 30, 2014, the Trust's investments exposed to a concentration of credit risk were:

<u>Investment</u>	<u>Fair Value</u>	<u>Percentage of Investment</u>
Corporate issues		
JP Morgan Chase Co	\$ 2,119,400	5%
Municipal Issues		
California Short Term	2,238,920	5%
California Short Term Debt	2,550,450	5%
Capistrano Ca Unified School District Facilities	2,706,662	6%
Santa Cruz City Ca High School District Refunding	<u>2,688,662</u>	6%
	<u>\$ 12,304,094</u>	

**Custodial Credit Risk**

Custodial Credit Risk is the risk that, in the event of the failure of counterparty, the Trust will not be able to recover the value of its investments that are in possession of an outside party. Of the total investments, the Trust has a custodial credit risk exposure on all its investments in corporate securities and debt securities because the related securities are uninsured and unregistered. The Trust does not have a policy limiting the amount of securities that can be held be counterparties.

**NOTE 3 - ACCOUNTS RECEIVABLE:**

The accounts receivable balance as of June 30, 2014 consists of the following:

Federal and State	\$22,253,097
Debt Service Property Tax	1,843,338
Miscellaneous	1,583,852
Tuition and Fees (net of allowance for doubtful accounts \$316,932)	<u>871,638</u>
	<u>\$26,551,925</u>

**SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 4 - INTERFUND TRANSACTIONS:**

Interfund transfers consist of operating transfers from funds receiving resources to funds through which the resources are to be expended. Interfund receivables and payables result when the interfund transfer is transacted after the close of the fiscal year. Interfund activity has been eliminated in the basic financial statements, except for transactions occurring between governmental and fiduciary funds.

**NOTE 5 - CAPITAL ASSETS:**

Capital asset activity for the year ended June 30, 2014 is shown below:

	<u>Balance June 30, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2014</u>
<b>Non-depreciable assets:</b>				
Land	\$ 619,480	\$	\$	\$ 619,480
Collections - art	118,058	5,000		123,058
Construction in progress	<u>58,014,422</u>	<u>30,010,598</u>	<u>(9,387,182)</u>	<u>78,637,838</u>
Total non-depreciable assets	<u>58,751,960</u>	<u>30,015,598</u>	<u>(9,387,182)</u>	<u>79,380,376</u>
<b>Depreciable assets:</b>				
Building and building improvements	337,996,955	11,174,520	(162,375)	349,009,100
Equipment	<u>30,675,996</u>	<u>3,107,765</u>		<u>33,783,761</u>
Total depreciable assets	<u>368,672,951</u>	<u>14,282,285</u>	<u>(162,375)</u>	<u>382,792,861</u>
<b>Less accumulated depreciation for:</b>				
Building and building improvements	(75,413,590)	(9,087,758)	162,375	(84,338,973)
Equipment	<u>(23,050,100)</u>	<u>(2,368,259)</u>		<u>(25,418,359)</u>
Total accumulated depreciation	<u>(98,463,690)</u>	<u>(11,456,017)</u>	<u>162,375</u>	<u>(109,757,332)</u>
Total depreciable assets, net	<u>270,209,261</u>	<u>2,826,268</u>	<u>-</u>	<u>273,035,529</u>
Capital assets, net	<u>\$ 328,961,221</u>	<u>\$ 32,841,866</u>	<u>\$ (9,387,182)</u>	<u>\$ 352,415,905</u>

Total interest costs incurred for the year ended June 30, 2014 were \$11,964,610. Interest costs capitalized were \$62,644 and interest revenue used to offset interest cost, in determining the amount to be capitalized was \$703,434.



**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 6 – TAX REVENUE ANTICIPATION NOTES (TRANS):**

The District issued \$20,000,000 of Tax Revenue Anticipation Notes dated March 14, 2013 through the California Community College Financing Authority Tax and Revenue Anticipation Notes Program (2012-13, Series F.) The notes matured on December 31, 2013 and yielded 2.0% interest. The notes were sold by the District to supplement its cash flow.

Repayment requirements were that \$17,271,056 be deposited with the County Treasurer in August 2013, and a final payment of \$3,047,833 plus an amount sufficient to pay interest on the notes, be deposited in November 2013. All deposits were made with the County Treasurer on a timely basis.

**NOTE 7 - LOANS PAYABLE:**

The District entered into an agreement on November 24, 1993 with the Walnut Improvement Agency (the Agency) on behalf of the City of Walnut (the City) whereby the Agency shall contribute a maximum of \$1,000,000 to the District for construction of the Performing Arts Center. The District will reimburse the City for the Agency's contribution over a period of 20 years. The District must pay the City on a quarterly basis as of March 31, June 30, September 30 and December 31, \$1 for every ticket sold for all performances during the respective quarters and receives credit towards the loan for the City's usage of the facility.

During fiscal year 2013-14, the District repaid \$12,169 to the City, and received \$28,915 in facility usage credits. The remaining balance of \$138,838 is reflected as a liability on the statement of net position.

**NOTE 8 - GENERAL OBLIGATION BONDS – MEASURE R (2001):**

On November 6, 2001, \$221 million in general obligation bonds were authorized by an election held within the Mt. San Antonio College District under Proposition 39/Measure R. Proceeds from the sale of the bonds will be used to finance the construction, acquisition, furnishing and equipping of District facilities.

2001 Series A - On May 1, 2002 the District offered for sale \$40,000,000 in general obligation bonds. The bonds were issued as current interest bonds. The bonds have been in-substance defeased.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 8 - GENERAL OBLIGATION BONDS – MEASURE R (2001): (continued)**

2001 Series B - On February 4, 2004 the District offered for sale \$75,000,000 in general obligation bonds. The bonds were issued as current interest bonds.

2005 Refunding - On September 7, 2005 the District offered for sale \$75,745,843 in general obligation refunding bonds. The bonds were issued to refund certain outstanding general obligation bonds (Series A and Series B) of the District and to pay for certain capital improvements. The bonds were issued as current interest bonds in the aggregate principal amount of \$63,945,000 and as capital appreciation bonds in the aggregate principal amount of \$11,800,843.. The bonds have been in-substance defeased.

The proceeds associated with the refunding were deposited in an escrow fund for future repayment. At June 30, 2014 the outstanding balance of the defeased debt (Series A and Series B) to be paid by the escrow agent totaled \$44,170,000 and is scheduled to be repaid in August 2014. These bonds are considered in-substance defeased and are not recorded in the financial statements.

2001 Series C - On September 8, 2006 the District offered for sale \$79,996,203 in general obligation bonds. The bonds were issued as current interest bonds in the aggregate principal amount of \$78,755,000 and as capital appreciation bonds in principal amount of \$1,241,203. Certain maturities of the bonds have been in-substance defeased.

The capital appreciation bonds were issued with maturity dates of September 1, 2008 through September 1, 2012. Prior to the applicable maturity date, each bond will accrete interest on the principal component.

2001 Series D - On July 9, 2008 the District offered for sale \$26,003,609 in general obligation bonds. The bonds were issued as current interest bonds in the aggregate principal amount of \$20,065,000 and as capital appreciation bonds in principal amount of \$5,938,609.

The capital appreciation bonds were issued with maturity dates of June 1, 2010 through June 1, 2018. Prior to the applicable maturity date, each bond will accrete interest on the principal component.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 8 - GENERAL OBLIGATION BONDS – MEASURE R (2001): (continued)**

2012 Refunding - On June 6, 2012 the District offered for sale \$29,850,000 in general obligation refunding bonds. The bonds were issued to refund certain outstanding general obligation bonds (2005 Refunding) of the District. The bonds were issued as current interest bonds. The bonds have been in-substance defeased.

The proceeds associated with the refunding were deposited in an escrow fund for repayment of the outstanding balance of the defeased debt in August 2012. These refunded bonds are considered fully defeased and are not recorded on the financial statements.

2013 Refunding, Series A & B - On August 1, 2013 the District offered for sale \$74,910,000 (Series A) and \$48,190,000 (Series B) in general obligation refunding bonds. The bonds were issued to refund certain outstanding general obligation bonds (2005 Refunding, Series C, and 2012 Refunding) of the District. The bonds were issued as current interest bonds.

The proceeds associated with the refunding were deposited in an escrow fund for future repayment. At June 30, 2014 the outstanding balance of the refunded debt to be paid by the escrow agent totaled \$122,696,050 and is scheduled to be fully repaid by August 2017. These bonds are considered in-substance defeased and are not recorded on the financial statements.

The outstanding bonded debt of Mt. San Antonio Community College District for Measure R at June 30, 2014 is:

Date of Issue	Interest Rate %	Final Maturity Date <sup>(1)</sup>	Amount of Original Issue	Outstanding July 1, 2013	Issued Current Year	Redeemed Current Year	Outstanding June 30, 2014
2/4/2004 B	2.75-5.00%	8/1/2014	\$ 75,000,000	\$ 4,225,000	\$	\$ 2,075,000	\$ 2,150,000
9/7/2005	3.50-5.00%	8/1/2017	75,745,843	11,800,843		11,800,843	-
9/8/2006 C	4.00-5.00%	9/1/2016	79,996,203	78,755,000		75,815,000	2,940,000
7/9/2008 D	2.92-5.00%	6/1/2033	26,003,609	23,086,084		707,408	22,378,676
6/6/2012	2.00-3.75%	8/1/2016	29,850,000	29,210,000		29,210,000	-
8/1/2013 A	2.00-5.00%	9/1/2028	74,910,000		74,910,000		74,910,000
8/1/2013 B	0.72-4.10%	8/1/2023	48,190,000		48,190,000		48,190,000
			<u>\$ 409,695,655</u>	<u>\$ 147,076,927</u>	<u>\$ 123,100,000</u>	<u>\$ 119,608,251</u>	<u>\$ 150,568,676</u>

<sup>(1)</sup> Original maturity date prior to refunding:  
Series B 8/1/2028  
Series C 9/1/2031

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 8 - GENERAL OBLIGATION BONDS – MEASURE R (2001): (continued)**

The annual requirements to amortize all bonds payable, outstanding as of June 30, 2014, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Accreted Interest</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 5,892,021	\$ 217,979	\$ 6,321,183	\$ 12,431,183
2016	7,655,731	254,270	6,136,733	14,046,734
2017	8,161,112	288,888	5,898,886	14,348,886
2018	8,574,812	485,188	5,602,168	14,662,168
2019	10,445,000		5,274,272	15,719,272
2020-2024	66,345,000		18,745,781	85,090,781
2025-2029	36,615,000		6,009,250	42,624,250
2030-2033	6,880,000		832,000	7,712,000
<b>Total Debt Service</b>	<b><u>\$ 150,568,676</u></b>	<b><u>\$ 1,246,325</u></b>	<b><u>\$ 54,820,273</u></b>	<b><u>\$ 206,635,274</u></b>

Proceeds received in excess of debt are added to the maturity amount and amortized to interest expense over the life of the liability. The unmatured bonds included total premiums of \$29,763,719. This amount will be amortized using the straight line method. Amortization of \$4,583,906 was recognized during 2013-14.

At June 30, 2014, \$782,510 of accreted interest, net of payments and deletions associated with the refunded debt, has been accrued and included in long-term debt.

The difference between the reacquisition price and the net carrying amount on refunded debt is deferred and amortized as a component of interest expense over the life of the new debt. Payments to refunding escrow agents exceeded the existing carrying value of the refunded debt by \$33,130,564. Amortization of \$6,726,375 was recognized during 2013-14. The unamortized value of \$21,878,999 is reflected as deferred outflows of resources in the statement of net position.

**NOTE 9 - GENERAL OBLIGATION BONDS – MEASURE RR (2008):**

On November 4, 2008, \$353 million in general obligation bonds were authorized by an election held within the Mt. San Antonio College District under Proposition 39/Measure RR. Proceeds from the sale of the bonds will be used to finance the construction, acquisition, furnishing and equipping of District facilities and to liquidate the outstanding bond anticipation notes.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 9 - GENERAL OBLIGATION BONDS – MEASURE RR (2008): (continued)**

2008 Series A & B - On August 1, 2013 the District offered for sale \$205,586,691 (Series A) and \$11,715,000 (Series B) in general obligation bonds. The bonds were issued to liquidate the bond anticipation notes of the District and to pay for certain capital improvements. The Series A bonds were issued as current interest series bonds in the aggregate principal amount of \$5,280,000, as current interest term bonds in the principal amount of \$22,520,000, as capital appreciation bonds in the aggregate principal amount of \$28,534,146, and as convertible capital appreciation term bonds in the aggregate principal amount of \$149,252,545. The Series B bonds were issued as current interest bonds.

The capital appreciation bonds were issued with maturity dates of August 1, 2019 through August 1, 2033. Prior to the applicable maturity date, each bond will accrete interest on the principal component. The convertible capital appreciation term bonds were issued with conversion dates of August 1, 2023 and August 1, 2028. Prior to the applicable conversion date, each bond will accrete interest on the principal component.

The outstanding bonded debt of Mt. San Antonio Community College District for Measure RR at June 30, 2014 is:

<u>Date of Issue</u>	<u>Interest Rate %</u>	<u>Final Maturity Date</u>	<u>Amount of Original Issue</u>	<u>Outstanding July 1, 2013</u>	<u>Issued Current Year</u>	<u>Redeemed Current Year</u>	<u>Outstanding June 30, 2014</u>
8/1/2013 A	2.00-6.25%	8/1/2043	\$ 205,586,691	\$	\$ 205,586,691	\$	\$ 205,586,691
8/1/2013 B	0.72-4.10%	8/1/2023	11,715,000		11,715,000		11,715,000
			<u>\$ 217,301,691</u>	<u>\$ -</u>	<u>\$ 217,301,691</u>	<u>\$ -</u>	<u>\$ 217,301,691</u>

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 9 - GENERAL OBLIGATION BONDS – MEASURE RR (2008): (continued)**

The annual requirements to amortize all bonds payable, outstanding as of June 30, 2014, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Accreted Interest</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 2,800,000	\$	\$ 1,564,708	\$ 4,364,708
2016	2,595,000		1,523,529	4,118,529
2017	2,885,000		1,459,622	4,344,622
2018	1,365,000		1,399,030	2,764,030
2019	1,135,000		1,368,076	2,503,076
2020-2024	9,563,313	2,826,688	7,690,444	20,080,445
2025-2029	36,802,668	32,827,332	25,932,605	95,562,605
2030-2034	21,488,467	30,416,533	101,264,875	153,169,875
2035-2039	55,334,015	58,290,986	85,117,250	198,742,251
2040-2044	83,333,228	126,436,770	35,704,064	245,474,062
<b>Total Debt Service</b>	<b><u>\$ 217,301,691</u></b>	<b><u>\$ 250,798,309</u></b>	<b><u>\$ 263,024,203</u></b>	<b><u>\$ 731,124,203</u></b>

Proceeds received in excess of debt are added to the maturity amount and amortized to interest expense over the life of the liability. The bonds included total premiums of \$11,516,226. This amount will be amortized using the straight line method. Amortization of \$383,874 was recognized during 2013-14.

At June 30, 2014, \$5,534,885 of accreted interest has been accrued and included in long-term debt.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 10 - DEFEASED DEBT:**

**Bond Anticipation Notes**

On April 28, 2010, the District issued \$64,999,815 in bond anticipate notes. The notes are payable only at maturity, and will not pay interest on a current basis. The notes accrete in value from their initial principal amount to their maturity value, at an approximate accretion rate of 4.034% per annum.

On August 1, 2013, the bond anticipation notes were in-substance defeased by placing \$78,815,326 in proceeds from the issuance of the 2008 Series A and B general obligation bonds in an irrevocable escrow account. The proceeds and interest will provide amounts sufficient to pay the accreted value on the defeased notes at maturity on May 1, 2015. Accordingly, the escrow account and the defeased notes are not included in the District's financial statements. The outstanding balance of the defeased debt totaled \$76,165,787 at June 30, 2014.

The difference between the reacquisition price and the net carrying amount on the notes is deferred and amortized as a component of interest expense over the life of the defeased debt. Payments to the escrow agent exceeded the existing carrying value of the notes by \$5,631,676. Amortization of \$3,071,823 was recognized during 2013-14. The unamortized value of \$2,559,853 is reflected as deferred outflows of resources in the statement of net position.

The unamortized premium of \$426,790 associated with the notes was written-off to interest expense during 2013-14.

**Lease Revenue Bonds**

Certain lease revenue bonds of the District have been in-substance defeased by placing the proceeds of bond anticipation notes in an irrevocable escrow accounts held and managed by bank trustees, and invested in U.S. Treasury obligations. The principal and interest on which will provide amounts sufficient to pay the principal and interest on the defeased bonds in accordance with the schedule of remaining payments due. Accordingly, the escrow account and the defeased bonds are not included in the District's financial statements. On May 18, 2010, proceeds in the amount of \$9,596,000 were deposited in an escrow fund for future repayment. At June 30, 2014, \$5,950,000 in principal of the defeased bonds is still outstanding and is scheduled to be repaid in May 2018.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 11- LONG-TERM DEBT:**

A schedule of changes in long-term debt for the year ended June 30, 2014 is shown below:

	Balance June 30, 2013	Additions	Deletions	Balance June 30, 2014	Amounts Due in One Year
Loan payable-City of Walnut	\$ 179,922	\$	\$ 41,084	\$ 138,838	\$ 30,870
Compensated absences	7,493,540	392,348		7,885,888	1,385,281
Bond anticipation notes:					
Notes payable	64,999,815		64,999,815	-	
Premium	426,790		426,790	-	
Accreted interest	8,183,835		8,183,835	-	
General obligation bonds:					
Bonds payable - Measure R	147,076,927	123,100,000	119,608,251	150,568,676	5,892,021
Accreted interest - Measure R	9,425,535	964,401	9,607,426	782,510	217,979
Premium - Measure R	4,893,757	9,507,779	4,583,906	9,817,630	
Bonds payable - Measure RR		217,301,691		217,301,691	2,800,000
Accreted interest - Measure RR		5,534,885		5,534,885	
Premium - Measure RR		11,516,226	383,874	11,132,352	
Other postemployment benefits other than pensions (OPEB)	6,461,099	6,695,655		13,156,754	
<b>Total</b>	<b>\$ 249,141,220</b>	<b>\$ 375,012,985</b>	<b>\$ 207,834,981</b>	<b>\$ 416,319,224</b>	<b>\$ 10,326,151</b>

Liabilities liquidated by the General Fund for governmental activities, include compensated absences. The City of Walnut loan payable is liquidated by the Capital Outlay Fund. General obligation bond liabilities are liquidated through property tax collections as administered by the County Controller's office through the Bond Interest and Redemption Fund.



**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 12 - EMPLOYEE RETIREMENT PLANS:**

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Academic employees are members of the State Teachers' Retirement System (STRS) and classified employees are members of the Public Employees' Retirement System (PERS) and part-time, seasonal and temporary employees and employees not covered by STRS or PERS are members of the Alliance of Schools for Cooperative Insurance Programs (ASCIP).

**State Teachers' Retirement System (STRS)**

**Plan Description**

The District contributes to the State Teachers' Retirement System (STRS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by STRS. The plan provides retirement, disability and survivor benefits to beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law. STRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the STRS annual financial report may be obtained from STRS, 7667 Folsom Boulevard, Sacramento, CA 95826.

**Funding Policy**

Active plan members are required to contribute 8.0% of their salary and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the STRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2013-14 was 8.25% of annual payroll. The contribution requirements of the plan members are established and may be amended by State statute.

MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

**NOTE 12 - EMPLOYEE RETIREMENT PLANS: (continued)**

**Public Employees' Retirement System (PERS)**

**Plan Description**

The District contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law. CalPERS issues a separate comprehensive annual financial report that includes required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95814.

**Funding Policy**

Active plan members are required to contribute 7% of their salary. The District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution for fiscal year 2013-14 was 11.442% of annual payroll. The contribution requirements of the plan members are established and may be amended by State statute.

**Contributions to STRS and PERS**

The District's contributions to STRS and PERS for each of the last three fiscal years are as follows:

Year Ended <u>June 30,</u>	<u>STRS</u>		<u>PERS</u>	
	<u>Required Contribution</u>	<u>Percent Contributed</u>	<u>Required Contribution</u>	<u>Percent Contributed</u>
2012	\$5,148,943	100%	\$3,703,438	100%
2013	5,199,057	100%	4,014,846	100%
2014	5,482,715	100%	4,360,403	100%

MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

**NOTE 12 - EMPLOYEE RETIREMENT PLANS: (continued)**

**MetLife**

**Plan Description**

MetLife is a defined contribution plan qualifying under §401(a) and §501 of the Internal Revenue Code that is administered by Alliance of Schools for Cooperative Insurance Programs (ASCIP). The plan covers part-time, seasonal and temporary employees and employees not covered by §3121(b)(7)(F) of the Internal Revenue Code. The benefit provisions and contribution requirements of plan members and the District are established and may be amended by the ASCIP Board of Trustees.

**Funding Policy**

Contributions of 3% of covered compensation of eligible employees are made by the employer and 4.5% are made by the employee. Total contributions, employer and employee combined, were made in the amount of \$716,207 during the fiscal year. The total amount of covered compensation was \$9,549,469. Total contributions made are 100% of the amount of contributions required for fiscal year 2013-14.

**NOTE 13 - POSTEMPLOYMENT HEALTHCARE BENEFITS:**

**Plan Description**

The District administers a single-employer defined benefit healthcare plan (the Retiree Health Plan). The plan provides medical benefits to eligible retirees and their spouses in accordance with provisions established through negotiations between the District and the bargaining unions representing employees. Plan provisions are renegotiated each three-year bargaining period. The Retiree Health Plan does not issue a publicly available financial report.

Retirees and beneficiaries receiving benefits	563
Terminated plan members entitled to but not yet receiving benefits	9
Active plan members	<u>853</u>
Total	<u>1,425</u>

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 13 - POSTEMPLOYMENT HEALTHCARE BENEFITS: (continued)**

**Funding Policy**

The contribution requirements are established and may be amended by the District. The required contribution is based on projected pay-as-you-go financing requirements, with an annual adjustment to fully fund the actuarially determined annual required contribution. For fiscal year 2013-14, the District did not contribute to the plan. Current year premiums of \$3,994,645 were paid by the Mt. San Antonio Community College District OPEB Trust. The District is responsible for 100% of the coverage.

**Annual OPEB Cost and Net OPEB Obligation (Asset)**

The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The District has elected to amortize the unfunded actuarial liability over 30 years. The table below shows the components of the District's annual OPEB cost for the year, the amount actually contributed, and change in the District's net OPEB obligation (asset).

Annual required contribution (ARC)	\$ 6,792,905
Interest on net OPEB obligation	323,055
Adjustment to annual required contribution	<u>(420,305)</u>
Annual OPEB cost (expense)	6,695,655
Contributions made	<u>-</u>
Change in net OPEB obligation/(asset)	6,695,655
Net OPEB asset - beginning of year	<u>6,461,099</u>
Net OPEB obligation - end of year	<u>\$ 13,156,754</u>

MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

**NOTE 13 - POSTEMPLOYMENT HEALTHCARE BENEFITS: (continued)**

**Annual OPEB Cost and Net OPEB Obligation (Asset) (continued)**

The District's annual OPEB cost, the percentage of annual OPEB cost contributed, and the net OPEB obligation for each of the last three fiscal years is as follows:

<b><u>Fiscal Year Ended</u></b>	<b><u>Annual OPEB Cost</u></b>	<b><u>Percentage of Annual OPEB Cost Contributed</u></b>	<b><u>Net OPEB Obligation (Assets)</u></b>
6/30/2012	\$ 5,895,397	80.68%	\$ (124,444)
6/30/2013	6,585,543	0.00%	6,461,099
6/30/2014	6,695,655	0.00%	13,156,754

**Funding Status and Funding Progress**

As of March 1, 2014 the most recent actuarial valuation date, the plan was 67.2% funded. The actuarial accrued liability for benefits was \$107.4 million, and the actuarial value of assets held in the Mt. San Antonio Community College District OPEB Trust was \$72.1 million, resulting in an unfunded actuarial liability (UAAL) of \$35.2 million. The covered payroll (annual payroll of active employees covered by the plan was \$78.6 million, and the ratio of the UAAL to the covered payroll was 44.9%.

Actuarial valuations of an ongoing benefit plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of postemployment healthcare benefits funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets, if any, is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 13 - POSTEMPLOYMENT HEALTHCARE BENEFITS: (continued)**

**Funding Status and Funding Progress (continued)**

The accompanying schedule of employer contributions, also presented as required supplementary information, presents trend information about the amounts contributed to the plan by employers in comparison to the Annual Required Contribution (ARC), an amount that is actuarially determined in accordance with the parameters of GASB Statement No. 43. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost for each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

**Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, if any, consistent with the long-term perspective of the calculations.

The actuarial cost method used in determining the benefit obligations is the Entry Age Normal Cost method. The actuarial assumptions included a 5.0 percent investment rate of return (net of administrative expenses) which is a blended rate of the expected long-term investment returns on plan assets and on the employers own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 4.0 percent which included a 3.0 percent inflation assumption. The initial UAAL is being amortized as a level percentage of projected payroll on a closed basis over a 30 year period. The amortization period will expire on June 30, 2037. The residual UAAL is being amortized as a level percentage of projected payroll on an open basis over a 30 year period.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 14 - SELF-INSURANCE PROGRAM:**

The District finances its risk of loss related to property and liability through a combination of self-insurance and participation the ASCIP JPA. Under this program, the District provides coverage for up to a maximum of \$25,000 for each general liability or property damage claim. ASCIP provides excess insurance coverage above the member retained limit.

Claims are managed by a third-party administrator (TPA). Funding of the amounts held by the TPA as well as reserves held by ASCIP as trustee are based on estimates of the amounts needed to pay prior and current year claims. Funding is provided by transfers from the general fund and claims paid within the member retained limit during 2013-14 totaled \$158,701. Settled claims have not exceeded the coverage provided by the JPA in any of the past three fiscal years.

**NOTE 15 - JOINT POWERS AGREEMENT:**

The Mt. San Antonio Community College District participates in four joint powers agreement (JPA) entities; the Alliance of Schools for Cooperative Insurance Programs (ASCIP); the Southern California Community College District Joint Powers Agency (SCCCD-JPA); the Schools Excess Liability Fund (SELF); and the Protected Insurance Programs for Schools (PIPS).

ASCIP arranges for and provides property and liability insurance plans and dental and vision insurance plans for its member districts. Mt. San Antonio Community College District pays a premium commensurate with the level of coverage requested. In addition, ASCIP maintains defined pension plans for employees not covered by STRS or PERS (see Note 11).

SCCCD-JPA provides workers' compensation coverage for its seven member districts for workers' compensation self-insured run-off claims dated prior to 1995. Payments transferred to funds maintained under the JPA are expensed when made. SCCCDD has self-funded their workers' compensation coverage since inception as a joint banking pool, and accordingly, does not transfer risk between members. District administrators are of the opinion that the procedures for accumulating and maintaining reserves are sufficient to cover future contingencies under potential workers' compensation claims.

SELF arranges for and provides a self-funded or additional insurance for excess liability for approximately 1,100 public educational agencies. SELF is governed by a board of 16 elected voting members, elected alternates, and two ex-officio members. The board controls the operations of SELF, including selection of management and approval of operating budgets, independent of any influence by the members beyond their representation on the board. Each member pays an annual contribution based upon that calculated by SELF's board of directors and shares surpluses and deficits proportionately to its participation in SELF.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 15 - JOINT POWERS AGREEMENT: (continued)**

PIPS provides workers' compensation reinsurance protection to its membership for public schools and community colleges throughout California. This is a finite risk sharing pool that transfers risk away from the members. Premiums are determined based on payroll expense and additional premiums may be required in subsequent years.

Each JPA is governed by a board consisting of a representative from each member district. Each governing board controls the operations of its JPA independent of any influence by the Mt. San Antonio Community College District beyond the District's representation on the governing boards.

The relationships between the Mt. San Antonio Community College District and the JPAs are such that none of the JPAs are component units of the District for financial reporting purposes.

Condensed financial information of ASCIP, SCCCDCD-JPA, SELF, and PIPS for the most current information available is as follows:

	ASCIP 6/30/2014 (Unaudited)	SCCCDCD-JPA 6/30/2014 (Audited)	SELF 6/30/2014 (Audited)	PIPS 6/30/2014 (Unaudited)
		<u>Workers' Compensation Insurance Fund</u>		
Total assets	\$ 331,028,387	\$ 41,556,709	\$ 162,746,000	\$ 101,635,390
Total liabilities	<u>186,877,358</u>	<u>744,467</u>	<u>118,853,000</u>	<u>89,564,503</u>
Net position	<u>\$ 144,151,029</u>	<u>\$ 40,812,242</u>	<u>\$ 43,893,000</u>	<u>\$ 12,070,887</u>
Total revenues	\$ 205,948,958	\$ 6,027,481	\$ 11,812,000	\$ 18,271,889
Total expenditures	<u>194,648,227</u>	<u>7,337,742</u>	<u>4,199,000</u>	<u>22,602,717</u>
Change in net position	<u>\$ 11,300,731</u>	<u>\$ (1,310,261)</u>	<u>\$ 7,613,000</u>	<u>\$ (4,330,828)</u>



**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 16 - FUNCTIONAL EXPENSE:**

	Salaries	Employee Benefits	Supplies, Materials, Utilities, Other Expenses and Services	Student Aid and Other Uses	Depreciation	Total
Instructional	\$ 70,528,055	\$ 15,868,403	\$ 3,047,493	\$	\$	\$ 89,443,951
Academic Support	10,572,554	3,408,709	686,129			14,667,392
Student Services	12,144,682	4,143,510	1,055,348	233,379		17,576,919
Operation & Maintenance of Plant	5,985,207	2,890,404	5,551,358			14,426,969
Institutional Support	12,076,599	4,758,481	5,642,883			22,477,963
Community Services and Economic Development	1,616,279	475,778	767,075			2,859,132
Ancillary Services and Auxiliary Operations	3,887,894	1,333,558	1,915,538			7,136,990
Student Aid				47,092,420		47,092,420
Other Outgo	657,379	167,537	6,837,663			7,662,579
Depreciation Expense					11,456,017	11,456,017
Totals by Object	<u>\$ 117,468,649</u>	<u>\$ 33,046,380</u>	<u>\$ 25,503,487</u>	<u>\$ 47,325,799</u>	<u>\$ 11,456,017</u>	<u>\$ 234,800,332</u>

**NOTE 17 – BOOK RENTAL PROGRAM TRANSFER:**

During the fiscal year ended June 30, 2014, the District transferred rental program inventory valued at \$152,469 and cash of \$317,345 from the Pilot Program for Course Material Rental grant program. The inventory was expensed when purchased in the District's financial statements. The Auxiliary will utilize these assets in its book rental program.

**NOTE 18 - COMMITMENTS AND CONTINGENCIES:**

**A. State and Federal Allowances, Awards and Grants**

The District has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursement will not be material.

MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

**NOTE 18 - COMMITMENTS AND CONTINGENCIES: (continued)**

**B. Litigation**

The District is involved in various claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the District's financial statements.

**C. Purchase Commitments**

As of June 30, 2014 the District was committed under various capital expenditure purchase agreements for various projects totaling approximately \$16.6 million to be funded from general obligation bond proceeds, bond anticipation notes and State funding for capital outlay projects.

In July 2006, the Board authorized the acquisition of a fully integrated Enterprise Application System (EAS) to replace several of its legacy information systems with a strategic, scalable, non-propriety system to enhance academic and administrative services to campus constituents. Total costs are estimated to be \$21.6 million over a ten year timeline with funding including ongoing maintenance provided from the unrestricted general fund. Funding for the first three years of implementation came from the designated EAS reserve.

**NOTE 19 - GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENTS  
ISSUED, NOT YET EFFECTIVE:**

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to June 30, 2014, that have effective dates that may impact future financial presentations; however, the impact of the implementation of each of the statements below to the District's financial statements has not been assessed at this time.

**Governmental Accounting Standards Board Statement No. 68** - In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*. This standard is designed to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions provided by other entities. This statement replaces the requirements of GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, and GASB Statement No. 50, *Pension Disclosures*. This statement is effective for fiscal year 2014-15 financial statements.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 19 - GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENTS**  
**ISSUED, NOT YET EFFECTIVE: (continued)**

**Governmental Accounting Standards Board Statement No. 69** - In January 2013, the GASB issued Statement No. 69 *Government Combinations and Disposals of Government Operations*. This statement provides guidance on the measurement of assets and liabilities in a government merger or when a government acquires another entity, or its operations, in exchange for significant consideration. This statement also provides guidance for transfers of operations that do not constitute entire legally separate entities and in which no significant consideration is exchanged. This statement is effective for fiscal year 2014-15 financial statements.

**Governmental Accounting Standards Board Statement No. 71** - In November 2013, the GASB issued Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date* – an amendment of GASB Statement No. 68. This statement addresses an issue regarding application of the transition provision of Statement No. 68. This statement is effective for fiscal year 2014-15 financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF POSTEMPLOYMENT HEALTHCARE BENEFITS FUNDING PROGRESS**

For the Fiscal Year Ended June 30, 2014

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (AVA)</u>	<u>Actuarial Accrued Liability (Entry Age Normal Method) (AAL)</u>	<u>Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>Funding Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
5/1/2011	\$ 65,348,742	\$ 114,656,841	\$ 49,308,099	57.0%	\$ 75,140,236	65.6%
3/1/2012	71,343,707	120,114,689	48,770,982	59.4%	75,140,236	64.9%
3/1/2014	72,129,965	107,412,110	35,282,145	67.2%	78,653,318	44.9%

See the accompanying notes to the required supplementary information.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

**For the Fiscal Year Ended June 30, 2014**

<b><u>Year Ended June 30,</u></b>	<b><u>Annual Required Contribution</u></b>	<b><u>Percentage Contributed</u></b>
2012	\$ 5,905,111	80.55%
2013	6,583,670	0.00%
2014	6,792,905	0.00%

See the accompanying notes to the required supplementary information.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Fiscal Year Ended June 30, 2014**

**NOTE 1 - PURPOSE OF SCHEDULES:**

**A. Schedule of Postemployment Healthcare Benefits Funding Progress**

The schedule is intended to show trends about the funding progress of the District's actuarially determined liability for postemployment benefits other than pensions.

**B. Schedule of Employer Contributions**

The schedule is intended to show trends about the percentage of the annual required contribution made to the plan.

**SUPPLEMENTARY INFORMATION**



**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**HISTORY AND ORGANIZATION**

**June 30, 2014**

Mt. San Antonio Community College District is a public community college that has been serving the people of Baldwin Park, Bassett, Charter Oak, Covina, Diamond Bar, Southern portion of Glendora, Hacienda Heights, Industry, Irwindale, La Puente, La Verne, Pomona, Rowland Heights, San Dimas, Valinda, Walnut and West Covina since 1946.

The District maintains its campus on 421 acres of land in the City of Walnut, California, in the Eastern portion of Los Angeles County. Mt. San Antonio Community College District is accredited by the Western Association of Schools and Colleges.

**BOARD OF TRUSTEES**

<u>Member</u>	<u>Office</u>	<u>Term Expires</u>
Fred Chyr	President	November 30, 2015
Dr. David K. Hall	Vice President	November 30, 2017
Judy Chen Haggerty	Clerk	November 30, 2017
Manuel Baca	Member	November 30, 2015
Rosanne M. Bader	Member	November 30, 2015
Robert Hidalgo	Member	November 30, 2017
Laura Santos	Member	November 30, 2017
Paola Mendoza	Student Trustee	June 30, 2015

**DISTRICT EXECUTIVE OFFICERS**

Dr. William Scroggins	President/CEO
Dr. Irene Malmgren	Vice President, Instruction
Michael D. Gregoryk	Vice President, Administrative Services
James P. Czaja	Vice President, Human Resources
Dr. Audrey Yamagata-Noji	Vice President, Student Services

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**For the Fiscal Year Ended June 30, 2014**

Program Name	Federal Catalog Number	Pass-Through Entity Identifying Number	Total Program Expenditures
<b>Federal Categorical Aid Programs:</b>			
<b>Student Financial Assistance Cluster:</b>			
<b>Department of Education:</b>			
Direct:			
Student Financial Aid Cluster:			
Student Financial Aid Administrative Expenses	84.000	N/A	\$ 87,890
Supplemental Educational Opportunities Grant (SEOG)	84.007	N/A	426,386
Federal Work Study	84.033	N/A	251,309
Pell	84.063	N/A	42,519,677
Direct Loans - William D. Ford Program	84.268	N/A	1,284,584
<b>TRIO Cluster:</b>			
<b>Department of Education:</b>			
Passed through from the California Department of Education:			
Student Support Services	84.042A	(1)	242,799
Upward Bound	84.047A	(1)	289,542
<b>National Science Foundation:</b>			
Direct:			
Advance Technological Education (ATE) -			
Science, Technology, Engineering, and Mathematics (STEM)	47.076	N/A	59,926
Collaborative Research: Geodesy Curriculum	47.076	N/A	5,822
CyberWatch West	47.076	N/A	271,544
<b>Department of Education:</b>			
Direct:			
Veteran's Education Administrative Expenses	84.065	N/A	9,468
Asian American Native American Pacific Islander			
Serving Institutions (AANAPISI)	84.382B	N/A	541,789
Parent in School Program	84.335A	N/A	122,740
Developing Hispanic Serving Institutions, Title V			
Building Pathways of Persistence and Completion	84.31S	N/A	192,847
Passed through from the California Community College Chancellor's Office:			
Career and Technical Education (CTE):			
Perkins, Title I, Part C, Family and Consumer Sciences	84.048	(1)	20,830
Perkins, Title I, Part C	84.048	03578	871,143
Perkins, Title I, Part C, Transitions	84.048A	(1)	44,025
Pilot Course Material Rental Program	84.116T	(1)	100,196
Passed through from the California Department of Education:			
Workforce Investment Act, Title II: Adult Education and Family Literacy			
Act, Section 225, Section 231, and English Literacy and Civics Education	84.002	(1)	1,073,933

See the accompanying notes to the supplementary information.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**For the Fiscal Year Ended June 30, 2014**

Program Name	Federal Catalog Number	Pass-Through Entity Identifying Number	Total Program Expenditures
<b>Department of Agriculture:</b>			
Passed through from the California Department of Education:			
Child Nutrition Program	10.555	(1)	63,864
<b>Department of Health &amp; Human Services :</b>			
Direct:			
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	N/A	95,302
Passed through from the California Community College Chancellor's Office:			
Personal and Home Care Aide State Training Program	93.512	(1)	35,352
Temporary Assistance for Needy Families (TANF)	93.558	(1)	107,439
Passed through from the California Department of Education:			
Child Development Division, Childcare and Development Quality Improvement funds, Child Development Training Consortium	93.575	(1)	<u>11,701</u>
<b>Total Federal Expenditures</b>			<b><u>\$ 48,730,108</u></b>
<b>Reconciliation to Federal Revenue:</b>			
Total federal program expenditures			\$ 48,730,108
Revenues in excess of expenditures related to federal entitlement program:			
Passed through the California Public Employees' Retirement System:			
Medicare Part D Retiree Drug Subsidy (RDS)	93.770	(1)	<u>360,420</u>
<b>Total Federal Revenue</b>			<b><u>\$ 49,090,528</u></b>
<b>Student Financial Aid Loan Programs:</b>			
Mt. San Antonio Community College District had the following loan balance outstanding as of 6/30/14:			
Perkins Program	84.038		<u>\$ 107,290</u>

Note: (1) Pass-through entity identifying number not readily available.

N/A Pass-through entity identifying number not applicable

See the accompanying notes to the supplementary information.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**  
**SCHEDULE OF STATE FINANCIAL ASSISTANCE - GRANTS**  
**For the Fiscal Year Ended June 30, 2014**

Program Name	Program Revenues				Accounts Payable	Total	Total Program Expenditures
	Cash Received	Accounts Receivable	Deferred Revenue				
State Categorical Aid Programs:							
AB86 Adult Education Consortium Planning	\$ 187,102	\$	\$ 160,241	\$	\$	\$ 26,861	\$ 26,861
Basic Skills	1,381,409		179,708			1,201,701	1,201,701
Board Financial Assistance Program (BFAP)	1,046,757					1,046,757	1,046,757
California State Preschool Program	169,405	49,327				218,732	218,732
CalWorks	534,535					534,535	534,535
CARE	102,393					102,393	102,393
CARES PLUS Program	5,077			537		4,540	4,540
Career Technical Education - Community Collaborative	73,477	34,496				107,973	107,973
Center of Excellence - Career Technical Education: Strategic Hubs	231,714		49,185			182,529	182,529
Center of Excellence - Economic Development	80,000		10,040			69,960	69,960
Child Care Food Program	2,466	692				3,158	3,158
Child Care General Center and Development Program	269,638	13,426				283,064	283,064
Child Care Tax Bailout	88,976					88,976	88,976
Child Development Workforce Initiative	214,336	92,386				306,722	306,722
Disabled Student Program & Services (DSPS)	2,209,590					2,209,590	2,209,590
Enrollment Growth AA Nursing	233,520	44,480				278,000	278,000
Equal Employment Opportunity	28,958		14,304			14,654	14,654
Extended Opportunities Program & Services (EOPS)	786,200					786,200	786,200
Health Careers Training Program	9,315	1,035				10,350	10,350
Instructional Equipment and Library Materials	370,690		37,574			333,116	333,116
Student Success - Credit	1,255,554		257,015			998,539	998,539
Student Success - Noncredit	833,986		23,249			810,737	810,737
Song-Brown Registered Nurse Program	42,617	7,907				50,524	50,524
Workforce Innovation Partnerships	219,097	21,875	95,300			145,672	145,672
<b>Total State Programs</b>	<b>\$ 10,376,812</b>	<b>\$ 265,624</b>	<b>\$ 826,616</b>	<b>\$ 537</b>	<b>\$ 9,815,283</b>	<b>\$ 9,815,283</b>	<b>\$ 9,815,283</b>

See the accompanying notes to the supplementary information.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF WORKLOAD MEASURES FOR STATE GENERAL APPORTIONMENT  
ANNUAL (ACTUAL) ATTENDANCE  
For the Fiscal Year Ended June 30, 2014**

	<b>Annual - Factored FTES</b>		
	<b>Reported Data</b>	<b>Audit Adjustments</b>	<b>Audited Data</b>
<b>A. Summer Intersession (Summer 2013 only)</b>			
1. Noncredit <sup>1</sup>	2,190.03		2,190.03
2. Credit	1,291.40		1,291.40
<b>B. Summer Intersession (Summer 2014 - Prior to July 1, 2014)</b>			
1. Noncredit <sup>1</sup>	-		-
2. Credit	-		-
<b>C. Primary Terms (Exclusive of Summer Intersession)</b>			
1. Census Procedure Courses			
(a) Weekly Census Contact Hours	18,226.49		18,226.49
(b) Daily Census Contact Hours	2,228.89		2,228.89
2. Actual Hours of Attendance Procedure Courses			
(a) Noncredit <sup>1</sup>	3,408.96		3,408.96
(b) Credit	1,014.74		1,014.74
3. Independent Study/Work Experience			
(a) Weekly Census Contact Hours	825.64		825.64
(b) Daily Census Contact Hours	496.12		496.12
(c) Noncredit Independent Study/Distance Education Courses	N/A		N/A
<b>D. Total FTES</b>	<u>29,682.27</u>	<u>-</u>	<u>29,682.27</u>
<b>Supplemental Information (subset of above information)</b>			
E. In-Service Training Courses (FTES)	N/A		
H. Basic Skills courses and Immigrant Education			
(a) Noncredit <sup>1</sup>	4,792.96		
(b) Credit	2,227.61		
<b><u>CCFS 320 Addendum</u></b>			
CDCP Noncredit FTES	3,696.35		
<b>Centers FTES</b>			
(a) Noncredit	N/A		
(b) Credit	N/A		

<sup>1</sup> Including Career Development and College Preparation (CDCP) FTES  
N/A - Workload Measure is not applicable

See the accompanying notes to the supplementary information.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**  
**RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET**  
**REPORT WITH AUDITED FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2014**

The audit resulted in no adjustments to the fund balances reported on the June 30, 2014 Annual Financial and Budget Report (CCFS-311) based upon governmental accounting principles.

The financial data for the District's Bond Interest and Redemption Fund is a component part of these financial statements and is not reported in the District's CCFS-311 series.

Additional entries were made to comply with the GASB 34/35 reporting requirements. These entries are not considered audit adjustments for purposes of this reconciliation.

See the accompanying notes to the supplementary information.

MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT  
 RECONCILIATION OF 50 PERCENT LAW CALCULATION  
 For the Fiscal Year Ended June 30, 2014

	Object/TOP Codes	Activity (ECSA) ECS 84362 A Instructional Salary Cost AC 0100-5900 & AC 6110			Activity (ECSB) ECS 84362 B Total CEE AC 0100-6799		
		Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
<b>Academic Salaries</b>							
Instructional Salaries	1100	\$ 32,423,855	\$	\$ 32,423,855	\$	\$ 32,423,855	
Contract or Regular		26,896,391		26,896,391		26,896,391	
Other	1300	59,320,246		59,320,246		59,320,246	
<b>Total Instructional Salaries</b>							
Non-Instructional Salaries	1200					10,991,511	
Contract or Regular						1,368,627	
Other	1400					12,360,138	
<b>Total Non-Instructional Salaries</b>						12,360,138	
<b>Total Academic Salaries</b>		59,320,246	-	59,320,246	-	71,680,384	
<b>Classified Salaries</b>							
Non-Instructional Salaries	2100					26,235,909	
Regular Status						2,397,653	
Other	2300					28,633,562	
<b>Total Non-Instructional Salaries</b>						28,633,562	
Instructional Aides	2200	1,587,796		1,587,796		1,587,796	
Regular Status		965,364		965,364		965,364	
Other	2400	2,553,160		2,553,160		2,553,160	
<b>Total Instructional Aides</b>		2,553,160		2,553,160		2,553,160	
<b>Total Classified Salaries</b>		11,087,597	-	11,087,597	-	31,186,722	
Employee Benefits	3000					22,998,109	
Supplies and Materials	4000					2,230,586	
Other Operating Expenses	5000					11,728,856	
Equipment Replacement	6420					-	
<b>Total Expenditures Prior to Exclusions</b>		72,961,003	-	72,961,003	-	139,824,657	

See the accompanying notes to the supplementary information.

MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT

RECONCILIATION OF 50 PERCENT LAW CALCULATION  
For the Fiscal Year Ended June 30, 2014

	Object/TOP Codes	Activity (ECSA) ECS 84362 A Instructional Salary Cost AC 0100-5900 & AC 6110			Activity (ECSB) ECS 84362 B Total CEE AC 0100-6799		
		Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
<b>Exclusions</b>							
Activities to Exclude							
Instructional Staff-Retirees' Benefits and Retirement Incentives	5900						-
Student Health Services Above Amount Collected	6441						-
Student Transportation	6491				248,070		248,070
Non-instructional Staff-Retirees' Benefits and Retirement Incentives	6740						-
Objects to Exclude							
Rents and Leases	5060				217,165		217,165
Lottery Expenditures							
Academic Salaries	1000						-
Classified Salaries	2000						-
Employee Benefits	3000						-
Supplies and Materials	4000						-
Software	4100						-
Books, Magazines, & Periodicals	4200						-
Instructional Supplies & Materials	4300						-
Noninstructional, Supplies & Materials	4400						-
Total Supplies and Materials							
Other Operating Expenses and Services	5000				3,848,686		3,848,686
Capital Outlay	6000						-
Library Books	6300						-
Equipment	6400						-
Equipment - Additional	6410						-
Equipment - Replacement	6420						-
Total Equipment							
Total Capital Outlay							
Other Outgo	7000						-
Total Exclusions					4,313,921		4,313,921
Total for ECS 84362, 50% Law		\$ 72,961,003	\$ -	\$ 72,961,003	\$ 135,510,736	\$ -	\$ 135,510,736
Percent of CEE (Instructional Salary Cost / Total CEE)		53.84%	0.00%	53.84%	100.00%	0.00%	100.00%
50% of Current Expense of Education					\$ 67,755,368	\$ -	\$ 67,755,368

See the accompanying notes to the supplementary information.



**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**PROPOSITION 30 EDUCATION PROTECTION ACCOUNT EXPENDITURE REPORT**  
**For the Fiscal Year Ended June 30, 2014**

Activity Classification	Object Code				Unrestricted
EPA Proceeds:	8630				\$ 19,975,289
Activity Classification	Object Code	Salaries and Benefits (1000 - 3000)	Operating Expenses (4000 - 5000)	Capital Outlay (6000)	Total
Instructional Activities	0100-5900	\$ 19,975,289	\$	\$	\$ 19,975,289
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
<b>Total Expenditures for EPA*</b>		\$ 19,975,289	\$ -	\$ -	19,975,289
<b>Revenues less Expenditures</b>					-
<b>*Total Expenditures for EPA may not include Administrator Salaries and Benefits or other administrative costs.</b>					

See the accompanying notes to the supplementary information.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**  
**SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS**  
**UNRESTRICTED AND RESTRICTED GENERAL FUNDS (COMBINED)**  
**For the Fiscal Year Ended June 30,**

	<b>(Budget) 2015</b>		<b>2014</b>		<b>2013</b>		<b>2012</b>	
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>Revenue</b>								
Federal	\$ 4,696,330	2.57	\$ 4,673,276	2.86	\$ 6,446,834	4.14	\$ 5,548,744	3.53
State	126,159,871	69.06	121,224,596	74.19	97,375,470	62.58	109,278,286	69.50
County and Local	35,782,009	19.59	39,556,012	24.21	48,233,860	31.00	39,295,935	24.99
Total Revenue	<u>166,638,210</u>	<u>91.22</u>	<u>165,453,884</u>	<u>101.26</u>	<u>152,056,164</u>	<u>97.72</u>	<u>154,122,965</u>	<u>98.02</u>
<b>Expenditures</b>								
Academic Salaries	77,316,281	42.32	74,110,137	45.36	70,152,313	45.09	68,764,908	43.73
Classified Salaries	43,612,498	23.87	41,084,914	25.14	39,825,446	25.60	38,838,597	24.70
Employee Benefits	29,496,498	16.15	25,759,399	15.76	24,552,898	15.78	29,385,276	18.69
Supplies and Materials	5,634,840	3.08	3,153,470	1.93	3,332,331	2.14	3,038,201	1.93
Other Operating Expenses and Services	20,192,954	11.05	14,957,608	9.15	13,740,644	8.83	13,360,849	8.50
Capital Outlay	4,916,385	2.69	3,043,316	1.86	3,012,872	1.94	2,515,841	1.60
Other Uses	1,512,961	0.83	1,290,671	0.79	974,607	0.62	1,337,310	0.85
Total Expenditures	<u>182,682,417</u>	<u>100.00</u>	<u>163,399,515</u>	<u>100.00</u>	<u>155,591,111</u>	<u>100.00</u>	<u>157,240,982</u>	<u>100.00</u>
Other Financing Sources	<u>830,343</u>	<u>0.45</u>	<u>587,699</u>	<u>0.36</u>	<u>1,097,068</u>	<u>0.71</u>	<u>45,798</u>	<u>0.03</u>
Change in Fund Balance	<u>\$ (15,213,864)</u>	<u>(8.33)</u>	<u>\$ 2,642,068</u>	<u>1.62</u>	<u>\$ (2,437,879)</u>	<u>(1.57)</u>	<u>\$ (3,072,219)</u>	<u>(1.95)</u>
<b>Combined General Fund:</b>								
Assigned Fund Balance	\$ 407,197	0.22	\$ 5,577,996	3.41	\$ 3,959,495	2.54	\$ 6,592,580	4.19
Unassigned Fund Balance	15,963,713	8.74	24,658,189	15.09	23,770,463	15.28	23,741,054	15.10
Restricted Fund Balance	<u>159,856</u>	<u>0.09</u>	<u>1,508,445</u>	<u>0.92</u>	<u>1,372,604</u>	<u>0.88</u>	<u>1,206,807</u>	<u>0.77</u>
Ending Fund Balance	<u>\$ 16,530,766</u>	<u>9.05</u>	<u>* \$ 31,744,630</u>	<u>19.43</u>	<u>\$ 29,102,562</u>	<u>18.70</u>	<u>\$ 31,540,441</u>	<u>20.06</u>
Full-time Equivalent Students	<u>29,946</u>		<u>29,682</u>		<u>28,650</u>		<u>28,702</u>	
Total Long-Term Debt	<u>\$ 385,043,091</u>		<u>\$ 395,369,242</u>		<u>\$ 243,820,673</u>		<u>\$ 243,625,607</u>	

**IMPORTANT NOTES:**

The California Community College Chancellor's Office has provided guidelines that recommend a minimum prudent ending fund balance of 5% of unrestricted expenditures. In addition, the District's Board policy requires a 10% unrestricted ending fund balance. As such, the unassigned balance is the 10% Board Policy reserve and any other remaining unassigned amounts in the unrestricted General Fund.

\* Unrestricted General Fund expenditure and fund balance for 2014-15 budget year is projected to be \$159,290,634 and \$15,929,063 respectively, which meets the District's policy of 10% unrestricted ending fund balance. The percentage of 9.05 is the result of inclusion of restricted General Fund.

All percentages are of total unrestricted and restricted expenditures combined.

The 2014-15 budget presents the Budget adopted by the Board of Trustees on September 10, 2014.

Long-term debt is reported for the District as a whole and includes debt related to all funds. Long-term debt excludes unamortized premium and unamortized deferred charges on bonded debt.

See the accompanying notes to the supplementary information.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF BUDGETARY COMPARISON FOR THE COMBINED GENERAL FUND  
For the Fiscal Year Ended June 30, 2014**

	<u>General Fund</u>		<b>Variance Favorable (Unfavorable)</b>
	<u>Revised Budget</u>	<u>Actual</u>	
<b>REVENUES</b>			
<b>Revenue from Federal Sources</b>			
Higher Education Act	\$ 2,606,667	\$ 1,658,277	\$ (948,390)
Temporary Assistance for Needy Families	107,439	107,439	-
Student Financial Aid	120,000	48,094	(71,906)
Veterans Education	9,468	9,468	-
Vocational and Technical Education Act	935,998	935,998	-
Other Federal Revenue	1,953,033	1,914,000	(39,033)
<b>Revenue from State Sources</b>			
General Apportionments	102,282,688	106,316,533	4,033,845
Categorical Apportionments	10,577,714	8,888,236	(1,689,478)
Other State Revenues	5,560,504	6,019,827	459,323
<b>Revenue from Local Sources</b>			
Property Taxes	20,747,392	20,747,386	(6)
Interest and Investment Income	298,023	352,596	54,573
Student Fees and Charges	15,199,132	15,800,942	601,810
Contributions	331,436	179,558	(151,878)
Other Local Revenue	2,607,996	2,475,530	(132,466)
<b>TOTAL REVENUES</b>	<u>163,337,490</u>	<u>165,453,884</u>	<u>2,116,394</u>
<b>EXPENDITURES</b>			
Academic Salaries	74,528,220	74,110,137	418,083
Classified Salaries	42,893,659	41,084,914	1,808,745
Employee Benefits	26,840,126	25,759,399	1,080,727
Supplies and Materials	5,723,805	3,153,470	2,570,335
Other Operating Expenses & Services	19,658,568	14,957,608	4,700,960
Capital Outlay	4,623,790	3,043,316	1,580,474
<b>TOTAL EXPENDITURES</b>	<u>174,268,168</u>	<u>162,108,844</u>	<u>12,159,324</u>
Excess (deficiency) of revenues over expenditures	<u>(10,930,678)</u>	<u>3,345,040</u>	<u>14,275,718</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from the sale of non-capitalized equipment	1,529	14,097	12,568
Interfund Transfers In	567,218	573,602	6,384
Interfund Transfers Out	(667,358)	(823,999)	(156,641)
Student Financial Aid	(546,557)	(466,672)	79,885
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(645,168)</u>	<u>(702,972)</u>	<u>(57,804)</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>\$ (11,575,846)</u>	<u>2,642,068</u>	<u>\$ 14,217,914</u>
Fund Balances at Beginning of Year		<u>29,102,562</u>	
Fund Balances at End of Year		<u>\$ 31,744,630</u>	

See the accompanying notes to the supplementary information.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO SUPPLEMENTARY INFORMATION  
For the Fiscal Year Ended June 30, 2014**

**NOTE 1 - PURPOSE OF SCHEDULES:**

**A. Schedules of Expenditures of Federal Awards and State Financial Assistance - Grants**

The audit of the Mt. San Antonio Community College District for the year ended June 30, 2014 was conducted in accordance with OMB Circular A-133, which requires a disclosure of the financial activities of all federally funded programs. The Schedule of Federal Awards and the Schedule of State Financial Assistance was prepared on the modified accrual basis of accounting.

**Subrecipients**

The District provided Federal awards to subrecipients as follows:

<u>Federal Grantor/Pass-Through Grantor/Program</u>	<u>CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
Advance Technological Education (ATE) - CyberWatch West	47.076	
- Cal Poly University, Pomona		\$ 83,854
- Whatcom Community College		30,238
- California State University, San Bernardino		81,073
- California State University, Dominguez Hills		25,777
		<u>\$ 220,942</u>

**B. Schedule of Workload Measures for State General Apportionment Annual (Actual) Attendance**

The Schedule of Workload Measures for State General Apportionment represents the basis of apportionment of the Mt. San Antonio Community College District's annual source of funding.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**NOTES TO SUPPLEMENTARY INFORMATION  
For the Fiscal Year Ended June 30, 2014**

**NOTE 1 - PURPOSE OF SCHEDULES: (continued)**

**C. Reconciliation of Annual Financial and Budget Report with Audited Financial Statements**

This schedule reports any audit adjustments made to the fund balances of all funds as reported on the Annual Financial and Budget Report (Form CCFS-311).

**D. Reconciliation of 50 Percent Law Calculation**

This schedule reports any audit adjustments made to the 50 percent law calculation (Education Code Section 84362).

**E. Proposition 30 Education Protection Account (EPA) Expenditure Report**

This schedule reports how funds received from the passage of the Proposition 30, Education Protection Act were recorded and expended.

**F. Schedule of Financial Trends and Analysis**

This schedule is prepared to show financial trends of the General Fund (combined) over the past three fiscal years as well as the current year budget. This schedule is intended to identify if the District faces potential fiscal problems and if they have met the recommended available reserve percentages.

**G. Schedule of Budgetary Comparison for the Combined General Fund**

Continuing disclosure for the general obligation bond requires a budgetary comparison be presented for the General Fund (combined). This schedule presents the final General Fund budget as of the fiscal year end, actual amounts at fiscal yearend and the variance between the final budget and actual amounts.

**OTHER INDEPENDENT AUDITOR'S REPORTS**



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

Board of Trustees  
Mt. San Antonio Community College District  
1100 North Grand Avenue  
Walnut, California 91789

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of the Mt. San Antonio Community College District (the District) as of and for the year ended June 30, 2014 and have issued our report thereon dated November 20, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

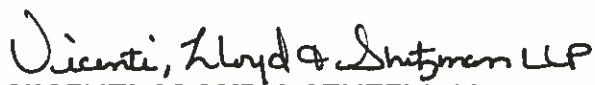
**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
VICENTI, LLOYD & STUTZMAN LLP  
Glendora, California  
November 20, 2014





**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR EACH MAJOR FEDERAL PROGRAM; AND REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED  
BY OMB CIRCULAR A-133**

Board of Trustees  
Mt. San Antonio Community College District  
1100 North Grand Avenue  
Walnut, California 91789

**Report on Compliance for Each Major Federal Program**

We have audited the Mt. San Antonio Community College District's (the District) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2014. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR EACH MAJOR FEDERAL PROGRAM; AND REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED  
BY OMB CIRCULAR A-133**

**Opinion on Each Major Federal Program**

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

**Report on Internal Control Over Compliance**

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance, for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.


A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance such that there is a reasonable possibility, that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR EACH MAJOR FEDERAL PROGRAM; AND REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED  
BY OMB CIRCULAR A-133**

**Purpose of this Report**

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

  
VICENTI, LLOYD & STUTZMAN LLP  
Glendora, California  
November 20, 2014

## **INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE**

Board of Trustees  
Mt. San Antonio Community College District  
1100 North Grand Avenue  
Walnut, California 91789

We have audited the Mt. San Antonio Community College District's (the District) compliance with the types of compliance requirements described in the *2013-14 Contracted District Audit Manual*, published by the California Community Colleges Chancellor's Office for the year ended June 30, 2014. The District's State compliance requirements are identified below.

### **Management's Responsibility**

Management is responsible for compliance with the State laws and regulations as identified below.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the District's compliance based on our audit of the types of compliance requirements referred to below.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *2013-14 Contracted District Audit Manual*, published by the California Community Colleges Chancellor's Office. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the specific areas listed below has occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion on state compliance. However, our audit does not provide a legal determination of the District's compliance.

## INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

### Compliance Requirements Tested

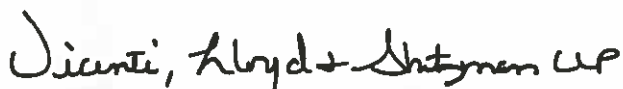
In connection with our audit referred to above, we selected and tested transactions and records to determine the District's compliance with the State laws and regulations applicable to the following items:

Section 421	Salaries of Classroom Instructors (50 Percent Law)
Section 423	Apportionment for Instructional Service Agreements/Contracts
Section 424	State General Apportionment Funding System
Section 425	Residency Determination for Credit Courses
Section 426	Students Actively Enrolled
Section 427	Concurrent Enrollment of K-12 Students in Community College Credit Courses
Section 430	Scheduled Maintenance Program
Section 431	Gann Limit Calculation
Section 435	Open Enrollment
Section 438	Student Fees – Health Fees and Use of Health Fee Funds
Section 439	Proposition 39 Clean Energy Funds
Section 474	Extended Opportunity Programs and Services (EOPS) and Cooperative Agencies Resources for Education (CARE)
Section 475	Disabled Student Programs and Services (DSPS)
Section 479	To Be Arranged Hours (TBA)
Section 490	Proposition 1D State Bond Funded Projects
Section 491	Proposition 30 Education Protection Account Funds

In our opinion, the Mt. San Antonio Community College District complied with the laws and regulations of the state programs referred to above in all material respects for the year ended June 30, 2014.

### Purpose of this Report

The purpose of this report on state compliance is solely to describe the results of testing based on the requirements of the *2013-14 Contracted District Audit Manual*, published by the California Community Colleges Chancellor's Office. Accordingly, this report is not suitable for any other purpose.



VICENTI, LLOYD & STUTZMAN LLP

Glendora, California

November 20, 2014

## **FINDINGS AND QUESTIONED COSTS**

MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
SUMMARY OF AUDITOR RESULTS

June 30, 2014

*Financial Statements*

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?  Yes  No

Significant deficiencies identified not considered  
to be material weaknesses?  Yes  None reported

Noncompliance material to financial statements noted?  Yes  No

*Federal Awards*

Internal control over major programs:

Material weakness(es) identified?  Yes  No

Significant deficiencies identified not considered  
to be material weaknesses?  Yes  None reported

Type of auditor's report issued on compliance for  
major programs: Unmodified

Any audit findings disclosed that are required to be  
reported in accordance with Circular A-133,  
Section .510(a)  Yes  No

*Identification of major programs tested:*

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.000, 84.007, 84.033, 84.038, 84.063, and 84.268	Student Financial Assistance Cluster of Programs
84.042A and 84.047A	TRIO Cluster

Dollar threshold used to distinguish between Type A  
and Type B programs: \$ 300,000

Auditee qualified as low-risk auditee?  Yes  No

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
RELATED TO FINANCIAL STATEMENTS**

**June 30, 2014**

There were no findings and questioned costs related to the financial statements for the year ended June 30, 2014.



**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**RELATED TO FEDERAL AWARDS**  
**June 30, 2014**

There were no findings and questioned costs related to federal awards for the year ended June 30, 2014.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
RELATED TO STATE AWARDS**

**June 30, 2014**

There were no findings and questioned costs related to state awards for the fiscal year ended June 30, 2014.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**  
**STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS**  
**June 30, 2014**

<u>Finding No.</u>	<u>Finding</u>	<u>Recommendation</u>	<u>Current Status</u>
13-01	<p><b><u>TRANSPARENCY ACT REPORTING</u></b></p> <p>CFDA Title and Number: Advance Technologies Education - CyberWatch (47.076)            Federal Award Number and Year: DUE-110478; 2011            Name of Federal Agency: National Science Foundation            Name of the Pass-through Agency: Not Applicable</p>	<p>Implement specific procedures to register in the FSRs and report subaward data through FSRs annually and in a timely manner.</p>	<p>Implemented.</p>
	<p>According to the Federal Funding Accounting and Transparency Act, direct recipients of grants who make first-tier subawards and contracts must be reported if the value of the Federal prime contract award under which that subcontract was awarded was \$25,000 or more. Grant and cooperative agreement recipients and contractors are required to register in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) and report subaward data through FSRS. Recipients are required to report in FSRS no later than the last day of the month following the month in which the award or modification was made. The District is a direct recipient of Advance Technologies Education - CyberWatch funding and, during the 2012-13 fiscal year, made first-tier subawards totaling \$279,464. We noted that the District did not report subaward data through FSRS timely.</p>		

**CONTINUING DISCLOSURE INFORMATION**

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**  
**CONTINUING DISCLOSURE INFORMATION (UNAUDITED)**  
**June 30, 2014**

Assessed valuation for fiscal year 2013-14	\$ 68,354,340,931 (2)
Secured tax levies for fiscal year 2013-14	\$ 15,732,147 (1)
Secured tax delinquencies for fiscal year 2013-14	\$ (610,663) (1)
Secured tax collections for fiscal year 2013-14	\$ 15,121,484 (1)

**2013-14 LARGEST LOCAL SECURED TAXPAYERS**  
**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT (2)**

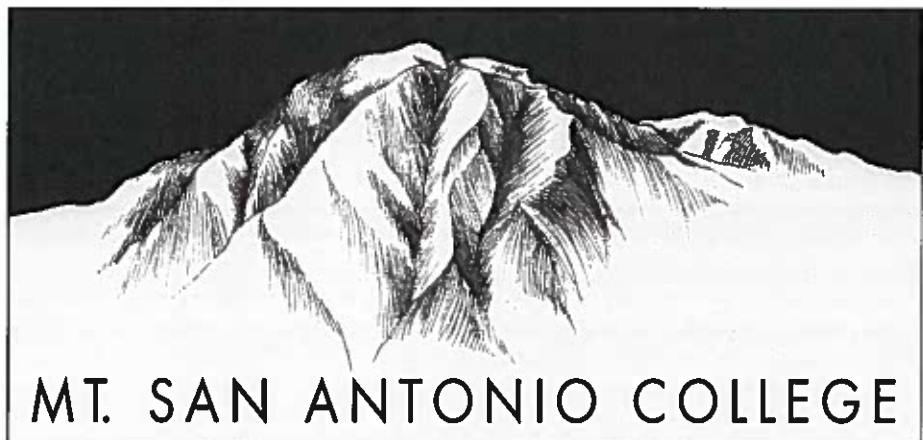
<u>Property Owner</u>	<u>Primary Land Use</u>	<u>2013-14 Assessed Valuation</u>	<u>% of Total (3)</u>
1. Industry East Land LLC, Lessee	Industrial	\$ 211,707,576	0.31%
2. Puente Hills Mall LLC	Shopping Center	188,681,052	0.28
3. Metropolitan Life Insurance Company Corp.	Industrial	168,041,483	0.25
4. Fairway Sub A-E LLC	Industrial	167,374,655	0.24
5. Plaza West Covina LLC	Shopping Center	158,750,648	0.23
6. JCC California Properties LLC	Commercial	133,293,663	0.20
7. Crow Family Holdings Industrial LP	Industrial	101,802,489	0.15
8. Tropicana Manufacturing Company Inc.	Industrial	100,971,791	0.15
9. Eastland Shopping Center LLC	Shopping Center	94,665,219	0.14
10. Quemetco West LLC	Industrial	80,939,878	0.12
11. Realty Associates Funds	Industrial	74,760,371	0.11
12. Adcor Realty Corp.	Industrial	65,835,914	0.10
13. Costco Wholesale Corporation	Industrial	64,950,475	0.10
14. Rowland Ranch Properties LLC	Commercial	64,058,372	0.09
15. LBA Realty Fund III-Co. VII LLC	Industrial	56,921,754	0.08
16. La Colima 2010 LLC	Apartments	56,861,188	0.08
17. PPC WR Apartments LLC	Apartments	53,850,772	0.08
18. CP III Emerald Ridge LLC	Apartments	50,202,804	0.07
19. Huy Fong Irwindale LLC	Industrial	50,180,858	0.07
20. Sysco Continental Food Services	Industrial	<u>49,429,869</u>	<u>0.07</u>
		<u>\$1,993,280,831</u>	<u>2.92%</u>

- (1) Information obtained from the Los Angeles County Auditor-Controller's Office.  
(2) Information obtained from California Municipal Statistics, Inc.  
(3) % of total assessed valuation for fiscal year 2013-14 of \$68,354,340,931

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**REPORT ON AUDIT OF FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION  
INCLUDING REPORTS ON COMPLIANCE**

**June 30, 2014**



**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**AUDIT REPORT  
June 30, 2014**

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Mt. San Antonio College Auxiliary Services  
1100 North Grand Avenue  
Walnut, California 91789

### **Report on the Financial Statements**

We have audited the accompanying basic financial statements of the Mt. San Antonio College Auxiliary Services (the Auxiliary), a component unit of the Mt. San Antonio Community College District, as of and for the year ended June 30, 2014, and the related notes to the financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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



Board of Directors  
Mt. San Antonio College Auxiliary Services

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

### **Opinion**

In our opinion, the financial statements listed in the aforementioned table of contents present fairly, in all material respects, the financial position of the Auxiliary as of June 30, 2014, and the results of its operations, changes in net position and cash flows for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2014 on our consideration of the Auxiliary's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Auxiliary's internal control over financial reporting and compliance.

  
VICENTI, LLOYD & STUTZMAN LLP

Glendora, California

November 20, 2014

# **MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

### **Introduction**

The following discussion and analysis provides an overview of the financial position and activities of the Mt. San Antonio College Auxiliary Services (the "Auxiliary") for the year ended June 30, 2014. This discussion has been prepared by management and should be read in conjunction with the financial statements and notes thereto which follow this section.

As a component unit of the Mt. San Antonio College (the "College"), the Auxiliary was required to implement the reporting standards of Governmental Accounting Standards Board Statements No. 34 and 35 during fiscal year 2001-02 using the Business Type Activity (BTA) model. The California Community College Chancellor's Office, through its Fiscal and Accountability Standards Committee, recommended that all community college districts implement the new reporting standards under the BTA model. To comply with the recommendation of the Chancellor's Office and to report in a manner consistent with the College, the Auxiliary adopted the BTA reporting model.

The Auxiliary is maintained on the campus of Mt. San Antonio College in the city of Walnut, California. The Auxiliary was incorporated as a not-for-profit corporation on October 6, 1982. The Auxiliary formally began operations on July 1, 1983 when the College transferred approximately \$1.9 million of net position from the College to the Auxiliary.

The Auxiliary mainly provides bookstore functions for students, faculty and employees of the College. Dining Services and Convenience Stores operations were outsourced to Sodexo effective July 1, 2011. The Auxiliary provided services for Athletics, Club Accounts, and Other Trust accounts until June 30, 2012. These accounts were transferred to the District and the Foundation, effective July 1, 2012.

### **Financial Highlights**

This section is to provide an overview of the Auxiliary's financial activities in comparison with the prior year, placing emphasis on current year activities.

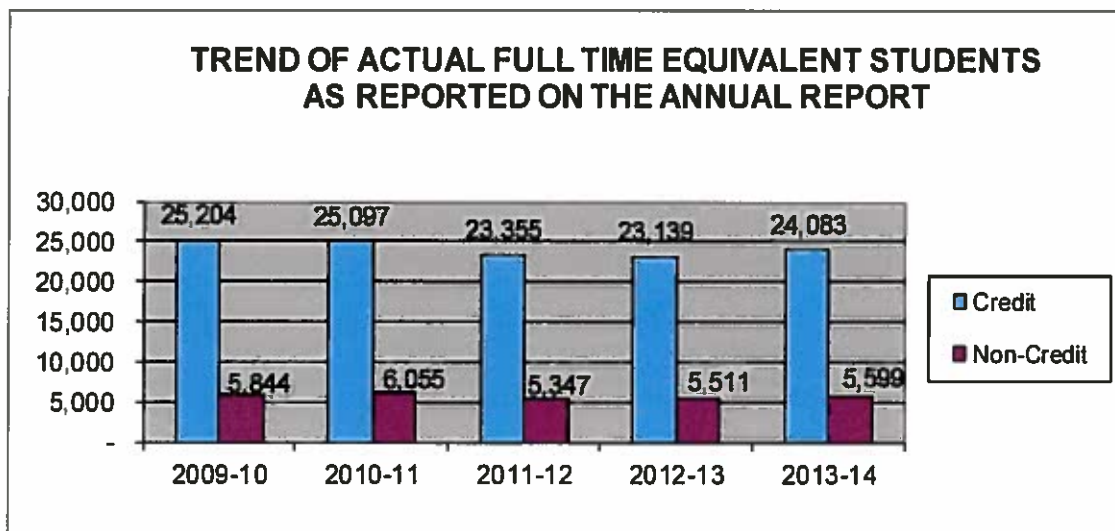
## MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES

### MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

#### Selected Highlights

During 2013-14, total full-time equivalent students increased by 3.6%. While credit increased 4.1%, non-credit increased by 1.6%. Overall, bookstore sales decreased approximately 6% in 2013-14 from 2012-13, the cost of sales decreased by 8%. The decrease in sales is due to more rental titles being offered and more units being rented by students. This in turn has contributed to the decrease in sales and a decrease in cost of sales. Although the number of credit classes offered by the college increased, not every class requires a textbook, and therefore doesn't necessarily translate to more sales of textbooks in the bookstore. Dining Services received \$166,162 in commission from Sodexo for the outsourcing of the operations and \$61,535 in facility lease from Carl's Jr.



- On August 2013, the College issued bonds to continue with major capital improvements. The College will increase courses in the fiscal year 2014-15 as a result of the approval of 2.75% for Growth Restoration in the State budget. This increase and the completion of some buildings are expected to affect the Auxiliary operations because of the effect on student traffic and by bringing more students onto the campus. The bookstore will continue to be mainly impacted by online sellers of textbooks as well as online rental companies, and only a minimal impact is expected by sales of digital books.
- The District, in conjunction with the bookstore, received a federal grant titled "Pilot Program for Course Material Rental", funded by the U.S. Department of Education. The grant objective was to create a self-sustaining Textbook Rental Program. The grant was handled in the District's books and managed by the Bookstore. The grant ended on September 30, 2013, and as part of closing this grant, the District transferred \$317,345 cash and \$152,469 in book rental inventory to the bookstore.

## **MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

#### **Statement of Net Position**

The Statement of Net Position presents the position, liabilities and net position of the Auxiliary as of the end of the fiscal year and is prepared using the accrual basis of accounting, which is similar to the accounting basis used by most private-sector organizations. The Statement of Net Position is a point of time financial statement whose purpose is to present to the readers a fiscal snapshot of the Auxiliary. The Statement of Net Position presents end-of-year data concerning assets (current and non-current), liabilities (current and non-current) and net position (position minus liabilities).

From the data presented, readers of the Statement of Net Position are able to determine the assets available to continue the operations of the Auxiliary. Readers are also able to determine how much the Auxiliary owes vendors and employees. Finally, the Statement of Net Position provides a picture of the net position and their availability for expenditure by the Auxiliary.

The difference between total assets and total liabilities (net position) is one indicator of the current financial condition of the Auxiliary; the change in net position is an indicator of whether the overall financial condition has improved or worsened during the year. Assets and liabilities are generally measured using current values. One notable exception is capital assets, which are stated at historical cost less an allocation for depreciation expense.

The Net Position is divided into two major categories. The first category, invested in capital assets, provides the equity amount in property, plant and equipment owned by the Auxiliary. The second category is unrestricted net position that is available to the Auxiliary for any lawful purpose of the Auxiliary.

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

The Statement of Net Position is summarized below:

	<u>June 30, 2014</u>	<u>June 30, 2013</u>
<b>Assets</b>		
Current assets	\$ 4,153,320	\$ 3,610,684
Non-current assets	24,705	28,234
Capital assets, net	<u>288,991</u>	<u>304,750</u>
<b>Total Assets</b>	<u>4,467,016</u>	<u>3,943,668</u>
<b>Liabilities</b>		
Current liabilities	417,564	396,029
Non-current liabilities		<u>97,785</u>
<b>Total Liabilities</b>	<u>417,564</u>	<u>493,814</u>
<b>Net Position</b>		
Invested in capital assets	288,991	304,750
Unrestricted	<u>3,760,461</u>	<u>3,145,104</u>
<b>Total Net Position</b>	<u>\$ 4,049,452</u>	<u>\$ 3,449,854</u>

- Current assets are mainly cash and cash equivalents (\$1,954,995); accounts receivables include credit memos from bookstore operations, third party billing, commissions from Sodexo, Carl's Jr. and Compass Group vending machine sales, and reimbursement from the OPEB trust (\$336,750); and bookstore inventory for sales to the students, faculty and employees of the College (\$1,660,015). The increase in current assets is due to the transfer of the Textbook Rental Program from the District which increased the cash and inventory and the reimbursement from the other postemployment benefits trust.
- The majority of cash is deposited in the Los Angeles County Treasury. The interest rate as of June 30, 2014 was 0.64%.
- The inventory level in the bookstore is slightly higher on June 30, 2014 when compared to the previous year. This is the result of transferring \$152,469 Textbook Rental Program inventory to the bookstore.

## **MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

- Current liabilities had a net increase of \$21,535 with the most significant changes in Accounts Payable to vendors and Accounts Payable Due to the District. Accounts Payable decreased by \$30,862 because the Auxiliary processed payments to vendors prior to the close of the fiscal year. Accounts Payable Due to District increased by \$45,470 mainly as a result of the retiree benefits reimbursement for fiscal year 2013-14 refunded to the District and the reimbursement to the District for Leasehold Improvements.
- The Auxiliary made the annual required other postemployment benefit contribution to the plan for the fiscal year 2013-14. Therefore, the Auxiliary does not have non-current liabilities as of June 30, 2014. Additional information can be found in Note 9 Postemployment Healthcare Benefits of the financial statements.

#### **Statement of Revenues, Expenses and Change in Net Position**

Changes in total net position as presented on the Statement of Net Position are based on the activity presented in the Statement of Revenues, Expenses and Change in Net Position. The purpose of this statement is to present the operating and non-operating revenues earned, whether received or not, by the Auxiliary, the operating and non-operating expenses incurred, whether paid or not, by the Auxiliary, and any other revenues, expenses, gains and/or losses earned or incurred by the Auxiliary. Thus, this Statement presents the Auxiliary's results of operations.

Generally, operating revenues are earned for providing goods and services to the various customers of the Auxiliary. Operating expenses are those expenses incurred to acquire or produce the goods and services provided in return for the operating revenues and to fulfill the mission of the Auxiliary. Non-operating revenues are those received or pledged for which goods and services are not provided.

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

The Statement of Revenues, Expenses and Change in Net Position is summarized below:

	<u>June 30, 2014</u>	<u>June 30, 2013</u>
<b>Operating Revenues</b>		
Sales	\$ 4,485,195	\$ 4,762,646
Less cost of sales	<u>(3,312,787)</u>	<u>(3,616,180)</u>
Gross margin on sales	1,172,408	1,146,466
Fees and miscellaneous revenues	<u>438,433</u>	<u>418,039</u>
Total operating revenues	1,610,841	1,564,505
<b>Total operating expenses</b>	<u>1,571,277</u>	<u>1,612,659</u>
 <b>Net Operating Income (Loss)</b>	 <u>39,564</u>	 <u>(48,154)</u>
 <b>Other Gains/(Losses)</b>		
Interest income	6,671	4,723
District contribution	118,922	
Book rental program transfer of net position from District	469,814	
Other expenses	<u>(35,373)</u>	
Total other gains/(losses)	<u>560,034</u>	<u>4,723</u>
 <b>Increase/(Decrease) in Net Position</b>	 599,598	 (43,431)
<b>Net Position, Beginning of Year</b>	<u>3,449,854</u>	<u>3,493,285</u>
 <b>Net Position, End of Year</b>	 <u>\$ 4,049,452</u>	 <u>\$ 3,449,854</u>

## **MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

- Sales, cost of sales and gross margin on sales are a result of the bookstore operations. The gross margin percentages achieved by these operations are fairly consistent with industry averages. The Auxiliary is committed to keeping costs of books down for the benefit of the students.
- Operating expenses includes payments to employees involved in providing customer service. Employee's cost accounts for 59% of the total operating expenses. Operating expenses decreased from \$1,612,659 in 2012-13 to \$1,571,277 in 2013-14. This decrease is mainly as a result of the reduction of the annual required contribution for postemployment benefits expenses as per the latest actuarial report.
- Interest income increased by \$1,948 as a result of maintaining higher cash balances during the fiscal year.
- Net position has an increase of \$599,598 in the fiscal year 2013-14 mainly due the transfer of the Textbook Rental Program from the District for \$469,814 and a District Contribution of \$118,922.



**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

The following is a summary of operating activity:

For the Fiscal Year Ended of June 30, 2014

	<u>Bookstore</u>	<u>Dining Services</u>	<u>Auxiliary Services</u>	<u>Total</u>
<b>Operating revenues</b>				
Sales, net	\$ 4,485,195	\$	\$	\$ 4,485,195
Less cost of sales	<u>(3,312,787)</u>	<u>                    </u>	<u>                    </u>	<u>(3,312,787)</u>
Gross margin on sales	1,172,408	-	-	1,172,408
Gross profit on sales	26.1%	0.0%	0.0%	26.1%
Other operating revenues	<u>83,586</u>	<u>227,697</u>	<u>127,150</u>	<u>438,433</u>
<b>Total operating revenues</b>	1,255,994	227,697	127,150	1,610,841
<b>Total operating expenses</b>	<u>997,225</u>	<u>178,224</u>	<u>395,828</u>	<u>1,571,277</u>
<b>Net Operating income (Loss)</b>	<u>\$ 258,769</u>	<u>\$ 49,473</u>	<u>\$ (268,678)</u>	<u>\$ 39,564</u>

For the Fiscal Year Ended of June 30, 2013\*

	<u>Bookstore</u>	<u>Dining Services</u>	<u>Auxiliary Services</u>	<u>Total</u>
<b>Operating revenues</b>				
Sales, net	\$ 4,762,646	\$	\$	\$ 4,762,646
Less cost of sales	<u>(3,616,180)</u>	<u>                    </u>	<u>                    </u>	<u>(3,616,180)</u>
Gross margin on sales	1,146,466	-	-	1,146,466
Gross profit on sales	24.1%	0.0%	0.0%	24.1%
Other operating revenues	<u>64,040</u>	<u>224,714</u>	<u>129,285</u>	<u>418,039</u>
<b>Total operating revenues</b>	1,210,506	224,714	129,285	1,564,505
<b>Total operating expenses</b>	<u>899,407</u>	<u>233,087</u>	<u>480,165</u>	<u>1,612,659</u>
<b>Net Operating income (Loss)</b>	<u>\$ 311,099</u>	<u>\$ (8,373)</u>	<u>\$ (350,880)</u>	<u>\$ (48,154)</u>

## **MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

- The net operating income for the bookstore decreased by \$52,330 mainly as a result of a decrease in sales and an increase in operating expenses. The decrease in sales is partially due to the additional book rental titles that are a more economical choice for our students. The increase in operating expenses is mostly due to an increase in salaries and benefits.
- Dining Services income is mainly comprised of \$166,162 in commission from Sodexo and \$61,535 in commissions and facilities lease from Carl's Jr. The expenses include hospitality expenses, depreciation, amortization of leaseholds and equipment and retiree benefits. The net operating income increased by \$57,846. This increase is mainly due to a decrease in depreciation expenses and lower premiums paid for retirees.
- Auxiliary Services other operating revenues of \$127,150 mainly include the commissions for the vending machines, ATM machines and the Pepsi contract. The operating expenses include the accounting services provided by the District, depreciation and amortization expenses, facilities rental and lease, bank charges and contributions for student scholarships. The net operating loss decreased by (\$82,202) due to a decrease in employee expenses due to retirements.

## MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES

### MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

#### Statement of Cash Flows

The Statement of Cash Flows provides information about cash receipts and cash payments during the fiscal year. This Statement also helps users assess the Auxiliary's ability to generate positive cash flows, meet obligations as they come due and the need for external financing.

The Statement of Cash Flows is divided into five parts. The first part reflects operating cash flows and shows the net cash used by the operating activities of the Auxiliary. The second part provides information about investing activities and the amount of interest received. The third part reports non-capital related financing activities. The fourth part shows cash flows from capital and related financing activities. This part deals with the cash used for the acquisition and construction of capital and related items. The last section reconciles the net cash used by operating activities to the operating loss reflected on the Statement of Revenues, Expenses and Change in Net Position as well as the detail of the cash balances.

	<u>June 30, 2014</u>	<u>June 30, 2013</u>
<b>Cash Provided By (Used In):</b>		
Operating activities	\$ 27,543	\$ (203,729)
Non-capital financing activities	281,972	
Capital and related financing activities	(54,913)	
Investing activities	<u>13,729</u>	<u>4,723</u>
<b>Net increase (decrease) in cash</b>	268,331	(199,006)
<b>Cash balance – beginning of year</b>	<u>1,686,664</u>	<u>1,885,670</u>
<b>Cash balance – end of year</b>	<u>\$ 1,954,995</u>	<u>\$ 1,686,664</u>

- Cash receipts from operating activities are primarily from sales in the bookstore and miscellaneous revenue. Cash payments of operating activities include the purchase of goods sold, employee salaries and benefits, and miscellaneous operating expenses. The increase in cash from operating activities is mainly a result the decrease in sales as well as the decrease in payments to suppliers.

## MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES

### MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

- Cash from investing activities is interest earned on cash in the Los Angeles County Treasury and notes receivable. Interest income increased due to an increase in cash balances.
- The increase in non-capital and related financing activities includes the Textbook Rental Program transfer from the District and a settlement payment.
- The decrease in Capital and related financing activities includes the payment leasehold improvements for the Dining Services.
- The net increase of \$268,331 in cash for fiscal year 2013-14 is mainly as a result of the Textbook Rental Program transfer from the District.

#### Capital Asset and Debt Administration

##### Capital Assets

As of June 30, 2014, the Auxiliary had \$288,991 invested in net capital assets, primarily related to bookstore and dining services. Total capital assets of \$1.8 million consist of leasehold improvements, data processing equipment, ATM machines, cash registers and other office equipment; these assets have accumulated depreciation of \$1.5 million. Depreciation expense of \$82,667 was recorded for the fiscal year.

Note 5 to the financial statements provide additional information on capital assets. A summary of capital assets net of depreciation is presented below:

	<u>June 30, 2014</u>	<u>June 30, 2013</u>
Construction in progress	\$ 66,908	\$
Equipment	67,116	86,452
Leasehold improvements, including improvements in process	<u>154,967</u>	<u>218,298</u>
Net capital assets	<u>\$ 288,991</u>	<u>\$ 304,750</u>

##### Debt

The Auxiliary has been free of short-term and long-term debt obligations for a number of years and therefore does not have an official credit rating.

## **MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2014**

#### **Economic Factors that May Affect the Future**

Among other increases for 2014-15, the State budget includes a 2.75% Growth Restoration funding and a 0.85% cost-of-living-adjustment (COLA) increase for the College. In order to earn the 2014-15 Growth Restoration, the College will increase courses, which will be favorable for the bookstore's business. Online sales of textbooks continue to be a source of competition for the book business. Bookstore management continues to look for ways to increase business by offering various options to students such as; online sales, in store pick up, various book formats and offering textbook rentals. Management has implemented cost cutting measures, such as not filling open vacancies, reducing hourly labor, adjusting operating hours to maximize business and closely monitoring expenses. The Auxiliary has contracted Sodexo to run the food operations on campus and the Auxiliary will continue to see a positive impact from the revenue received in 2014-15.

Effective July 1, 2014, the Auxiliary Board approved a 1% salary schedule increase and \$500 annually for health and welfare for all regular employees. The Auxiliary will provide an additional annual health and welfare increase based on the same conditional clause applied to District employees which states "if the District receives 2013-14 Over Cap Growth, 15% of these funds will be used to provide a proportional health and welfare contribution of up to a maximum of \$1,100 per fiscal year, retroactive to July 1, 2014".

#### **Contacting the Auxiliary's Financial Management**

This financial report is designed to provide the community, investors, creditors, etc. with a general overview of the Auxiliary's financial condition and to show the Auxiliary's accountability for the funding it receives. If you have questions regarding this report or need additional financial information, contact the Vice President, Administrative Services at 1100 North Grand Avenue, Walnut, California 91789.

## **BASIC FINANCIAL STATEMENTS**

MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES

STATEMENT OF NET POSITION

June 30, 2014

**Assets**

**Current Assets**

Cash and cash equivalents	\$ 1,954,995
Accounts receivable	227,650
Notes receivable - current	3,529
Due from District	122,628
Due from fiduciary fund	109,100
Inventories	1,660,015
Inventories - consignments	51,828
Prepaid expenses and deposits	23,575
<b>Total Current Assets</b>	<u>4,153,320</u>

**Non-Current Assets**

Notes receivable	24,705
Capital assets, net of accumulated depreciation	288,991
<b>Total Non-Current Assets</b>	<u>313,696</u>

**Total Assets** \$ 4,467,016

**Liabilities and Net Position**

**Current Liabilities**

Accounts payable	\$ 176,185
Other accrued liabilities	82,594
Due to District	77,774
Unearned revenue and deposits	16,018
Compensated absences	64,993
<b>Total Current Liabilities</b>	<u>417,564</u>

**Total Liabilities** 417,564

**Net Position**

Invested in capital assets	288,991
Unrestricted	3,760,461
<b>Total Net Position</b>	<u>4,049,452</u>

**Total Liabilities and Net Position** \$ 4,467,016

See the accompanying notes to the financial statements.

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION**  
**For the Fiscal Year Ended June 30, 2014**

<b>Operating Revenues</b>	
Sales, net	\$ 4,485,195
Less cost of sales	<u>(3,312,787)</u>
Gross margin on sales	1,172,408
Book rentals	25,388
Consignment sales	5,806
Food service commissions	166,162
Vending	79,407
Facilities lease	61,535
Miscellaneous revenues	<u>100,135</u>
<b>Total Operating Revenues</b>	<u><b>1,610,841</b></u>
<b>Operating Expenses</b>	
Salaries	644,016
Employee benefits	287,509
Supplies, materials and other operating expenses and services	538,076
Capital Outlay	6,009
Financial aid	13,000
Depreciation	<u>82,667</u>
<b>Total Operating Expenses</b>	<u><b>1,571,277</b></u>
<b>Net Operating Income</b>	<u><b>39,564</b></u>
<b>Non-Operating Revenues/(Expenses) and Other Gains/(Losses)</b>	
Interest income	6,671
District contribution	118,922
Book rental program transfers from District	469,814
Settlement	<u>(35,373)</u>
<b>Total Non-Operating Revenues/(Expenses) and Other Gains/(Losses)</b>	<u><b>560,034</b></u>
<b>Increase in Net Position</b>	599,598
<b>Net Position, Beginning of Year</b>	<u><b>3,449,854</b></u>
<b>Net Position, End of Year</b>	<u><u><b>\$ 4,049,452</b></u></u>

See the accompanying notes to the financial statements.



**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**STATEMENT OF CASH FLOWS  
For the Fiscal Year Ended June 30, 2014**

<b>Cash flows from operating activities:</b>	
Cash received from bookstore and consignment sales and rentals	\$ 4,607,890
Cash received from dining service and convenience store sales/commissions	166,162
Cash received from other sources	272,271
Cash paid to suppliers	(3,888,835)
Cash paid to employees	<u>(1,129,945)</u>
Net cash provided by operating activities	<u>27,543</u>
<b>Cash flows from non-capital financing activities:</b>	
Settlement	(35,373)
Transfer from District - book rental program net position	<u>317,345</u>
Net cash provided by non-capital financing activities	<u>281,972</u>
<b>Cash flows from capital and related financing activities:</b>	
Fixed asset purchases	<u>(54,913)</u>
Net cash used by capital activities	<u>(54,913)</u>
<b>Cash flows from investing activities:</b>	
Note receivable payments	7,058
Interest income	<u>6,671</u>
Net cash provided by investing activities	<u>13,729</u>
<b>Net increase in cash</b>	268,331
<b>Cash balance - July 1, 2013</b>	<u>1,686,664</u>
<b>Cash balance - June 30, 2014</b>	<u>\$ 1,954,995</u>

**Reconciliation of Increase in Net Operating Income to  
Net Cash Used by Operating Activities**

<b>Net operating income</b>	\$ 39,564
Adjustments to reconcile net operating income to net cash provided by operating activities:	
Depreciation	82,667
Changes in operating assets and liabilities:	
Accounts receivable	73,892
Due from District	(60,123)
Inventories	(8,996)
Prepaid expenses	(11,216)
Accounts payable	(32,226)
Other accrued liabilities	2,727
Due to District	33,475
Unearned revenue and deposits	(174)
Compensated absences	5,738
Other postemployment benefits other than pensions (OPEB)	<u>(97,785)</u>
<b>Net cash provided by operating activities</b>	<u>\$ 27,543</u>
<b>Supplemental Disclosure</b>	
Noncash operating transactions:	
Book rental inventory transfer from District	<u>\$ 152,469</u>

See the accompanying notes to the financial statements.

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**STATEMENT OF FIDUCIARY NET POSITION**

**June 30, 2014**

	<b>Retiree (OPEB) Trust</b>
<b>Assets</b>	
Cash and cash equivalents	\$ 164,931
Interest receivable	38,911
Investments	<u>3,269,931</u>
<b>Total Assets</b>	<u>3,473,773</u>
<b>Liabilities</b>	
Due to governmental funds	<u>109,100</u>
<b>Total Liabilities</b>	<u>109,100</u>
<b>Net Position Restricted for Other     Postemployment Benefits</b>	<u>\$ 3,364,673</u>

See the accompanying notes to the financial statements.

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**  
**STATEMENT OF CHANGE IN FIDUCIARY NET POSITION**  
**June 30, 2014**

	<b>Retiree (OPEB) Trust</b>
<b>Additions</b>	
Interest income	\$ 163,374
Net realized/unrealized gain on investments	96,864
<b>Total Additions, Net</b>	<b>260,238</b>
<b>Deductions</b>	
Benefits	109,100
Fees	6,172
Other Expenses	3,200
<b>Total Deductions</b>	<b>118,472</b>
<b>Increase in Net Position</b>	<b>141,766</b>
<b>Net Position, Beginning of year</b>	<b>3,222,907</b>
<b>Net Position, End of year</b>	<b>\$ 3,364,673</b>

See the accompanying notes to the financial statements.

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

The Mt. San Antonio College Auxiliary Services (the Auxiliary) was formed as a separate 501(c)(3) nonprofit public benefit corporation under the authority of Education Code Section 72672(c). The Auxiliary was established to provide supportive services and specialized programs for the general benefit of the Mt. San Antonio Community College District (the District). In particular, the Auxiliary operates the bookstore and arranges for the food services concessions. Effective July 2012, the Auxiliary's accounting function was transferred to the District's Fiscal Services department.

**A. REPORTING ENTITY**

The District considered its financial and operational relationships with potential component units under the reporting entity definition of GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*.

The basic, but not the only, criterion for including another organization in the District's reporting entity for financial reports is the ability of the District's elected officials to exercise oversight responsibility over such agencies. Oversight responsibility implies that one entity is dependent on another and that the dependent unit should be reported as part of the other.

Oversight responsibility is derived from the District's power and includes, but is not limited to: financial interdependency; selection of governing authority; designation of management; ability to significantly influence operations; and accountability for fiscal matters.

Due to the nature and significance of their relationship with the District, including ongoing financial support of the District or its other component units, certain organizations warrant inclusion as part of the financial reporting entity. A legally separate, tax-exempt organization should be reported as a component unit of the District if all of the following criteria are met:

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**A. REPORTING ENTITY (continued)**

1. The economic resources received or held by the separate organization are entirely, or almost entirely, for the direct benefit of the District, its component units, or its constituents.
2. The District, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
3. The economic resources received or held by an individual organization that the District, or its component units, is entitled to, or has the ability to otherwise access, are significant to the District.

Based upon the application of the criteria listed above, the Auxiliary has been identified as a component unit and is discretely presented in the District's financial statements.

The Auxiliary has also applied the criteria listed above in determining its financial and operational relationships with potential component units. Based upon that criteria, the following potential component unit has been included in the Auxiliary's reporting entity:

Mt. San Antonio College Auxiliary OPEB Trust (the Trust) – The Trust is an irrevocable governmental trust pursuant to Section 115 of the Internal Revenue Code for the purpose of funding certain postemployment benefits. The Trust Administrative/Investment Committee, comprised of the District Vice President, Administrative Services; an Administrative Director, the District Associate Vice President, Fiscal Services, and the Presidents of the Employee Organizations, provide oversight over Trust investments and plan administration. As such, the District acts as the Fiduciary of the Trust. The financial activity of the Trust has been discretely presented.

Separate financial statements are not prepared for the Trust.

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**B. FINANCIAL STATEMENT PRESENTATION**

The accompanying financial statements have been prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB), including Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments*, including Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis of Public Colleges and Universities* and Statement No. 38, *Certain Financial Statement Note Disclosures*, issued in June 1999, November 1999 and June 2001, respectively, and *Auxiliary Organizations-Requirements for Accounting, Reporting, and Auditing* issued by California Community Colleges Board of Governors. The financial statement presentation required by the GASB statements provides a comprehensive, entity-wide perspective of the Auxiliary's financial activities. Fiduciary activities are reported separately in Fiduciary statements.

**C. BASIS OF ACCOUNTING**

For financial reporting purposes, the Auxiliary is considered a special-purpose government engaged in business-type activities. Accordingly, the Auxiliary's basic financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred.

**D. CASH AND CASH EQUIVALENTS**

For purposes of the statement of cash flows, the Auxiliary considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Cash in County Treasury is recorded at cost, which approximates fair value.

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**E. INVESTMENTS**

Investments are reported at fair value, which is determined by the most recent bid and asking price as obtained from dealers that make markets in such securities.

**F. ACCOUNTS RECEIVABLE**

Accounts receivable primarily consists of vendor credits and commissions receivable. The direct write-off method is used for uncollectible amounts as it is not materially different from the allowance method. Based on previous experience, management does not expect to incur any significant uncollectable accounts.

**G. AMOUNTS DUE FROM/TO THE DISTRICT**

Amounts due from the District are primarily related to bookstore charges and includes a one-time contribution. Amounts due to the District consist primarily of amounts due for worker's compensation insurance paid on behalf of the Auxiliary.

**H. NOTES RECEIVABLE**

Notes receivable are recorded at the stated value of the note which approximates fair value. An allowance has not been recorded as management does not expect to incur any significant uncollectable accounts.

**I. INVENTORIES**

Inventories are carried at the lower of cost or market on a first-in, first-out basis. Inventories consist of bookstore textbooks, supplies and other merchandise and are physically counted by Auxiliary personnel annually.

**J. PREPAID EXPENSES**

Payments made to vendors for goods or services that will benefit periods beyond June 30, 2014 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which goods or services are consumed.

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**K. CAPITAL ASSETS**

Capital assets are recorded at cost at the date of acquisition, or fair market value at the date of donation in the case of gifts. The Auxiliary's capitalization policy includes all items with a unit cost of \$5,000 or more, and an estimated useful life greater than three years. Renovations to buildings that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 7 to 15 years for building improvements and 3 to 15 years for equipment and technology.

**L. COMPENSATED ABSENCES**

Accumulated unpaid employee vacation benefits are recognized as liabilities of the Auxiliary as compensated absences in the statement of net position.

Sick leave benefits are accumulated without limit for each employee. The employee does not gain a vested right to accumulated sick leave; therefore accumulated sick leave benefits are not recognized as liabilities of the Auxiliary. The Auxiliary's policy is to record sick leave as an operating expense in the period taken; however, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires within the constraints of the appropriate retirement systems.



**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**M. NET POSITION**

Invested in capital assets: This represents the Auxiliary's total investment in capital assets, net of outstanding debt obligations related to those capital assets.

Restricted net position – expendable: Restricted expendable net position include resources in which the Auxiliary is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties or by enabling legislation adopted by the District. The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. The Auxiliary had no restricted net position – expendable as of June 30, 2014.

Restricted net position – non-expendable: Non-expendable restricted net position consist of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal. The Auxiliary had no restricted net position – non-expendable as of June 30, 2014.

Unrestricted net position: Unrestricted net position represent resources derived from student fees and sales and services of auxiliary enterprises. These resources are used for transactions relating to the general operations of the Auxiliary, and may be used at the discretion of the board of directors to meet current expenses for any purpose.

**N. CLASSIFICATION OF REVENUES**

The Auxiliary has classified its revenues as either operating or non-operating revenues according to the following criteria:

Operating revenues: Operating revenues include activities that have the characteristics of exchange transactions, such as sales and services of auxiliary enterprises.

MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**N. CLASSIFICATION OF REVENUES (continued)**

Non-operating revenues: Non-operating revenues include activities that have the characteristics of nonexchange transactions, such as gifts and contributions, and other revenue sources that are defined as non-operating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

**O. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses. Accordingly, actual results could differ from those estimates.

**P. INCOME TAXES**

The Auxiliary has evaluated its tax positions and the certainty as to whether those positions will be sustained in the event of an audit by taxing authorities at the Federal and State levels. The primary tax positions evaluated are related to the Auxiliary's continued qualification as a tax-exempt organization and whether there is unrelated business income activities conducted that would be taxable. Management has determined that all income tax positions are more likely than not being sustained upon potential audit or examination; therefore, no disclosures of uncertain income tax positions are required.

The Auxiliary files informational returns in the U.S. Federal jurisdiction, and the state of California. The statute of limitations for Federal and California state purposes is generally three and four years, respectively.

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 2 - DEPOSITS AND INVESTMENTS:**

**A. DEPOSITS**

**Custodial Credit Risk**

Custodial credit risk is the risk that in the event of a bank failure, the Auxiliary's deposits may not be returned to it. The Auxiliary does not have a deposit policy for custodial risk. As of June 30, 2014, \$607,105 of the Auxiliary's bank balance of \$857,105 was exposed to credit risk as follows:

Uninsured and collateral held by pledging bank's trust department not in the Auxiliary's name	\$442,174
Uninsured and uncollateralized <sup>(1)</sup>	<u>164,931</u>
	<u>\$ 607,105</u>

<sup>(1)</sup>These deposits are held in money market funds with a credit worthy, high-quality financial institution and are rated AAA or better by Standard and Poor's.

The Auxiliary maintains substantially all of its cash in the Los Angeles County Treasury as part of the common investment pool. These pooled funds are carried at amortized cost which approximates fair value. The fair market value of the Auxiliary's deposits in this pool as of June 30, 2014, as provided by the County Treasurer, was \$1,632,776, as is based upon the District's pro-rata share of the fair value for the entire portfolio (in relation to the amortized cost of the portfolio).

MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

**NOTE 2 - DEPOSITS AND INVESTMENTS: (continued)**

**A. DEPOSITS (continued)**

**Custodial Credit Risk (continued)**

The County is authorized to deposit cash and invest excess funds by California Government Code Section 53648 et. seq. The County is restricted by Government Code Section 53635 pursuant to Section 53601 to invest in time deposits, U.S. government securities, state registered warrants, notes or bonds, State Treasurer's investment pool, bankers' acceptances, commercial paper, negotiable certificates of deposit, and repurchase or reverse repurchase agreements. The funds maintained by the County are either secured by Federal depository insurance or are collateralized. The county investment pool is not required to be rated. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool.

**B. INVESTMENTS**

Investments held by the Mt. San Antonio Auxiliary OPEB Trust (the Trust) are limited to those within the terms of the trust agreement, any applicable plan documents and in accordance with California Code Section 53620 through 53622. The Trust did not violate any provisions of the investment policy during the fiscal year ended June 30, 2014.

Investments held by the Trust at June 30, 2014 are presented below:

<u>Investment Type</u>	<u>Fair Value</u>
Corporate Bonds	\$ 1,461,491
Municipal Bonds	1,156,555
Common Stock	573,065
Equity Mutual Funds	<u>78,820</u>
Total	<u>\$ 3,269,931</u>

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 2 - DEPOSITS AND INVESTMENTS: (continued)**

**B. INVESTMENTS (continued)**

**Interest Rate Risk – Debt Securities**

Interest risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The Trust does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Debt Securities	Fair Value	Investment Maturities (in Years)		
		<Than 1	1 - 5	6 - 10
Corporate Bonds	\$ 1,461,491	\$	\$ 851,095	\$ 610,396
Municipal Bonds	1,156,555		755,633	400,922
Total	<u>\$ 2,618,046</u>	<u>\$ -</u>	<u>\$ 1,606,728</u>	<u>\$ 1,011,318</u>

**Credit Risk – Debt Securities**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. This is measured by assignment of a rating by a nationally recognized rating organization.

The individual investment ratings at June 30, 2014 are presented below:

Quality Ratings	Fair Value	Debt Securities	
		Corporate Bonds	Municipal Bonds
A	\$ 571,695	\$ 571,695	\$
AA	305,485		305,485
AA-	851,070		851,070
Bb	107,625	107,625	
Bb-	182,000	182,000	
BBB-	600,171	600,171	
Total	<u>\$ 2,618,046</u>	<u>\$ 1,461,491</u>	<u>\$ 1,156,555</u>

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 2 - DEPOSITS AND INVESTMENTS: (continued)**

**B. INVESTMENTS (continued)**

**Concentration of Credit Risk**

Concentration of credit risk is the risk of a loss attributed to the magnitude of an organization's investment in a single issuer. The Trust places no limit on the amount that may be invested in any one issuer. The Trust is exposed to concentration of credit risk whenever 5% or more of total investments are in any one issuer. At June 30, 2014, the Trust's investments exposed to a concentration of credit risk were:

<u>Investment Type</u>		<u>Percentage of Investments</u>
<b>Corporate Issues</b>		
ADT Corporation	\$ 182,000	6%
Icahn Enterprises L.P.	214,250	7%
Pitney Bowes Inc.	279,400	9%
<b>Municipal Issues</b>		
Los Angeles CA Municipal Improvement Corp. Lease Revenue Bonds Series B2	541,605	17%
Lane Community College OR Build America Bonds Recovery Zone Economic Development	309,465	9%
San Antonio TX Airport System Revenue Refunding Series B	214,028	7%

**Custodial Credit Risk**

Custodial Credit Risk is the risk that, in the event of the failure of the counterparty, the Auxiliary will not be able to recover the value of its investments that are in possession of an outside party. Of the total investments, the Auxiliary has a custodial credit risk exposure of \$3,191,111 because the related securities are uninsured and unregistered. The District does not have a policy limiting the amount of securities that can be held by counterparties.

**NOTE 3 - ACCOUNTS RECEIVABLE:**

Accounts receivable consisted of the following at June 30, 2014:

Bookstore vendor credits	\$ 162,974
Miscellaneous	<u>64,676</u>
Net accounts receivable	<u>\$ 227,650</u>

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 4 – NOTES RECEIVABLE:**

The Auxiliary has a loan agreement with the Mt. San Antonio College Foundation (the Foundation), an independent, voluntary nonprofit corporation. The interest-free note was issued in July 2002 for one-half the cost of the salary of the Director of Development of the Foundation and one-half the cost of the salary of the Administrative Assistant of the Foundation over a two year period totaling \$103,800.

Repayment began November 2004 with annual payments varying from \$4,152 to \$10,380. Originally the note was scheduled to be repaid by November 2015; however in July 2012, the Auxiliary's Board of Directors agreed to extend the repayment period of the loan to November 2021. The remaining balance is scheduled to be paid in ten equal installments of \$3,529. The balance outstanding at June 30, 2014 is \$28,234.

**NOTE 5 – CAPITAL ASSETS:**

The following provides a summary of changes in capital assets for the year ended June 30, 2014:

	<u>Balance</u> <u>July 1, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2014</u>
Non-depreciable assets:				
Construction in process	\$ -	\$ 66,908	\$ -	\$ 66,908
Depreciable assets:				
Equipment	930,434			930,434
Leasehold improvements	808,787			808,787
Total depreciable assets	<u>1,739,221</u>	<u>-</u>	<u>-</u>	<u>1,739,221</u>
Less accumulated depreciation:				
Equipment	(843,982)	(19,336)		(863,318)
Leasehold improvements	<u>(590,489)</u>	<u>(63,331)</u>		<u>(653,820)</u>
Total accumulated depreciation	<u>(1,434,471)</u>	<u>(82,667)</u>	<u>-</u>	<u>(1,517,138)</u>
Total depreciable assets, net	<u>304,750</u>	<u>(82,667)</u>	<u>-</u>	<u>222,083</u>
Capital assets, net	<u>\$ 304,750</u>	<u>\$ (15,759)</u>	<u>\$ -</u>	<u>\$ 288,991</u>

MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

**NOTE 6 – ACCRUED UNEMPLOYMENT LIABILITY:**

The Auxiliary is self-insured for the purposes of California State Unemployment Insurance. An estimated accrued unemployment liability at June 30, 2014, of \$2,805, represents estimated future claims arising from payroll paid to date. Unemployment expense for the year ended June 30, 2014 was \$5,417.

**NOTE 7 – NON-CURRENT LIABILITIES:**

A schedule of changes in non-current liabilities for the year ended June 30, 2014 is shown below:

	Balance June 30, 2013	Additions	Deletions	Balance June 30, 2014
Other postemployment benefits	\$ 97,785	\$ -	\$ (97,785)	\$ -

**NOTE 8 - EMPLOYEE RETIREMENT PLANS:**

**Public Employees' Retirement System (PERS)**

**Plan Description**

The Auxiliary contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS), an agent multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law. CalPERS issues a separate comprehensive annual financial report that includes required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95814.



MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

**NOTE 8 - EMPLOYEE RETIREMENT PLANS: (continued)**

**Funding Policy**

Active plan members are required to contribute 7.0% of their salary and the Auxiliary is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. There was a required employer contribution for fiscal year 2013-14 of 14.637% of covered payroll. The contribution requirements of the plan members are established and may be amended by State statute.

**Annual Pension Cost**

For the fiscal year 2013-14, the Auxiliary's annual pension cost of \$72,014 for PERS was equal to the Auxiliary's required and actual contributions. The required contribution was determined as part of the June 30, 2012 actuarial valuation using the entry age normal cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases ranging from 3.30% to 14.20% per year, and (c) 2.75% per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 2.75%. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a fifteen year period. PERS' unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis over a twenty year period. The remaining average amortization period at June 30, 2014 is seventeen years. The Auxiliary's contribution to PERS for each of the last three fiscal years is as follows:

<u>Year Ended</u> <u>June 30</u>	<u>Annual</u> <u>Pension</u> <u>Cost (APC)</u>	<u>Percent</u> <u>of APC</u> <u>Contributed</u>	<u>Net</u> <u>Pension</u> <u>Obligation</u>
2012	\$ 92,452	100%	\$ 0
2013	61,335	100%	0
2014	72,014	100%	0

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 8 - EMPLOYEE RETIREMENT PLANS: (continued)**

**Schedule of Funding Progress**

The schedule of funding progress for CalPERS Pooled Miscellaneous Plan (Unaudited) present multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability:

Valuation Date	Accrued Liability (a)	Actuarial Value of Assets (b)	Unfunded Liability (a)-(b)	Funded Status (b)/(a)	Annual Covered Payroll (c)	UAAL As a % of Payroll [(a)-(b)]/(c)
6/30/10	\$3,309,064,934	\$2,946,408,106	\$362,656,828	89.0%	\$748,401,352	48.5%
6/30/11	3,619,835,876	3,203,214,899	416,620,977	88.5%	759,263,518	54.9%
6/30/12	4,175,139,166	3,686,598,343	488,540,823	88.3%	798,748,000	61.2%

**NOTE 9 – POSTEMPLOYMENT HEALTHCARE BENEFITS:**

**Plan Description**

The Auxiliary administers a single-employer defined benefit healthcare plan (the Retiree Health Plan). The plan provides medical benefits to eligible retirees and their spouses in accordance with provisions established by the Auxiliary Board of Directors. Plan provisions are evaluated on an annual basis. The Retiree Health Plan does not issue a publicly available financial report.

**Eligibility**

The Auxiliary currently provides retiree medical or Medicare supplement coverage for employees that have rendered at least ten years of service, with at least five years for the Auxiliary and five years with another PERS employer and have reached the age of 50 for PERS retirees. These benefits provide for both the employee and their spouse until death for retirees employed prior to 1996 and for the employee only for retirees employed from 1996 forward. Membership of the plan consisted of the following at June 30, 2014:

Retirees and beneficiaries receiving benefits	39
Active plan members	<u>8</u>
Total	<u>47</u>

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 9 – POSTEMPLOYMENT HEALTHCARE BENEFITS: (continued)**

**Funding Policy**

The contribution requirements are established and may be amended by the Auxiliary. The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2013-14, the Auxiliary contributed \$189,458 to the plan for current year premiums. The Auxiliary pays for 100% of coverage.

**Annual OPEB Cost and Net OPEB Obligation**

The Auxiliary's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The Auxiliary has elected to amortize the unfunded actuarial liability over 30 years. The following table shows the components of the Auxiliary's annual OPEB cost for the year, the amount actually contributed, and changes in the Auxiliary's net OPEB obligation:

Annual required contribution (ARC)	\$ 93,145
Interest on net OPEB obligation	4,889
Adjustment to annual required contribution	<u>(6,361)</u>
Annual OPEB cost (expense)	91,673
Contributions made	<u>(189,458)</u>
Change in net OPEB obligation	(97,785)
Net OPEB obligation - beginning of year	<u>97,785</u>
Net OPEB obligation - end of year	<u>\$ -</u>

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 9 – POSTEMPLOYMENT HEALTHCARE BENEFITS: (continued)**

The Auxiliary's annual OPEB cost, the percentage of annual OPEB cost contributed, and the net OPEB obligation was as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2012	\$ 179,746	128.1%	\$ 155,082
6/30/2013	187,140	130.6%	97,785
6/30/2014	91,673	206.7%	-

**Funding Status and Funding Progress**

As of March 1, 2014, the most recent actuarial valuation date, the plan was 84% funded. The actuarial accrued liability for benefits was \$4.1 million, and the actuarial value of assets was \$3.46 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$658,094. The covered payroll (annual payroll of active employees covered by the plan) was \$721,278, and the ratio of the UAAL to the covered payroll was 91%.

Actuarial valuations of an ongoing benefit plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of postemployment healthcare benefits funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets, if any, is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

The accompanying schedule of employer contributions, also presented as required supplementary information, presents trend information about the amounts contributed to the plan by employers in comparison to the Annual Required Contribution (ARC), an amount that is actuarially determined in accordance with the parameters of GASB Statement 43. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost for each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 9 – POSTEMPLOYMENT HEALTHCARE BENEFITS: (continued)**

**Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, if any, consistent with the long-term perspective of the calculations.

The actuarial cost method used in determining the benefit obligations is the Entry Age Normal Cost method. The actuarial assumptions included a 5% investment rate of return (net of administrative expenses) which is a blended rate of the expected long-term investment returns on plan assets and on the employers own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 4.0 percent which included a 3.0 percent inflation assumption. The initial UAAL is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period will end on June 30, 2037. The remaining UAAL is being amortized as a level percentage of projected payroll on an open basis over a 30 year period.

**NOTE 10 - JOINT POWERS AGREEMENT:**

The Auxiliary, as a component unit of Mt. San Antonio Community College District and along with other districts, participates in four joint powers agreement (JPA) entities; the Alliance of Schools for Cooperative Insurance Programs (ASCIP); the Southern California Community College District Joint Powers Agency (SCCCD-JPA); the Schools Excess Liability Fund (SELF); and the Protected Insurance Programs for Schools (PIPS).

ASCIP arranges for and provides property and liability insurance plans and dental and vision plans for its member districts. Mt. San Antonio Community College District pays a premium commensurate with the level of coverage requested.

## MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES

### NOTES TO FINANCIAL STATEMENTS

June 30, 2014

#### **NOTE 10 - JOINT POWERS AGREEMENT: (continued)**

SCCCD provides workers' compensation coverage for its seven member districts for workers' compensation self-insured run-off claims dated prior to 1995. Payments transferred to funds maintained under the JPA are expensed when made. SCCCD has self-funded their workers compensation coverage since inception as a joint banking pool, and accordingly, does not transfer risk between members. District administrators are of the opinion that the procedures for accumulating and maintaining reserves are sufficient to cover future contingencies under potential workers' compensation claims.

SELF arranges for and provides a self-funded or additional insurance for excess liability for approximately 1,100 public educational agencies. SELF is governed by a board of 16 elected voting members, elected alternates, and two ex-officio members. The board controls the operations of SELF, including selection of management and approval of operating budgets, independent of any influence by the members beyond their representation on the board. Each member pays an annual contribution based upon that calculated by SELF's board of directors and shares surpluses and deficits proportionately to its participation in SELF.

PIPS provides workers' compensation reinsurance protection to its membership for public schools and community colleges throughout California. This is a finite risk sharing pool that transfers risk away from the members. Premiums are determined based on payroll expense and additional premiums may be required in subsequent years.

Each JPA is governed by a board consisting of a representative from each member district. Each governing board controls the operations of its JPA independent of any influence by the Mt. San Antonio Community College District beyond the District's representation on the governing boards.

The relationships between the Mt. San Antonio Community College District and the JPAs are such that none of the JPAs are component units of the District for financial reporting purposes. Audited financial statements can be obtained directly from each JPA.

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 10 - JOINT POWERS AGREEMENT: (continued)**

Condensed financial information of ASCIP, SCCCD-JPA, SELF, and PIPS for the most current information available is as follows:

	ASCIP 6/30/2014 <u>(Unaudited)</u>	SCCCD-JPA 6/30/2014 <u>(Audited)</u>	SELF 6/30/2014 <u>(Audited)</u>	PIPS 6/30/2014 <u>(Unaudited)</u>
		<u>Workers' Compensation Insurance Fund</u>		
Total assets	\$ 331,028,387	\$ 41,556,709	\$ 162,746,000	\$ 101,635,390
Total liabilities	<u>186,877,358</u>	<u>744,467</u>	<u>118,853,000</u>	<u>89,564,503</u>
Net position	<u>\$ 144,151,029</u>	<u>\$ 40,812,242</u>	<u>\$ 43,893,000</u>	<u>\$ 12,070,887</u>
Total revenues	\$ 205,948,958	\$ 6,027,481	\$ 11,812,000	\$ 18,271,889
Total expenditures	<u>194,648,227</u>	<u>7,337,742</u>	<u>4,199,000</u>	<u>22,602,717</u>
Change in net position	<u>\$ 11,300,731</u>	<u>\$ (1,310,261)</u>	<u>\$ 7,613,000</u>	<u>\$ (4,330,828)</u>

**NOTE 11 – FUNCTIONAL EXPENSES:**

	<u>Auxiliary Services</u>	<u>Bookstore</u>	<u>Dining Services</u>	<u>Total</u>
Salaries	\$ 23,798	\$ 620,218	\$	\$ 644,016
Employee benefits	4,945	190,891		195,836
Retiree Benefits	40,308	21,658	29,707	91,673
Supplies, materials and other operating expenses and services	267,743	156,142	120,200	544,085
Financial aid	13,000			13,000
Depreciation	<u>46,034</u>	<u>8,316</u>	<u>28,317</u>	<u>82,667</u>
	<u>\$ 395,828</u>	<u>\$ 997,225</u>	<u>\$ 178,224</u>	<u>\$ 1,571,277</u>

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 12 – RELATED PARTY TRANSACTIONS:**

The Auxiliary leases facilities from the District at a cost of \$10,000 per year. In addition, the Auxiliary reimburses the District for printing services and worker's compensation insurance. The outstanding balance owed to the District as of June 30, 2014 was \$77,774.

The District utilizes the bookstore to provide staffing, books and supplies for various campus programs and functions. In addition, the District elected to make a one-time contribution of \$118,922. The outstanding balance owed to the Auxiliary was \$122,628 as of June 30, 2014.

The Auxiliary reimburses the District for the cost of a Budget and Accounting Coordinator, a Budget and Accounting Technician and fifty percent of an Account Clerk III. The amount reimbursed to the District for the Auxiliary's accounting function in 2013-14 was \$243,360.

During the fiscal year ended June 30, 2014, the District transferred rental program inventory valued at \$152,469 and cash of \$317,345 from the Pilot Program for Course Material Rental grant program. The Auxiliary will utilize these assets in its book rental program.

**NOTE 13 - COMMITMENTS AND CONTINGENCIES:**

**Outsourcing Agreements**

The Auxiliary has entered into an agreement with Sodexo to outsource Dining Services and Convenience Stores effective July 1, 2011. The term of the agreement is five (5) years. Per the agreement, Sodexo will pay the Auxiliary a commission ranging from 5.0% to 12.5% on net retail sales and 20.0% on concession sales with a minimum guaranteed commission of One Hundred Thirty-Five Thousand Dollars (\$135,000) per year. In addition, Sodexo will participate in the District community and partner with the internship and work study programs. The Auxiliary received \$166,162 in commissions during the 2013-14 year.



**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

**NOTE 13 - COMMITMENTS AND CONTINGENCIES: (continued)**

**Facilities Lease**

The Auxiliary entered into a facility lease agreement with Non Traditional Foods, Inc. who operates a Carl's Jr. Restaurant franchise on the campus of the District. The lease was effective July 1, 2011 and was renewed effective July 1, 2012 through June 30, 2014. Per the agreement, Non Traditional Foods will pay a monthly common area maintenance fee of \$3,410 and a monthly site license fee based on a percentage of monthly gross sales for the prior calendar month. The percentage applied varies from 2.5% to 7.0% of sales based on stated gross sales thresholds. The Auxiliary received \$61,535 in fees during the 2013-14 year.

**Risks Associated with Property and Liability**

The Auxiliary is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions. The Auxiliary is insured for these risks under the District's property and liability insurance policy for individual claims in excess of \$25,000. The Auxiliary has not incurred significant claims under this program.

**REQUIRED SUPPLEMENTARY INFORMATION**

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**SCHEDULE OF POSTEMPLOYMENT HEALTHCARE BENEFITS FUNDING PROGRESS**

For the Fiscal Year Ended June 30, 2014

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (AVA)</u>	<u>Actuarial Accrued Liability (Entry Age Normal Method) (AAL)</u>	<u>Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>Funding Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
5/1/2011	\$ 2,773,243	\$ 4,066,490	\$ 1,293,247	68%	\$ 1,004,013	129%
4/1/2012	2,991,992	4,632,711	1,640,719	65%	999,949	164%
4/1/2014	3,461,822	4,119,916	658,094	84%	721,278	91%

See the accompanying notes to the required supplementary information.

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

**For the Fiscal Year Ended June 30, 2014**

<b><u>Year Ended June 30,</u></b>	<b><u>Annual Required Contribution</u></b>	<b><u>Percentage Contributed</u></b>
2012	\$ 178,167	129.2%
2013	189,213	129.2%
2014	93,145	203.4%

See the accompanying notes to the required supplementary information.

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
For the Fiscal Year Ended June 30, 2014**

**NOTE 1 - PURPOSE OF SCHEDULE:**

**A. Schedule of Postemployment Healthcare Benefits Funding Progress**

This schedule is prepared in accordance with Statement No. 45 of the Governmental Accounting Standards Board, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The schedule is intended to show trends about the funding progress of the Auxiliary's actuarially determined liability for postemployment benefits other than pensions.

**B. Schedule of Employer Contributions**

This schedule is prepared in accordance with Statement No. 43 of the Governmental Accounting Standards Board, *Financial Reporting for Postemployment Benefits Other Than Pension Plans*. The schedule is intended to show trends about the percentage of the annual required contribution made to the plan.

**OTHER INDEPENDENT AUDITOR'S REPORTS**

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors  
Mt. San Antonio College Auxiliary Services  
1100 N. Grand Avenue  
Walnut, California 91789

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Mt. San Antonio College Auxiliary Services (the Auxiliary), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Auxiliary's basic financial statements, and have issued our report thereon dated November 20, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Auxiliary's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Auxiliary's internal control. Accordingly, we do not express an opinion on the effectiveness of the Auxiliary's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

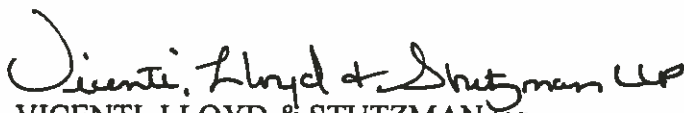
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Mt. San Antonio College Auxiliary's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
VICENTI, LLOYD & STUTZMAN LLP

Glendora, California

November 20, 2014



## **FINDINGS AND RESPONSES**

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**

**SCHEDULE OF FINDINGS AND RESPONSES**

**June 30, 2014**

There were no findings and responses related to the basic financial statements for the year ended June 30, 2014.

**MT. SAN ANTONIO COLLEGE AUXILIARY SERVICES**  
**STATUS OF PRIOR YEAR FINDINGS AND RESPONSES**  
**June 30, 2014**

There were no findings and responses related to the basic financial statements for the year ended June 30, 2013.

# **Mt. San Antonio College**

## **Student Equity Plan**

Approved by SP&S on November 3, 2014

# MT. SAN ANTONIO COLLEGE STUDENT EQUITY PLAN

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***Mt. San Antonio College  
Student Equity Plan  
Signature Page***

District: Mt. San Antonio College District

Date Approved by Board of Trustees: \_\_\_\_\_

College President: \_\_\_\_\_  
Dr. William Scroggins

Vice President of Student Services: \_\_\_\_\_  
Dr. Audrey Yamagata-Noji

Vice President of Instruction: \_\_\_\_\_  
Dr. Irene Malmgren

Academic Senate President: \_\_\_\_\_  
Daniel Smith

**Student Equity Coordinator(s)/Contact Person:**

\_\_\_\_\_  
S. Carolyn Keys, Dean Student Services  
Student Equity Committee Co-Chair

\_\_\_\_\_  
Dr. Alina Hernandez, Professor, Counseling  
Student Equity Committee Co-Chair

## DEDICATION PAGE

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*The Mt. San Antonio College Student Equity Plan is dedicated to Professor Phillip Maynard, who worked tirelessly for over 20 years to make student equity both as priority and a reality at Mt. SAC. Phil championed the student equity cause at Mt. SAC before it was mandated by the state. He co-chaired the Student Equity Committee and Mt. SAC's Equity for All Project through the Center for Urban Education at USC.*

*Diversity issues were always at the forefront for Phil throughout his academic career as a professor and coach in the Communication department. Phil distinguished himself as a leader, advocate, and ardent supporter of affirmative action, equity and diversity on campus as well as throughout the state through his involvement with the Academic Senate. He provided diversity training to hundreds of faculty members at Mt. SAC and across the nation.*

*Phil advised various student organizations, including the Muslim Student Association, the Intercultural Awareness Council, the Associated Students, the Bridge Program, the Aspire Program and others. In 2005, Phil played a key role in creating Mt. SAC's Black College Fair, which has evolved into a university transfer forum, targeted for African American students.*

*Phil also played a pivotal role in formulating the college's first-ever Student Equity Plan and advocated for the development of an intercultural communication course that serves as the foundation for a multidisciplinary AA degree in intercultural understanding at Mt. SAC.*

*He was awarded the National Campus Faculty Award from the Center for the Study of Diversity in Teaching and Learning in 2001 and the Community Service Award of the National Council of Negro Women in 2012. In 2006, the College's efforts were recognized by the State Chancellor's Award for Best Practices in Student Equity.*

*Phil Maynard was our leader, our anchor, and our "north star" until his untimely death in January 2014. Although we miss him dearly, his work is recognized on a daily basis through the innovative educational support our students receive at Mt. SAC.*

## GLOSSARY

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<b>ABE</b>	–	Adult Basic Education
<b>ACES</b>	–	Achieving in College, Ensuring Success
<b>ADT</b>	–	Associate Degree for Transfer
<b>ALEKS</b>	–	Assessment and Learning in Knowledge Spaces
<b>AmLa</b>	–	American Language (Credit ESL)
<b>ARISE</b>	–	A program that seeks to help Asian American and Pacific Islander students
<b>ASPIRE</b>	–	African American Student Program Inspiring Responsibility for Education
<b>BOGW</b>	–	Board of Governors Fee Waiver
<b>CalWORKs</b>	–	California Work Opportunities and Responsibility to Kids
<b>CARE</b>	–	Cooperative Agencies Resources for Education
<b>CDCP</b>	–	Career Development and College Preparation
<b>CTE</b>	–	Career and Technical Education
<b>DSPS</b>	–	Disabled Student Programs and Services
<b>EOPS</b>	–	Extended Opportunity Programs and Services
<b>ESL</b>	–	English as a Second Language (Noncredit)
<b>ESL-CAP Test</b>	–	ESL Computer Adaptive Placement Test
<b>FPDC</b>	–	Faculty Professional Development Committee
<b>HSI</b>	–	Hispanic Serving Institution
<b>HSO</b>	–	High School Outreach
<b>IT</b>	–	Information Technology
<b>LAC</b>	–	Learning Assistance Center
<b>LC</b>	–	Learning Communities
<b>LEAD</b>	–	Leadership Education and Development
<b>MAP</b>	–	Mountie Academic Plan
<b>MARC</b>	–	Math Activities Resource Center
<b>POD</b>	–	Professional and Organizational Development
<b>RIE</b>	–	Research and Institutional Effectiveness
<b>SAP</b>	–	Satisfactory Academic Progress
<b>STEM</b>	–	Science Technology Engineering and Math
<b>SSSP</b>	–	Student Success and Support Program
<b>STEP</b>	–	Summer Transition Enrichment Program
<b>TERC</b>	–	Technology Education Resource Center
<b>UOP</b>	–	University Outreach Program
<b>VESL</b>	–	Vocational English as a Second Language (Noncredit)
<b>VRC</b>	–	Veterans Resource Center
<b>VTEA</b>	–	Vocational Training Education Act
<b>WIN</b>	–	Student Athletic Study Center
<b>WIOA</b>	–	Workforce Innovation and Opportunity Act



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## **Executive Summary**

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## EXECUTIVE SUMMARY

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*An executive summary that includes, at a minimum, the student group for whom goals have been set, the goals, the initiatives that the community college or community college district will undertake to achieve these goals, the resources that have been budgeted for that purpose, and the community college district official to contact for further information. Commencing with 2016–17 academic year, the executive summary shall also include a detailed account of how funding was expended and an assessment of the progress made in achieving the identified goals.*

Mt. San Antonio College has had an active Student Equity Committee for over 15 years and an updated Student Equity plan since 2010 to continually focus on problematic and disproportionate areas of student success. As a governance committee, the Student Equity Committee reports to the Student Preparation and Success Council, which in turn, reports to the Academic Senate and the President's Advisory Council. Representatives to the committee are appointed by faculty, classified staff and student organizations as well as management appointees. In 2011-12, the Student Preparation and Success Council developed a Student Success Plan, long before the state required one. The purpose for this plan was to identify gaps in our support for students and interventions to improve student's success.

### **The Approach**

Mt. San Antonio College conducted a comprehensive, research-based, and deliberative process to develop the Student Equity Plan. First and foremost in our planning process was to focus on the gaps in achievement for particular profiles of students. In planning for the development of the current Student Equity Plan, Mt. San Antonio College engaged in a campus-wide process to ensure that all faculty, staff, students and administrators were represented. The Student Equity Committee hosted a campus-wide Student Equity Convening meeting in May of 2014, with over 70 faculty, staff, students and administrators in attendance. Key campus leaders and constituency groups were able to provide input on the five success indicators, which then enabled the committee members to begin drafting goals, activities, timelines, and persons responsible as part of the Student Equity Plan.

Additional campus discussions enabled the college to continue to focus on specific groups of students whose success rates appear to be lower than comparative groups and who struggle due to the lack of available support services designed to meet their particular educational and developmental needs. Targeting these sub-groups of students was based on the experience of educators on campus in their direct work with students, in addition to the outside research literature about these sub-groups, and research methods which measure disproportionality based on data such as the Scorecard. This is further discussed in the Campus-Based Research Section. An example of this occurs in the section on Transfer. Compared to their counterparts, Latinos are disproportional in meeting the transfer criterion (proportionality index = .72). African Americans have traditionally had a low transfer rate as well Latinos. (Mt. SAC Equity for All report). However, based on Scorecard data African Americans are only marginally disproportional. Their most recent cohort has a proportionality index of .85 and this is the

lowest of the five previous cohorts, three of which were slightly above equity. When gender is added to the analysis, Latino and African American males at Mt. SAC over the last five cohorts have had higher transfer rates than females of the same ethnicity in two cohorts, lower in two cohorts, and similar rates in one. However, Latino and African American males are generally regarded as at risk for lower transfer rates than females of the same ethnicity based on outside research literature such as that from the Center for Urban Education.

Thus, Mt. SAC will continue to focus attention on these groups of students in an effort to build on and strengthen these existing moderately successful outcomes. The lack of available data about Former/Foster Youth students complicates the analysis of this population, however, existing research informs us that this student population transfers at a lower rate than many other student groups. Transfer rates decline quickly with age. Already for students in the 20 to 24 years of age group, the proportionality index is down to .74. By ages 25 to 29, this index lowers to .57 and stays low for all older students. Surveys as well as personal contact with Veterans inform us that their progress toward degree completion and transfer is slowed due to absences from formal education and difficulties in transitioning back to college. Therefore, of particular concern are:

- Men of color
- Former/Foster Youth
- Undocumented students
- Low income students
- First generation college students
- Single parents
- Re-entry students
- Students over 24

In an inclusive effort, three broad-based writing teams were assembled by the President with the charge of using a fine-grain approach through collaborative inquiry to study and make recommendations for inclusion into the Student Equity Plan. These writing teams included individuals that represented many of the support service and instructional units of the campus. Critical to this process was the importance of identifying the **pathways** that assist students in gaining access to a college education, and the provision of specialized support in order to transition as successful college students. The **Pathways Writing Team** was assembled to review all programmatic aspects that reach out to students-especially under-represented and under-served students-that assist in helping students to successfully matriculate to the college and to establish a firm foundation as they enter as first time students (Summer Bridge, Freshmen Learning Communities, High School Outreach Connect 4 Program, Aspire for African Americans, Arise for Asian Pacific Islanders, The Dream Center for undocumented students, and Foster Youth Services (credit and noncredit students). In particular, these efforts dovetail most closely with the **Student Success and Support Program (SSSP)** by ensuring that students receive necessary services related to their enrolling in college (assessment, orientation, counseling and

advising, education planning and follow-up services). In many cases, the SSSP core services are provided by or highly coordinated with these specialized support services.

In order to ensure success, **interventions** that enable students to receive the instructional and programmatic support to successfully reach their goals were identified. The **Interventions Writing Team** identified successful strategies already in place that needed expansion and institutionalization as well as gap areas that needed to be addressed through the implementation of newly developed instructional and support services interventions (supplemental instruction, probation intervention, early alert, STEM Center, math workshops, CTE support services, and noncredit learning support). These interventions are included in the college's Student Equity Plan.

Although Mt. San Antonio College has many successful instructional and support services in place already, the college has continued to look at new and specialized approaches to address equity gaps for particular groups of students included in this plan. The **Futures Writing Team** has undertaken the planning for a deeper research agenda focusing on the areas in which students are most challenged and examining the effects of impacts like technology, registration priority and the timing of counseling intervention on student success. The work of the Futures Writing Team parallels the college's Student Success and Support Program Plan (SSSP). The key questions posed by the Futures Writing Team are:

- *How do basic skills (courses, assessment preparation and orientation) affect/impact degree/certificate completion?* [SSSP: assessment, orientation, follow-up]
- *How does access to learning support impact transfer course completion?* [SSSP: counseling and education planning]
- *What is the effect of accessing counselors early and completing educational plans?* [SSSP: counseling, education planning]
- *What is the effect of registration priority on access?* [SSSP: enrollment priorities, orientation, assessment]
- *What is the effect of technology with special populations?* [SSSP: education planning, counseling, orientation, assessment]

### **Target Groups**

As identified in the Student Equity Plan, the groups that Mt. San Antonio College is targeting based on our comprehensive research and numerous campus-wide discussions are:

- Latinos, especially males
- African Americans, especially males
- Asian Pacific Islanders, both males and females
- Native Americans
- Low income, especially basic skills
- English language learners, especially low income and first generation
- EOPS/CARE/CalWORKs, single parents, reentry
- Disabled/DSPS

- Undocumented
- Former/Foster Youth
- Veterans
- Students 25 years and older
- Noncredit students

### Goals

Indicator	Indicator Goal	Sub-Goals
Access	<b>Goal A: Continually evaluate and implement strategies and programs to ensure that enrolled students match their population within the communities served by the college and that comprehensive pathways enable seamless access for identified student groups.</b>	<p><b>Goal A.1:</b> Establish partnerships with the foster youth community, resources and agencies to support the successful enrollment and transition of Former/Foster Youth to the college</p> <p><b>Goal A.2:</b> Improve outreach and recruitment to African American and Latino males from economically disadvantaged communities.</p> <p><b>Goal A.3:</b> Improve outreach and recruitment of disabled individuals, especially from the communities of Baldwin Park, Pomona, and La Puente.</p> <p><b>Goal A.4:</b> Enhance targeted outreach efforts to increase the enrollment of English language learners, Re-entry and Veteran students and their participation in support services.</p> <p><b>Goal A.5:</b> Conduct research and implement strategies to improve the access, registration, and enrollment of under-represented and under-served individuals.</p>
Course Completion	<b>Goal B: Improve course completion for specific student populations (Latino, African American, Pacific Islander, disabled, Former/Foster Youth and students aged 20-24) by implementing specialized program interventions supported by research efforts.</b>	<p><b>Goal B.1:</b> Improve course completion for specific student populations by conducting research, gap analyses, focus groups, and analyzing trends and interventions specific to identified student groups.</p> <p><b>Goal B.2:</b> Improve course completion through improved instructional strategies and faculty professional development.</p> <p><b>Goal B.3:</b> Increase course completion for target groups by providing early notification of students' progress.</p> <p><b>Goal B.4:</b> Expand and improve instructional and support interventions with a focus on engagement and success, especially for targeted student groups.</p>

Indicator	Indicator Goal	Sub-Goals
		<p><b>Goal B.5:</b> Increase awareness and develop intervention support models for African Americans, Latinos and other under-represented groups to be successful in Basic Skills and STEM courses and majors.</p> <p><b>Goal B.6:</b> Improve students' preparedness through improved access to textbooks, course materials and counseling interventions.</p> <p><b>Goal B.7:</b> Implement electronic modes of communication to enhance student engagement and course completion, retention and persistence.</p>
Basic Skills and ESL	<p><b>Goal C:</b> Improve the successful course completion of ESL/AmLa and basic skills course sequences and the subsequent enrollment and completion of degree applicable courses.</p>	<p><b>Goal C.1:</b> Improve the transition of students from noncredit to credit for English language learners and basic skills students.</p> <p><b>Goal C.2:</b> Provide additional student engagement opportunities, especially for African American, Asian/Pacific Islander, and low-income/first generation students.</p> <p><b>Goal C.3:</b> Strengthen existing programs that transition ESL and Basic Skills students to college level courses.</p> <p><b>Goal C.4:</b> Strengthen existing Summer programs that serve diverse student populations and assist in their transition to college.</p> <p><b>Goal C.5:</b> Develop research regarding ESL/Basic Skills completion in designated populations including Foster Youth students, student Veterans, and AB540 students; Noncredit students; create additional ways to track those populations and discover any areas of disproportionate impact.</p>
Degree and Certificate Completion	<p><b>Goal D:</b> To improve degree and certificate completion rates among targeted populations by implementing specialized instructional and support services.</p>	<p><b>Goal D.1:</b> Improve the degree and certificate completion rates for first generation, basic skills and African American students by enrolling them in specialized support programs and developing specialized support services for Former/Foster Youth and Veterans.</p> <p><b>Goal D.2:</b> Conduct research to determine barriers to degree and certificate completion, reasons for higher completion rates in certain courses in order bring degree and certificate completion to equity among demographic</p>

Indicator	Indicator Goal	Sub-Goals
		<p>groups.</p> <p><b>Goal D.3:</b> <i>Improve communication about degree and certificate progress to underrepresented students.</i></p> <p><b>Goal D.4:</b> <i>Create interventions to improve completion and graduation rates for underrepresented students in Career Technical Education (CTE) areas.</i></p> <p><b>Goal D.5:</b> <i>Create interventions to improve completion and graduation rates for underrepresented students in Science, Technology, Engineering, and Mathematics (STEM) majors.</i></p>
Transfer	<p><b>Goal E:</b> <i>Research disparities in transfer preparation and transfer rates for identified students and implement instructional and support services designed to improve the successful transfer of under-represented students.</i></p>	<p><b>Goal E.1:</b> <i>Gain more understanding about the issues preventing African American and Latino students from transferring to universities successfully and apply current and future research findings to lessen the transfer disproportionality for African Americans, Latinos and Former/Foster Youth.</i></p> <p><b>Goal E.2:</b> <i>Implement instructionally-based interventions to improve students' preparation for transfer.</i></p> <p><b>Goal E.3:</b> <i>Develop and initiate transfer interventions to enhance the knowledge, confidence, and preparedness of targeted students to successfully transfer.</i></p> <p><b>Goal E.4:</b> <i>Examine the disparity in transfer rates for students with verified disabilities and increase the number of students with disabilities who complete their declared transfer goals.</i></p>

**Activities and Resources**

Mt. San Antonio College has a long history of extensive support services and instructional interventions for under-served and disproportionately impacted students. Of special note is the successful implementation of joint efforts between Student Services and Instruction such as the Summer Bridge Program, Pathways to Transfer, and Learning Communities such as Bridge, English and Math Bridge. The Summary of Activities displays the major program activities by Student Equity goal indicator.

Mt. San Antonio College proposes to expand support for existing services and programs that have proven successful in addressing the needs of identified student populations. Additionally,

the College proposes to initiate and further develop more strategic services and interventions designed to address the needs of under-served students. Collaboration and integration with existing categorical programs (EOPS/CARE, CalWORKs, DSPS, etc.) as well as with the college's Student Success and Support Program is included in the Student Equity Plan. The Summary of Existing Programs and Development of New Interventions delineates all of the existing programs and services which will be enhanced and expanded and the initiation and continued development of new services and interventions.

### **Summary of Activities**

<b><i>Student Equity Indicator</i></b>	<b><i>Major Programmatic Activities</i></b>
Access	Foster Youth Program (REACH) Outreach – community and high schools; Former/Foster Youth, African Americans, Latinos, Disabled, English language learners, Re-entry, Veterans Continued research, including student surveys Summer Bridge
Course Completion (Retention)	Tutoring and instructional support Professional development Academic progress monitoring Specialized programs for: Undocumented, African American, Latino, Former/Foster Youth, Expansion of existing efforts: EOPS/CARE, CalWORKs, DSPS, Bridge, ACES, Aspire, Arise, Basic Skills projects Math interventions/ALEKS/MARC Probation interventions STEM Center Access to textbooks and course materials (Bookstore; Library; Online Resources) Education plans Access to counseling Electronic communication systems for students Library Information and Literacy Leadership Development Continued research, including student surveys
ESL and Basic Skills Completion	Collaboration between Instruction and Student Services, between Credit and Noncredit Learning Resources/Writing Center/MARC/STEM English, Math and LAC Departments Pathways for Basic Skills through Transfer Noncredit ESL and VESL Career Pathways Learning communities; Bridge Professional development Counseling and STEP into College program



<b><i>Student Equity Indicator</i></b>	<b><i>Major Programmatic Activities</i></b>
	Boot Camps and assessment preparation Former/Foster Youth Veterans Continued research, including student surveys
Degree and Certificate Completion	Former/Foster Youth Veterans CDCP (Noncredit) Certificates (VESL/ABE/Short-Term Vocational) First Year Experience/learning community MAP (Mountie Academic Plan)/education planning Communications systems for students regarding completion status and ADT degree options TERC (Technology Education Resource Center) STEM Center Continued research, including student surveys MARC/TMARC Title V HSI grant
Transfer	Assessment preparation Math Interventions/ALEKS Learning communities and Pathways to Transfer Re-entry Learning Center Transfer Bridge University Outreach Program Transfer Center Counseling DSPS Accommodations and accessibility for disabled individuals Outreach and collaboration with community resources (especially Veterans Affairs and Department of Rehabilitation) Teacher Preparation Institute Honors Program Student Health Services Continued research, including student surveys

**Summary of Existing Programs and Development of New Interventions<sup>1</sup>**

<b>Expansion of Existing Programs/Services</b>		<b>Development of New Services/Interventions</b>	
<b>Program/Services</b>	<b>Students to be Served</b>	<b>New Programs</b>	<b>Students to be Served</b>
Summer Bridge	Low income, Basic Skills, First Generation, Latino, African American [SSSP Orientation, Counseling, Ed Plan]	Foster Youth REACH <i>[Reaching, Empowering, Achieving and Completing with Heart]</i>	Former/Foster Youth [SSSP Counseling, Ed Plan, Follow-Up]
Veterans Center	Veterans, Re-entry, Low Income, Basic Skills	Dream Center	AB 540, DACA, undocumented students, low income [SSSP Counseling, Ed Plan, Follow-Up]
EOPS/CARE/CalWORKs	Low income, Basic Skills, First Generation, Re-entry, Single Parents, Foster Youth [SSSP Counseling, Ed Plan]	Transfer Bridge	First Generation, Low Income, Latino, African American; degree completion and transfer
STEP Program	First generation, Latino, African American, Pacific Islander [SSSP Orientation, Counseling, Ed Plan]	STEM Center	Latino, African American, Basic Skills, Females; degree completion and transfer
English and Math Bridge	Basic Skills	CTE Center	Low Income, Basic Skills, First Generation; certificate and degree completion
Instructional Cohorts (Pathways/Transfer Pathways)	Basic skills and students with transfer goals	Math Preparation	Basic Skills [SSSP Assessment]
ACES	Low income, First Generation, Former/Foster Youth [SSSP Counseling, Ed	Re-entry Center	Basic Skills, students over age 25 [SSSP Follow-Up]

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<sup>1</sup> [Brackets link to SSSP- Student Success and Support Program]

Expansion of Existing Programs/Services		Development of New Services/Interventions	
	Plan]		
Aspire	African American, First Generation [SSSP Counseling, Ed Plan]	Early Alert	Basic skills, low income/financial aid [SSSP Follow-Up]
Arise	Asian English Learners, Pacific Islander Low Income, First Generation, Basic Skills [SSSP Counseling, Ed Plan]	Online Dashboard System (to track progress toward goal)	Basic skills, first generation, low income, certificate and degree completion and transfer [SSSP Follow-Up]
DSPS	Disabled students, basic skills [SSSP Counseling, Ed Plan]		
Counseling	Orientations, Counseling, Education Plans, Follow-Up with undecided, probation, basic skills [SSSP Orientation, Counseling, Ed Plan, Follow-Up]		
Outreach	African American, Latino, Asian/Pacific (Southeast and Pacific Islander), Native American, First Generation, Low Income [SSSP Assessment, Orientation, Counseling, Ed Plan]		
Learning Support (LAC, MARC, Writing Center)	Basic Skills		
Noncredit Basic Skills Boot Camp	Basic Skills, noncredit to credit matriculation [SSSP Assessment]	Noncredit Basic Skills Boot Camp – Expand to local high schools	Basic skills, first generation, low income, Latino and African American
Probation Interventions	Probation students subject to loss of enrollment priority,		

Expansion of Existing Programs/Services		Development of New Services/Interventions	
	loss of BOGW, and dismissal [SSSP Follow-Up Probation]		
Teacher Preparation Institute	Cohort groups		
Transfer Center	First generation, low income, DSPS, Former/ Foster Youth, African Americans, Latinos		
Assessment Preparation	Basic skills, reentry, first generation English, Math, and ALEKS Math [SSSP Assessment]		
Title V HSI Grant	Basic skills, first generation, Latino/a and low income [SSSP Assessment, Orientation, Counseling, Ed Plan, Follow-Up]		
Professional Development	Basic skills, English language learners, Former/Foster Youth, Veterans, Disabled		
MAP – Mountie Academic Plan	Abbreviated and comprehensive electronic education plans [SSSP Ed Plan]		
English language learners/ESL Noncredit and AMLA (Credit ESL)	Credit American Language (AmLa) and Noncredit (ESL) outreach, support, instructional interventions		
Student Information Competency and Access to Textbook and Instructional Materials	Instructional efforts in library information competency, library technology literacy, and increased access to class materials and		

Expansion of Existing Programs/Services		Development of New Services/Interventions	
	resources		
Honors Program	Transfer assistance, counseling support		
Electronic Communications Systems	Follow up with students, notification of requirements, tracking of progress toward completion of degrees, certificates and transfer [SSSP Follow-Up]		
Bookstore Loan Program	Access to textbooks and instructional materials		
Student Health Services	Medical, psychological and health services		

**Integration: Student Equity and Student Success and Support Program (SSSP)**

Mt. San Antonio College’s Student Equity Plan has been developed in concert with the College’s Student Success and Support Program. In order to enhance the success of low income, first generation students in basic skills and transfer courses, pre-assessment workshops by the English and math departments and the Noncredit Basic Skills Boot Camp will be instituted to enable students to be more prepared prior to taking placement tests. Enhanced efforts such as Summer Bridge, Math ALEKS, and Pathways help to ensure that students not only are able to enroll in appropriate classes, but receive support services that are specifically designed to meet particular student needs. To enhance the degree, certificate completion and transfer rate of students (especially those disproportionately impacted), specialized counseling and tutoring support, along with the development of individualized education plans and tracking of progress towards goal attainment, is provided.

A critical nexus between Student Equity and SSSP is the Follow-Up component of SSSP. The Follow-Up component focuses on the development of interventions for at-risk students, especially those students who assess at the basic skills level students who, are undecided, and are on probation and subject to dismissal and/or loss of their Board of Governors (BOG) Fee Waiver. The College has long had an intrusive, counseling-based probation intervention program for students on consecutive semesters of academic and/or progress probation. The counseling-based workshops and one-on-one appointments have enabled substantial numbers of students to turn around their academic careers. Instructional interventions through the College’s numerous tutorial support centers have also enabled students (especially at risk, basic skills students) to improve their academic standing. These interventions lead to higher student

course completion and more importantly, to goal completion (certificate, degree, transfer). Counseling services and workshops for undecided students, and the development of abbreviated and comprehensive education plans, are built into the Counseling and Orientation components of SSSP. Services provided by the Learning Assistance Center, Writing Center, WIN Program, Math Academic Resource Center (MARC) and the Transfer Math Academic Resource Center (TMARC) will be supplemented by the Science Technology Engineering Math (STEM) Center and the Career Technical Education Center (CTE).

The College has also instituted a comprehensive array of entry support services for incoming students in order to improve access and build in greater assurances of student success. Outreach, financial aid, and counseling efforts are networked to reach under-served communities, especially high school students from under-represented schools and districts. Information sessions, new student orientations, Summer Bridge and STEP into College efforts help to ensure that all students, especially under-performing student groups, begin college on a successful path. Integrating services with existing and new programs such as EOPS/CARE, DSPS, Aspire, ACES (TriO), Arise, Foster Youth REACH, the Dream Center and the Veterans Resource Center are also critical in providing follow through services to students to enhance their access to the college and to critical resources.

By interfacing with categorical programs, Mt. San Antonio College will be able to maximize services to specialized student populations. Orientation, counseling, education planning and follow-up will be coordinated with services provided by EOPS/CARE, CalWORKs, DSPS, TRiO (ACES Program), Veterans and other specialized support programs. Additional support efforts are being developed and implemented for other student populations such as the Former/Foster Youth Reaching, Empowering, Achieving and Completing with Heart (REACH) Program, the Dream Center and the Re-entry Center.

Integration of instructional interventions and support services are coordinated between both SSSP and Student Equity. College priorities will include addressing the needs of English language learners, increasing the numbers of disproportionately impacted students successfully completing STEM courses, and assisting CTE students in completing degrees and certificates. Information literacy education along with electronic communication systems will enable students to maximize their success, while tracking their progress, and receiving critical referrals and follow-up from faculty and support services programs.

The Student Equity initiative will enable the College to utilize resources to address the needs of specific student populations such as Former/Foster Youth, undocumented students, English language learners and reentry students. Through the research component of the Student Equity effort, it was determined that more specialized interventions for Re-entry students are necessary. Additionally, enhanced efforts to provide counseling and instructional support for Veterans will be coordinated as part of the SSSP and Student Equity efforts.

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## Campus-Based Research

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## CAMPUS-BASED RESEARCH

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### Summary of Research

Mt. San Antonio College created its Student Equity Plan based on the California Community College Chancellor Office's recommended research approach for developing the Campus-Based Research section. Thus, the Access indicator is based on U.S. Census data, the Course Success indicator is based on the local student records database, and the other indicators are based on the Chancellor's Office Scorecard. Beyond the aforementioned data, further knowledge about special populations' academic and support services needs was gleaned from various campus programs staff through their years of expertise serving these students and their own internal analyses. In addition, external research literature informed the campus discussion, regarding concerns such as Former/Foster Youth, Veterans and the relation of STEM programs to underserved student groups.

Once the data was obtained, several levels of analysis were performed. At the most detailed data level, three or five years of data were calculated for each indicator rate, and both types of disproportionate impact calculations were used (e.g., the 80 Percent Index compared to the highest group and the Proportionality Index) These data were brought together by indicator, reviewing trends and highlighting the most recent year. See the Appendix for copies of these summary sheets. The comments in this Campus-Based Research section further abbreviate the data by referring primarily to the Proportionality Index for the most recent year.

In all cases where there were enough students in the group to permit splitting the analysis by gender, this was done. Although differences were found, as noted at the relevant places below in the Campus-Based Research section, in only one case did one gender of a targeted group show disproportionate impact and the other gender did not. That case was transfer for African Americans, where males were just below the disproportionality criterion at .79 while the females were at .93. Beyond that one case, what was found was a difference between all males and all females on earning a degree, and some comments on differences by gender combined with ethnicity from the wisdom of specific programs, as noted in the section on Access.

Of concern is the limited data available for Former/Foster Youth and Veterans. The college will embark on independent data analyses for these two populations, as well as other populations identified in Mt. San Antonio College's Student Equity efforts (undocumented, English language learners). In the case of economic disadvantage, although the full definition used for the Scorecard is not available in local data, a simplified definition was used based on a student having received need-based financial aid. Embedded in the plan are extensive activities designed to further our research.

The case of Course Completion illustrates an issue with using broad criteria in specific situations. In no case was the proportionality index below .80. This level was chosen by the college based on our past work with the Center for Urban Education's Equity for All project in which we used this same cut off level to indicate the need for intrusive action. But smaller



differences can be seen among the targeted groups. Simply because no large differences were found does not mean that the smaller differences should be allowed to continue unaddressed. This is especially the case in an area as foundational to all other outcomes as course success.

To delve further into Course Success, the College's Research Department separated the data by course level (e.g., basic skills, degree appropriate). In doing so, it became clear that there were no disproportional impacts when we reviewed the data via the Proportionality Index metric, however there was an impact when the 80% versus highest index was used. For example, basic skills course success rates were calculated to be lower than the 80% threshold of this index for African American for three years and only for one year for Latino/a students.

Some of the results from the data analysis do not match the perceptions and observations of campus practitioners. For example, there is concern that African American students are disproportionate in their transfer rates, although this was not born out through the methodology used. Similarly, disabled students were not found to be disproportionate in their course completion and degree and certificate completion although they are disproportionate in their transfer rates. The only disproportionality for gender was found in degree completion for male students. Students over age 24 have disproportionality with access, basic skills and ESL, certificate, degree and transfer completion but economically disadvantaged students were not found to be disproportionate in any category.

One of the greatest challenges is in attempting to summarize student equity data. The nature of the design is to look for disparities and not commonalities. Thus, the work is never complete as there are innumerable ways to continue to analyze difference between groups within groups. The entire focus is on considering ever more specific sub-groups of students, and to evaluate on carefully considered specific criteria. Therefore, although the table below gives a quick overview of where disproportionate impact was found for the targeted groups considered in isolation using a cutoff of a .80 proportionality index, the details of this Student Equity Plan are based on more specific analysis.

**Proportionality Index Target Student Populations by Student Equity Indicators  
(X=proportionality index < .80)**

Target Group	Access	Course Completion	Basic Skills/ESL	Degree (D) /Certificate (C) Completion	Transfer
Latino	X		X		X
African American	X		X	X – D, C	
Asian/Pacific Islander				X – D	
Native American	X				
White	X		X		
Age, especially >24 years	X		X	X – D, C	X
Males				X – D	
Females					

Target Group	Access	Course Completion	Basic Skills/ESL	Degree (D) /Certificate (C) Completion	Transfer
Disabled	X				X
English learners	X				
Former/Foster Youth	X				
Veterans					
Economically disadvantaged					

**Economically Disadvantaged demographic category**

In measures drawn from the Scorecard, students are considered to be economically disadvantaged if they:

- participate in the Workforce Innovation and Opportunity Act (WIOA) program
- are eligible for CalWORKs
- receive a BOG waiver or Pell Grant
- have VTEA economically disadvantaged status
- have an SSN match to the Department of Social Services

In the measure of course success, which was drawn from local data, students were considered economically disadvantaged if they received need based financial aid.

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**CAMPUS-BASED RESEARCH**


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- A. **ACCESS.** Compare the percentage of each population group that is enrolled to the percentage of each group in the adult population within the community served.

**Research Findings/Needs/Concerns**

*(All numbers given are the proportionality index unless otherwise noted.)*

**Ethnicity**

White students are below equity at 0.69 among all communities served by Mt. SAC. African American students are below equity in the following cities: Diamond Bar (.07), Hacienda Heights (.52), Rowland Heights (.58), and San Dimas (.67). Native Americans are below equity in the following cities: Covina, (.52), Diamond Bar (.08), and La Verne (.43).

Further research is needed to determine if the white student population is transitioning to other institutions of higher education.

Recruitment efforts at high schools and communities of Baldwin Park, La Puente and Pomona indicate that Latino and African American males ages 18-21 are underrepresented in applying to college.

African American students enrolled at Mt. SAC are underrepresented in the Summer Bridge Program.

**Age**

The percentage of population that is 18 years of age or over represents 70-79% across all district cities. Specifically there are a wide variety of age groups across all district cities.

Baldwin park holds the highest age groups between 15 to 19 year old (9.22%) and 20 to 24 years olds (8.06%). La Puente's highest age groups fall between 15 to 19 years old (8.678%), 20 to 24 years old (8.21%), and 25 to 29 years old (7.58%). The city of Pomona is represented by 15 to 19 year olds 9.04%), 20 to 24 year olds (9.84%), 25 to 29 years (7.74%), and 30 to 34 years (7.01%). The 40 plus age group is high in all cities ranging from 33% to 52% (US Census Counts, 2010 profiles of General Population)

**Participation Rates**

In contrast, participation rates for cities in our district range from 1.39% to 9.94%. Specifically, Baldwin Park is 2.34%, Hacienda Heights 2.28%, La Verne 2.96%, Pomona 3.86%, and Rowland Heights 3.76%. Higher participation rates are found in Covina (5.27%), La Puente (9.94%), and Walnut (8.28%).

**Gender**

In comparison to all cities (typical participation rates between 3 to 7.76%), females represent a slightly higher participation rate (average of less than 1% difference) than males across all district cities except for La Puente. The participation rate of students from La Puente was 6.48% for males and 7.76% for females. During the Fall 2013 semester, female students represented about 54.75% of the communities from the Mt. SAC district area. In particular, 54% of students from the community of La Puente were female.

**Research Findings/Needs/Concerns***(All numbers given are the proportionality index unless otherwise noted.)*

**Participation rate** is lowest for males (1.50%) and females in Baldwin Park (1.76%). In comparison to other cities with participation rates such as 3.98% or 2.86% in Covina and Diamond Bar, the total population participation rate for Baldwin Park is 1.65%.

**Poverty, unemployment, educational attainment and financial aid recipients by district cities**

The city of Pomona at 20 % has the highest rate of poverty among all cities within the Mt. SAC District.

Baldwin Park is the next highest at 17.4% and it has the highest unemployment rate at 14 %.

The highest percentage of BOGW and Pell recipients come from the cities of Pomona, La Puente, West Covina, Covina and Baldwin Park.

The average unemployment rate in the district cities is 4.3%. The cities of Baldwin Park, La Puente and Pomona all have higher than average rates of unemployment at 5.3-5.7%. Educational attainment of an Associate's Degree is lowest for the same cities.

Early outreach, intervention and recruitment efforts should be focused in the cities of Baldwin Park, Pomona and La Puente.

**Former/Foster Youth**

Studies shows that less than 5% of foster youth population makes it to college; of those who enter college, they enter through the community college sector. Further research is required to determine the needs and effective outreach strategies for foster youth in our district.

**Disabled Population**

Mt. SAC has 7.28% of its students identified as DSPS program eligible. Individuals with a disability across all district cities represent 6.7%. The college is above equity in serving students with disabilities. However, there are several cities with higher percentage of individuals with disabilities in comparison to the college's overall identified disabled students. In particular, the city of La Puente has the highest rate of disabled individuals 18-64 years old at 9.8%. Pomona and Baldwin Park also have high percentage of disabled population in this age category; 6.7 and 7.7% respectively. Strategic recruitment and outreach efforts to high school students with disabilities from Hacienda La Puente Unified, Baldwin Park and Pomona School Districts will need to be developed. Further research is needed to improve our understanding of the disabled populations in our community and our feeder high schools as well as to understand the potential gap in outreach and service to our current students. Based on this understanding, intervention should be designed to improve our outreach efforts.

**English as a Second Language**

There is underrepresentation of ESL Latino/a students in comparison to ESL Asian student population in 2013-14 as a greater percentage of Asian students than Latino/a students are

**Research Findings/Needs/Concerns**

*(All numbers given are the proportionality index unless otherwise noted.)*

enrolling in the Noncredit ESL Program.

**Number of Students Taking  
the ESL-CAP Test**

**(Two Demographic Groups)**

**2010-2011      2013-2014**

<b>Hispanic</b>	758	67%	594	29%
<b>Asian</b>	380	33%	1463	71%

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**CAMPUS-BASED RESEARCH**


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- B. **COURSE COMPLETION.** Ratio of the number of credit courses that students by population group actually complete by the end of the term compared to the number of courses in which students in that group are enrolled on the census day of the term.

**Research Findings/Needs/Concerns**

*(All numbers given are the proportionality index unless otherwise noted.)*

**Overview**

There are no groups with a proportionality index less than .80.

**Ethnicity**

African Americans have the lowest proportionality index at .90, followed by Latino/a at .96.

To develop further into Course Success, the College's Research Department separated the data by course level (e.g. basic skills, degree appropriate). In doing so, it became clear that there were no disproportional impacts when we reviewed the data via the Proportionality Index metric, however there was an impact when the 80% High index was used. For example, basic skills course success rates were calculated to be lower than the 80% threshold of this index for African American for three years, but only for one year for Latino/a students.

**Age**

The lowest group is age 20 - 24 at .98. This has been trending closer to equity.

**Gender**

Students are nearly equal by gender (Males at .99).

**Economic Disadvantage**

The full criterion for economic disadvantage which is used in the Scorecard is not available for local data. When local data is used to give a partial definition based on students receiving need-based scholarships it is found that students who have economic disadvantage are slightly less likely to succeed in their classes, with a proportionality index of .98.

**Former/Foster Youth**

Former/Foster Youth are somewhat less likely to successfully complete their courses, with a proportionality index of .92.

**Disability**

Students with disabilities are at .95. This has been trending closer to equity.

**Veterans**

Overall, Veterans are equally likely as non-Veterans to successfully complete their courses, at 1.01. When looked at by age, Veterans age 20 – 24 are very slightly more likely to successfully complete their courses, at 1.03.

**AB 540 students** are more likely to successfully complete their courses, with a proportionality index of 1.07

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**CAMPUS-BASED RESEARCH**


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- C. **ESL and BASIC SKILLS COMPLETION.** The percentage of students by population group who attempted a below college level course and progressed to college or transfer level courses in math, English Writing, and credit ESL (Mt. SAC's AMLA) within 6 years.

<b><i>Research Findings/Needs/Concerns</i></b>
<p>Findings/Needs 1:</p> <p>Research reveals that some student populations are not at equity in terms of completing credit ESL/Basic Skills courses and moving on to a degree applicable course:</p> <ul style="list-style-type: none"> <li>• African American students, as well as students 40 years old and older, experience disproportionate impact in Basic Skills improvement in English courses with a proportionality index of values of .69 and .65 respectively.</li> <li>• African American students also experience disproportionate impact in progressing through Math courses with a proportionality index of .63.</li> <li>• Latino/a students, White students, and students over age 24 experience disproportionate impact in progress from AMLA (Credit ESL) courses to college-level English, with proportionality index values of .73 for both Latino and White students. Progression out of AMLA decreases with age, the proportionality index is already down to .77 for ages 25 to 29, has fallen to .57 for age 40 to 49.</li> </ul>
<p>Findings/Needs 2:</p> <p>Data indicates that students in Career Development and College Preparation (CDCP) courses such as Noncredit ESL and ABE who do not have direct access to counseling and student support tend to transition to credit at half the rate of those who have direct access to counseling support through integrated instruction.</p> <ul style="list-style-type: none"> <li>• Noncredit ESL adult learners who transitioned into credit straight from ESL's advanced levels did so at 4% to 7% rate; VESL Career Paths bridge students, on the other hand, receive integrated instruction and counseling support and transitioned at an average of 15% (twice the rate of statewide average per Scorecard)</li> <li>• Noncredit ABE had an 18% transition rate to credit which is 11% lower than two years ago. These students do not have integrated counseling/instruction. The High School Referral program, has integrated counseling/instruction and a transition rate of 30%.</li> </ul>



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**CAMPUS-BASED RESEARCH**


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- D. **DEGREE and CERTIFICATE COMPLETION.** The ratio of the number of students by population group who receive a degree or certificate to the number of students in that group with the same informed matriculation goal.

**DEGREE*****Research Findings/Needs/Concerns******(All numbers given are the proportionality index unless otherwise noted.)*****Overview**

Large variations exist among the various demographic groups. Most of these data are based on the Chancellor's Office Scorecard Completions measure. However, some student groups of interest are not included in the Scorecard, namely, Former/Foster Youth, Veterans, and AB540 students. Additional research is planned to look at these groups using local data.

**Ethnicity**

Whites earn the most degrees.

The proportionality index for Latino/a has climbed over 5 years from being below equity at .77 to being essentially at equity at .99.

Asians have dropped over five years from 1.25 to .67. The decline has happened for both Asian men and women, but Asian men started lower and have ended with the lowest proportionality index for any gender and ethnicity combination at .40. Further research is needed to determine why Asian males have declined in completing degrees.

African Americans have varied from .69 to 1.12, with the most recent value at .75.

**Age**

Older students are less likely to earn degrees. The trend begins with those who start college as 20-25 year olds. Students starting at age 20 to 24 and 25 to 29 are below equity at .79 and .77 respectively. The number of older first-time students is too small to give reliable numbers.

**Gender**

Males are below equity at .77 in comparison to females who are correspondingly more likely to earn a degree with a proportionality index of 1.23.

**Economic Disadvantage**

Students without economic disadvantage earn fewer degrees, with a proportionality index of .87.

**Former/Foster Youth**

Data on foster youth is not available in the Scorecard Completions measure. Research is needed using local data. CalPASS data indicates that 18.9% of 2012-2013 foster youth (36 students) achieved 30+ units, which is considered an important milestone toward earning a degree or other completion achievement.

**Disability**

Students with disability are at .88.

**DEGREE*****Research Findings/Needs/Concerns******(All numbers given are the proportionality index unless otherwise noted.)*****Veterans**

Data on Veterans is not available in the Scorecard Completions measure. Research is planned to look at this measure using local data.

**CERTIFICATE*****Research Findings/Needs/Concerns******(All numbers given are the proportionality index unless otherwise noted.)*****Overview**

Large variations exist among the various demographic groups.

*Note that this analysis is based on the certificate part of the Completion measure of the Scorecard. This was chosen because of the ease of obtaining this data along with the other measures being used. However, the requirement that a student takes Math and/or English in order to be included in the cohort is not the best match for certificates. Further analysis of certificate patterns is planned based on the Career Technical Education measure of the Scorecard which has a cohort definition which better matches potential certificate recipients.*

**Ethnicity**

Whites earn more certificates by a wide margin with a proportionality index of 1.37.

Asians have increased from .67 to .96 over five years. Most of this change is attributable to Asian men who have increased from .42 to 1.05 over five years.

Latino/as have fluctuated over five years just below equity, with their most recent value of .87 being the lowest. Latina women are usually lower than Latino men, with the most recent cohort at .81 and .93 respectively.

African American experienced a large change, dropping from 1.18 for the 2004-2005 cohort to .48 for the next cohort. This has recovered somewhat to .63 for the most recent, 2007-2008 cohort. Most of this change comes from African American women, who have decreased from 1.53 for the 2004-2005 cohort to .34 in the most recent cohort. Further research to determine what impediments might exist that prevent African American females from completing certificates would shed light on possible patterns of inequity.

**Age**

In general, older students are more likely to earn a certificate. However, over five years, students age 25 to 29 have dropped from 1.92 to .79, which is the lowest value by age.

**CERTIFICATE*****Research Findings/Needs/Concerns******(All numbers given are the proportionality index unless otherwise noted.)*****Gender**

Females are near equity at .93 in comparison to males who are correspondingly more likely to earn a certificate with a proportionality index of 1.06.

**Economic Disadvantage**

Students with economic disadvantage have been as likely or more likely to earn a certificate, varying between 1.01 and 1.13 over five cohorts.

**Former/Foster Youth**

Data on Former/Foster Youth is not available in the Scorecard Completions measure. Research is planned to look at this measure using local data.

**Disability**

Students with a disability earned more certificates, at 1.46.

**Veterans**

Data on Veterans is not available in the Scorecard Completions measure. Research is planned to look at this measure using local data.

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**CAMPUS-BASED RESEARCH**

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- E. **TRANSFER.** Ratio of the number of students by population group who complete a minimum of 12 units and have attempted a transfer level course in mathematics or English to the number of students in that group who actually transfer after one or more (up to six) years.

***Research Findings/Needs/Concerns***

***(All numbers given are the proportionality index unless otherwise noted)***

**Overview**

Large variations exist among the various demographic groups. Most of these data are based on the Chancellor's Office Scorecard and Completions measure. However, some student groups of interest are not included in the Scorecard, namely, Former/Foster Youth, Veterans, and AB540 students. Additional research is planned to look at these groups using local data.

**Ethnicity**

Asians are the most likely to transfer, at 1.68.

African Americans were at or just above equity for four cohorts, but have dropped to .85 for the most recent, 2007 - 2008 cohort.

Latino/a students are at .72.

**Age**

Transfers drop off quickly with age. The age 20 to 24 group is at .74, and all older age groups are below .60

**Gender**

The genders are nearly equal in transfer rate, with males at .98.

**Economic Disadvantage**

Students with economic disadvantage are slightly less likely to transfer, at .93.

**Former/Foster Youth**

Data on Former/Foster Youth is not available in the Scorecard Completions measure. Research is needed using local data. Using local data on 2009-2010 first time students who became transfer prepared, Foster Youth were more likely to become transfer prepared, with a proportionality index of 1.1.

**Disability**

Students with a disability are much less likely to transfer, at .56. This is more pronounced for males who are at .50 than for females who are at .63.

**Veterans**

Data on Veterans is not available in the Scorecard Completions measure. Research is planned to look at this measure using local data. Using local data on 2009-2010 first time students who became transfer prepared, Veterans were less likely to become transfer prepared, with a proportionality index of 0.90.

**AB540 students**

Data on AB540 students is not available in the Scorecard Completions measure. Research is planned to look at this measure using local data. Using local data on 2009-2010 first time students who became transfer prepared, AB540 students were more likely to become transfer prepared with a proportionality index of 1.10.

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# Goals and Activities

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## GOALS AND ACTIVITIES

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### A. STUDENT SUCCESS INDICATOR FOR ACCESS

*“Compare the percentage of each population group that is enrolled to the percentage of each group in the adult population within the community served”*

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**Goal A:** *Continually evaluate and implement strategies and programs to ensure that enrolled students match their population within the communities served by the college and that comprehensive pathways enable seamless access for identified student groups.*

#### **Summary of Research**

Research data, at this point in time, needs to be expanded to develop more fine-grain analysis of access concerns. Current demographic information of the college’s geographic area indicates that the largest ethnic group under-represented at the college is White. In an analysis of participation rates in the college’s high school outreach efforts and enrollment in the Summer Bridge Program there is an under-representation of Latino and African American males ages 18-21 who apply to the college and who participate in the Summer Bridge Program. Data related to both Former/Foster Youth and Veteran populations within the college’s boundaries and their enrollment at the college is presently inadequate and efforts to address this are contained in the activities/strategies below.

#### Other findings:

- Participation rates are lowest for males and females from Baldwin Park
- The City of Pomona, followed by the City of Baldwin Park, has the highest rate of poverty and unemployment and the lowest rates-of educational attainment.
- Although the college’s DSPS enrollment is 7.28% compared to the population aged 18-64 across all district cities (6.7%), there are several cities with higher percentages of disabled individuals such as Baldwin Park (9.8%), Pomona (6.7%) and La Puente (9.8%).
- There is an under-representation of Latino students who are English language learners enrolling in ESL programs (29% in 2013-14) in comparison to their overall population in districts served. For example, 2010 U.S. Census data indicates that 33,591 (43.5%) of Spanish speaking residents in Pomona speak English “less than well” compared to 1,686 residents (56.2%) of Chinese speaking residents in Pomona. However, in our ESL program the proportions are reversed: 44% of Pomona

residents in the ESL program speak Chinese as a primary language in comparison to 29% who speak Spanish as a primary language.

***Goal A.1: Establish partnerships with the foster youth community, resources and agencies to support the successful enrollment and transition of foster youth/former foster youth to the college.***

ACTIVITY	Target Date	Responsible Person/Groups	EXPECTED OUTCOME
<p>A.1.a Develop partnerships with local high schools and Foster Youth agencies and Independent Living Program officers to connect with foster youth prior to their transition from high school.</p> <p>A.1.b Implement new efforts and coordinate existing services to reach out to and support Former/Foster Youth.</p>	<p>2014-15 initiation 2015-16 implementation</p>	<p>Foster Youth Program Coordinator Associate Dean, Counseling ACES Counselor EOPS/CARE Director Financial Aid Ed Advisor High School Outreach Supervisor</p>	<p>A.1.a Local high schools and community agencies Independent Living Officers will refer foster youth to the college.</p> <p>A.1.b The college will have a well-defined foster youth program of new services coordinated with existing campus resources serving 75% of identified students resulting in positive receptivity by students and annual increases in successful outcomes.</p>

**Goal A.2: Improve outreach and recruitment to African American and Latino males from economically disadvantaged communities.**

ACTIVITY	Target Date	Responsible Person/Groups	EXPECTED OUTCOME
A.2.a Develop culturally sensitive and relevant outreach approaches to target non-college going Latino and African American males.	2014-15: Planning and development of strategies 2015-17: Implementation	High School Outreach Associate Dean, Counseling	A.2.a Latino and African American male enrollment from the communities of Pomona and Baldwin Park will increase by 5% over the next three (3) years.
A.2.b Work with Pomona Unified School District and Baldwin Park high schools to identify Latino and African American males with no college plans.	2014-15: Initiate meetings with school officials 2015-17: Develop and initiate focused outreach efforts	High School Outreach Upward Bound Aspire Bridge Counseling Department The Dream Center Foster Youth REACH Associate Dean, Counseling	A.2.b Latino and African American student enrollment, especially males, from Pomona and Baldwin Park school district high schools will increase by 5% over the next three (3) years.
A.2.c Develop a comprehensive outreach and recruitment plan to target African American students to apply and complete the process for the Summer Bridge Program.	2014-15: Develop and implement plan to support at risk students not selected for the Summer Bridge Program. 2015-17: Implementation	High School Outreach Associate Dean, Counseling ACES Arise Aspire Bridge Program Counseling Department The Dream Center	A.2.c Increase the number of African American students who participate in the Summer Bridge Program by 2% annually.



ACTIVITY	Target Date	Responsible Person/Groups	EXPECTED OUTCOME
A.2.d Research effective strategies to assist incoming students who are at-risk and cannot participate in the Summer Bridge Program.	A.2.d 2014-15: Convene discussion groups and commence planning 2015-16: Pilot interventions 2016-17: Implement interventions	Foster Youth REACH  High School Outreach Associate Dean, Counseling ACES Arise Aspire Bridge Program Counseling Department The Dream Center Foster Youth REACH	A.2.d African American and Latino males will participate in pathways efforts to increase their successful participation in college readiness programs and their successful enrollment.

***Goal A.3: Improve outreach and recruitment of disabled individuals, especially from the communities of Baldwin Park, Pomona, and La Puente.***

ACTIVITY	Target Date	Responsible Person/Groups	EXPECTED OUTCOME
A.3.a Work closely with the transitional specialists at Baldwin Park, Pomona and Hacienda La Puente Unified School Districts to identify disabled students and establish effective recruitment strategies. Provide target presentations and one on one confidential meetings to identified students with disabilities.	2014-15: Identify key contacts, develop strategies, materials 2015-17: Implementation	Director, DSPS Supervisor, High School Outreach Associate Dean, Counseling	A.3.a Enhanced partnerships with local feeder high schools will result in increased enrollment of disabled students.
A.3.b Develop coordinated services for disabled individuals to ease their transition to college and access to specialized support services.	2014-15: Planning and identification of services to	DSPS Director and Faculty High School Outreach Associate Dean,	A.3.b Disabled students will successfully complete required core services, enroll at the

ACTIVITY	Target Date	Responsible Person/Groups	EXPECTED OUTCOME
	meet specific student needs 2015-17: Implementation	Counseling, Veterans Resource Center	college and participate in campus-wide support services.

***Goal A.4: Enhance targeted outreach efforts to increase the enrollment of English language learners, Re-entry and Veteran students and their participation in support services.***

ACTIVITY	Target Date	Responsible Person/Groups	EXPECTED OUTCOME
A.4.a Targeted outreach using AB86 consortia partners (K-12 adult schools) to help transition Latino/a students from K-12 adult schools to Mt. SAC Noncredit ESL.	2014-2015: Develop outreach plan for adult English language learners (AB 86), Re-entry and Veterans 2015-2016: Implement outreach plan and enrollment in support services	For A.4.a, A.4.b, and A.4.c: ESL AB 86 Program leaders and ESL Counseling team Vice President Student Services High School Outreach Director, Assessment and Matriculation Dean, Counseling Dean, Enrollment Management Director, Financial Aid Supervisor, Veterans Student Services Specialist-Veterans Veterans Resource Center Director, EOPS/CARE Director, CalWORKs	A.4.a As tracked by outreach contacts and enrollment counts, the number of Latino/a students transitioning from K-12 adult schools will increase by 3% in 2015-16; 5% in 2016-17; and 8% in 2017-18.  A.4.b Re-entry students (over age 24) will successfully complete enrollment to the college, increase their placement scores, and increase their participation rates in key support services.  A.4.c The enrollment process for Veterans will improve in efficiency with timely receipt of services and benefits.

**Goal A.5: Conduct research and implement strategies to improve the access, registration, and enrollment of under-represented and under-served individuals.**

ACTIVITY	Target Date	Responsible Person/Groups	EXPECTED OUTCOME
<p>A.5.a Review current practices and data related to the demographics of students who do not complete core services, registration and enrollment, with special attention to targeted populations.</p> <p>A.5.b Conduct research to address the effect of registration priority on access.</p>	<p>For A.5.a and A.5.b:                      2014-15: Conduct research and initiate recommendations for improved procedures                      2015-17: Implementation of enhanced services and improved processes</p>	<p>RIE (Research and Institutional Effectiveness)                      Dean, Enrollment Management                      Associate Dean, Student Success and Equity</p>	<p>A.5.a Roadblocks and areas to improve processes and enhanced support will be identified and new pathways implemented.</p> <p>A.5.b Research will provide evaluative information to determine the impact priority registration has on access for disproportionately impacted student groups.</p>

**GOALS AND ACTIVITIES**

**B. COURSE COMPLETION**

**STUDENT SUCCESS INDICATOR FOR COURSE COMPLETION**

*“The ratio of the number of credit courses in which students by population group receive a passing grade compared to the number of courses in which students in that group are enrolled on the census day of the term.”*

**Goal B:** *Improve course completion for specific student populations (Latino, African American, Pacific Islander, disabled, Former/Foster Youth and students aged 20-24) by implementing specialized program interventions supported by research efforts.*

**Summary of Research**

- Although no identified student groups were determined to have a proportionality index of less than .80, several student groups were less than .97:
  - African Americans: .90
  - Latinos: .96
  - Former/Foster Youth: .92
  - Disability: .95

**Goal B.1:** *Improve course completion for specific student populations by conducting research, gap analyses, focus groups, and analyzing trends and interventions specific to identified student groups.*

ACTIVITY	Target Date	Responsible Person/Groups	EXPECTED OUTCOME
B.1.a Conduct ongoing, extensive research and develop ongoing tracking and evaluation of course completion by defined student profiles.	For B.1.a and B.1.b: 2014-15: develop and initiate research, and focus groups with students and faculty 2015-16 and 2016-17: continue research, sharing of results, supporting departments to develop interventions and measure	For B.1.a – e: Director, RIE Research Evaluator assigned to Student Equity Vice President, Student Services Dean and Associate Dean, Counseling Instructional and Student Services faculty and managers	B.1.a – e: Increased knowledge about interventions, support services and effective practices in teaching/learning that lead to improved course completion especially for
B.1.b Conduct a ‘leavers’ study to determine why students (credit			

ACTIVITY	Target Date	Responsible Person/Groups	EXPECTED OUTCOME
<p>and noncredit) do not complete courses and drop courses and drop out of college.</p> <p>B.1.c Analyze trends in student success to determine particular interventions that are needed for particular students (especially ethnicity, income, age, disability, and basic skills).</p> <p>B.1.d Analyze trends in services utilization and conduct focus groups to determine student needs related to tutoring support and instructional and support services to develop relative interventions and support services.</p> <p>B.1.e Determine the impact of specialized programs (e.g., Aspire, Bridge, and Arise) on the success of specific profiles of students (ethnicity, income, first generation status, gender, age, disability, Former/Foster Youth status, basic skills and English language fluency).</p>	<p>effectiveness.</p> <p>2014-15: plan for implementation of targeted services for basic skills and STEM students to increase their persistence and completion rates. 2015-16: pilot intervention services 2016-17: implement and continue tracking outcomes of interventions.</p> <p>2014-15: inventory all available services on campus and develop a networked plan of support. 2015-16: integrate service delivery to targeted student groups.</p> <p>2014-15: Expand Summer Bridge and pilot other intensive summer programs for African American, Latino, Former/Foster Youth, Pacific Islander, Disabled and students aged 20-24. 2015-17: Implement intensive, accelerated programs focused on targeted student groups.</p>	<p>Associate Dean, Student Success and Equity</p>	<p>targeted student groups (African American, Latino, Pacific Islander, low income, first generation status, disabled, male 20-24 year-olds, Former/Foster Youth status, English language learners).</p>

**Goal B.2 Improve course completion through improved instructional strategies and faculty professional development.**

ACTIVITY	Target Date	Responsible Person/Groups	EXPECTED OUTCOME
B.2.a Utilize a college-wide approach to enhance students' college success skills through embedded instructional practices, faculty identification of course "choke points," especially in basic skills courses	2014-15: Development of strategies 2015-16: Pilot and measure effectiveness of strategies 2016-17: Implementation	Academic Senate Appointed Task Force Basic Skills Coordinating Committee Counseling Department Professional Development FPDC – Faculty Professional Development Committee	B.2.a Students' understanding of college expectations and their use of specific strategies will result in improved course completion.
B.2.b Analyze professional development interventions that may be applicable in improving course completion rates.	2014-15: Conduct analyses of instructional practices and strategies and survey faculty to determine the appropriate interventions.	Academic Senate Appointed Task Force Professional Development Council FPDC Research	B.2.b Faculty will participate in professional development opportunities to enhance course completion rates.
B.2.c Institute faculty professional development to strengthen their abilities to recognize student issues, enhance engagement and to intervene and provide assistance to students.	2014-15: Initiate work between faculty groups and professional development 2015-16: Begin introduction of professional development activities	FPDC Professional Development Director Vice President, Instruction or appointee(s) Early Alert Task Force	B.2.c Support for students will be enhanced, thereby improving their attendance and pass rates, and faculty will feel more empowered to engage and assist students.
B.2.d Develop instructional efforts in information competency and library technology skills to discover information in all formats and to interact with those in digital format.	2014-15: Initiate efforts to increase enrollment and develop evaluative measures 2015-17: Implementation of new efforts and conduct evaluation	Library and Learning Assistance Division Library faculty	B.2.d Students with information competency skills will and library technology skills have higher completion rates and higher course success.

**Goal B.3: Increase course completion for target groups by providing early notification of student's progress.**

ACTIVITY	Target Date	Responsible Person/Groups	EXPECTED OUTCOME
B.3.a Academic progress monitoring will be developed and implemented through progress checks for special programs students and through early alert notifications utilizing personalized automated systems.	2014-15: continued development of automated early alert system; begin automating progress checks 2015-16: pilot personalized notification system for students 2016-17: fully implement personalized notification system	Dean and Associate Dean, Counseling Department Chair, Counseling Academic Senate Early Alert Task Force Information Technology staff Director, Title V HSI Grant Dean, Continuing Education	B.3.a Students will receive timely assistance and referrals and will be able to track their progress thereby increasing course completion.

**Goal B.4: Expand and improve instructional and support interventions with a focus on engagement and success, especially for targeted student groups.**

ACTIVITY	Target Date	Responsible Person/Groups	EXPECTED OUTCOME
B.4.a Expand, develop and coordinate campus-based and community-based resource referrals for the most at risk students (Former/Foster Youth, DSPS, CalWORKs, EOPS, et al) to assist them in facing critical needs that impact their attendance and ability to complete course assignments and prepare for exams.	2014-15: conduct analysis of needs and particular services and interventions and begin piloting 2015-16: continue piloting and begin implementation 2016-17: implementation	Vice President, Student Services or designee(s) Student Services managers, faculty, staff Associate Dean, Student Success and Equity	B.4.a Students with exceptional needs will receive additional internal and external referrals and recommendations and additional support services to assist them in being able to stay in school and to complete courses successfully.
B.4.b Coordinate and expand successful instructional and support interventions, especially	2014-15: conduct coordination meetings to review successful practices and plan for integration	Vice President, Student Services Vice President, Instruction Basic Skills Coordinating Council	B.4.b Existing services and interventions will be integrated and expanded

ACTIVITY	Target Date	Responsible Person/Groups	EXPECTED OUTCOME
those targeting specific student populations (Bridge, ACES, Arise, Aspire, EOPS, DSPS and Basic Skills) and implement new interventions for Former/Foster Youth, undocumented, and low income students.	and expansion. 2015-17: implement integration and expansion	Representatives from Bridge, ACES, ACES, Arise, Aspire, EOPS, DSPS, Basic Skills, Former/Foster Youth REACH, Dream Center, Financial Aid Associate Dean, Student Success and Equity	resulting in higher course completion rates for targeted student groups and students enrolled in support programs.
B.4.c Implement targeted interventions for specific student groups such as supplemental instruction, instructional support, library resources, workshops, tutoring, counseling, and peer mentoring to assist students in staying connected and motivated to complete courses.	2014-15: review and piloting of specific interventions 2015-16: continued expansion of implementation of interventions	Director, Learning Assistance Center Dean, Library and Learning Resources Department Chair, Counseling Director, Title V Grant “Intervention Team” (newly developed) Dean, Continuing Education	B.4.c Students’ course completion will improve from receiving specialized assistance in the classroom and support outside the classroom.
B.4.d Develop and implement math assessment preparation workshops and math interventions such as ALEKS.	2014-15: continue piloting 2015-16: implement strategic interventions 2016-17: continued broad-scale implementation	Department Chair, Math Director, Assessment and Matriculation Matriculation and Assessment Committee Director, Arise	B.4.d Students participating in math preparation interventions will be more prepared to complete assessment testing and will be more accurately placed into math classes which will improve their course completion and success rates.
B.4.e Enhance ongoing interventions for students on probation.	2014-15: Review successful model programs applicable to Mt. SAC and develop interventions	Dean and Associate Dean, Counseling Department Chair, Counseling	B.4.e Decrease the number of students on probation and increase the



ACTIVITY	Target Date	Responsible Person/Groups	EXPECTED OUTCOME
	2015-16: Pilot and track interventions 2016-17: Initiate more comprehensive interventions	Information Technology staff Research Assistant	numbers of students successfully exiting probation and continuing to reach success.
B.4.f Conduct research on the impact of accessing learning support on transfer course completion.		RIE	B.4.f This information will assist in shaping learning support service, especially for specific groups.
B.4.g Develop leadership opportunities, especially for African American, Latino and first generation college students, to enhance their engagement to the college and commitment to reaching their goals.	2014-15: Develop and pilot leadership development models 2015-16: Continue to pilot and enhance leadership development models 2016-17: Continue to implement and refine leadership development models	Student Life/LEAD Program Bridge ACES Aspire Arise Counseling EOPS/CARE DPS Former/Foster Youth Dream Center Veterans Resource Center Re-entry Center Honors	B.4.g Through participating in leadership development activities, African American, Latino and other first generation college students will improve their course completion and retention.

***Goal B.5: Increase awareness and develop intervention support models for African Americans, Latinos and other under-represented groups to be successful in Basic Skills and STEM courses and majors.***

ACTIVITY	Target Date	Responsible Person/Groups	EXPECTED OUTCOME
B.5.a Create a STEM Center to provide tutoring and support for students in STEM majors, with particular emphasis on African	2014-15: Identify space, identify interventions, identify recruitment strategies 2015-16: Pilot interventions,	Vice President, Instruction or designee(s) Dean, Natural Sciences Natural Sciences department	B.5.a Improved course completion rates, especially in basic skills and STEM classes, for all

ACTIVITY	Target Date	Responsible Person/Groups	EXPECTED OUTCOME
American, Latino, low income, Former/Foster Youth, and disabled students.	continue development of STEM Center 2016-17: Continue piloting, open STEM Center	chairs Counseling department chair “Tutoring Coordinators Strike Team” Arise, ACES, Aspire, Bridge, The Dream Center, Foster Youth REACH	students, and specifically for African American, Latino, Pacific Islander, disabled, Former/Foster Youth, and low income students.

***Goal B.6: Improve students’ preparedness through improved access to textbooks, course materials and counseling interventions.***

ACTIVITY	Target Date	Responsible Person/Groups	EXPECTED OUTCOME
B.6.a Increase efforts to assist students with access to and acquisition of textbooks and course materials in a timely manner.	2014-15: Begin analyses and data gathering; develop recommendations 2015-16: implement recommendations presented 2016-17: continued implementation	Faculty Librarians Director, Bookstore Academic Senate Textbook Taskforce Vice President, Instruction or designee(s) Associated Students representative	B.6.a Students’ improved access to textbooks will enable more students to complete courses successfully.
B.6.b Increase the numbers of students completing and following comprehensive education plans and participating in workshops and courses related to improving study skills, campus engagement and participation, and resiliency and commitment.	2014-15: Design workshops and embark on marketing and outreach to increase completion of comprehensive education plans. Pilot efforts on African American, Latino, Arise, ACES, Aspire, Former/Foster Youth, Dream and disabled students. 2015-17: Offer workshops and research participation profiles and outcome results; measure effectiveness of students	Associate Dean, Counseling Counseling Department Leaders and representatives of Arise, ACES, Aspire, Arise, Foster Youth REACH, Dream, EOPS, DSPS, CalWORKs, Re-entry, Veterans, Library and Learning Resources Division	B.6.b Course completion rates will improve for students with completed comprehensive education plans and for students attending specialized workshops.

ACTIVITY	Target Date	Responsible Person/Groups	EXPECTED OUTCOME
	completing and following comprehensive education plans.		
B.6.c Conduct research on the effect of accessing counselors and completing educational plans.	2014-15: Define research parameters 2015-16: Institute research 2016-17: Analyze research results and make recommendations	RIE Associate Dean, Counseling Counseling Department	B.6.c Identify targeted actions for student groups that need intervention.

***Goal B.7: Implement electronic modes of communication to enhance student engagement and course completion, retention and persistence.***

ACTIVITY	Target Date	Responsible Person/Groups	EXPECTED OUTCOME
B.7.a Research and implement electronic communication systems and dashboard-based products designed to establish regular, meaningful, culturally sensitive and ongoing communications with students as well as monitoring of students' progress toward goals.	2014-15: Develop and pilot communications systems for students, beginning with students enrolled in EOPS, ACES, Bridge, Aspire, and Arise. 2015-17: Continue development and implementation of strategies and student communications systems.	Information Technology Staff Counseling Department Associate Dean, Counseling Dean, Enrollment Management	B.7.a Students participating in the electronic communication system will report greater satisfaction and engagement, will be more knowledgeable about requirements to complete their goals, and will demonstrate enhanced retention, persistence and course completion.

**GOALS AND ACTIVITIES**

**C. ESL AND BASIC SKILLS COMPLETION**

**STUDENT SUCCESS INDICATOR FOR ESL AND BASIC SKILLS COMPLETION**

*“The % of students by population group who attempted a below college level course and progressed to college or transfer level courses in math, English Writing, and credit ESL (Mt. SAC’s AMLA) within 6 years.”*

**Goal C:** *Improve the successful course completion of ESL/AmLa and basic skills course sequences and the subsequent enrollment and completion of degree applicable courses.*

**Summary of Research:**

- African American Students, as well as students 40 years old and older, experience disproportionate impact in Basic Skills improvement in English courses, with proportionality index values of .69 and .65 respectively.
- African American students also experience disproportionate impact in progressing through Math courses, with a proportionality index of .63.
- Latino students, White students, and students over age 24 experience disproportionate impact in progress from AMLA (Credit ESL) courses to college-level English, with proportionality index values of .73 for both Latino and White students. Progression out of AMLA decreases with age. The proportionality index is already down to .77 for age 25 to 29, and has fallen to .57 for age 40 to 49.

**Goal C.1:** *Improve the transition of students from noncredit to credit for English language learners and basic skills students.*

Activities/Strategies	Target Dates	Responsible Person/Groups	Expected Outcome
C. 1.a Increase opportunities for partnerships and collaborations between Student Services and Instruction which support transition from Basic Skills to college-level courses	2014-15: Commence discussions between Student Services and	Tutoring Centers ESL/Basic Skills Faculty and Counselors Noncredit/CDCP	C. 1.a.1 An inventory of initiatives, partnerships, and collaborations across campus that support Student Services and Instructional integration will be

Activities/Strategies	Target Dates	Responsible Person/Groups	Expected Outcome
and from noncredit to credit certificate/degree pathways.	Instruction and make recommendations 2015-16: Pilot and implement		developed.  C.1.a.2 Increased cross-program engagement and dialog to promote new partnerships and pathways.
C.1.b Streamline processes to make “pathways” initiatives more transparent and smoother for students through improved registration processes and other strategies to promote progress through sequenced ESL/Basic Skills courses and into degree-applicable courses.	2014-15: Review Pathways results to date and make recommendations 2015-17: Pilot recommendations and continue to refine and implement	Basic Skills Committee Admissions & Records Registration Team Cohort/Pathways program coordinators Outreach	C.1.b.1 Increased retention rates in ESL/AmLa and Basic Skills sequences.  C.1 b.2 Enhanced ESL database tracking and reporting of success outcomes (grades) for Noncredit ESL students who transition into credit through improved development and use of ESL database for students.
C.1.c Additional support services will be provided to first-generation Noncredit ESL and VESL Career Path students who declare college pathways as their ESL learning goal, and who are transitioning to credit course enrollment.	2014-15: Initiate enhanced services 2015-17: Monitor and track students use of services and impact on their transition	Noncredit ESL Counselors VESL Career Paths Coordinator Noncredit ESL Database Developer Counseling (credit) Financial Aid	C.1.c. Increase successful program completion and transition of Noncredit ESL and VESL students.

***Goal C.2: Provide additional student engagement opportunities, especially for African American, Asian/Pacific Islanders, and low-income/first generation students.***

Activities/Strategies	Target Dates	Responsible Person/Groups	Expected Outcome
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Activities/Strategies	Target Dates	Responsible Person/Groups	Expected Outcome
C.2.a Create learning communities combining various student cohorts for basic skills, low income and first generation college students.	2014-15: Review strategies and plan 2015-16: Pilot implementation 2016-17: Implementation	Aspire, Arise, ACES, Former/Foster Youth REACH, The Dream Center, Bridge, Veterans, Counseling, Associate Dean, Counseling, Instructional Faculty and Department Chairs	C. 2.a Increased completion rates over baseline data for targeted student populations completing Basic Skills and degree-applicable courses.
C.2.b Provide culturally relevant professional development for ESL/Basic Skills faculty to encourage connecting with students and engaging them individually in class.	Fall 2014-Spring 2017	POD Basic Skills and ESL/AmLa Faculty	C. 2.b Faculty participating in professional development will implement effective strategies related to student engagement for ESL and Basic Skills classes.

**Goal C 3: Strengthen existing programs that transition ESL and Basic Skills students to college level courses.**

Activities/Strategies	Target Dates	Responsible Person/Groups	Expected Outcome
C. 3 a Develop a sequence of learning community models for Bridge programs (which primarily serve Latino/a students) so that students are able to complete basic skills courses and transition to college level courses.	2014-15: Review and plan 2015-17: Pilot and implementation	Dean and Associate Dean of Counseling Faculty from Bridge Program English, math, LAC, and counseling faculty Tutoring Centers	C. 3.a Increased number of Latino/a students who complete basic skills courses and one degree-applicable course over baseline data of 2013-14.
C. 3 b Develop and expand Pathways to Transfer, allowing students to complete three math or English classes in three terms (guaranteed enrollment in the subsequent classes with success), along with a 1 unit support course to promote success strategies and Supplemental Instruction/Tutors in the Classroom	2014-15: Review of implementation to date and recommendations for changes 2015-17: Implementation	Basic Skills Coordinating Committee Executive Dean, Instruction Transfer Center Counseling Faculty Dean, Enrollment Management Dean, Counseling RIE	C. 3.b Increased success and completion rates for students who participate in Pathways by 10% each year compared to students who take the same three sequential courses outside of the Pathways to Transfer Program.

Activities/Strategies	Target Dates	Responsible Person/Groups	Expected Outcome
C.3.c Expand and enhance tutorial services, learning strategies interventions, and other learning support services.	2014-15: Review existing services, service utilization, delivery methods 2015-16: Pilot interventions 2016-17: Formalize interventions	Learning Assistance Center Writing Center MARC STEM Center TERC (CTE) LAC Department English Department Math Department	C.3.c Students participating in enhanced and expanded tutorial and learning support services will have higher basic skills and ESL course completion rates and will make progress toward their goals.

***Goal C 4: Strengthen existing summer programs that serve diverse student populations and assist in their transition to college.***

Activities/Strategies	Target Dates	Responsible Person/Groups	Expected Outcome
C. 4 a Provide individual counseling and advising to students in the STEP into College program.	2014-15: Planning and Review 2015-17: Implementation	Counseling faculty	C. 4 a Increased number of STEP students over baseline data of 2013-14 who have completed educational plans.
C. 4 b Continue offering summer “Boot Camp” sessions for incoming students and student athletes to review test-taking skills and basic math and writing concepts.	Summer intersessions-ongoing	Basic Skills Noncredit faculty, coaches and counselors ABE Director Arise Program Associate Dean, Counseling	C.4 b.1 Student athletes and incoming freshmen at the Basic Skills level who attend Boot Camp sessions will be more successful in their Basic Skills level classes and first degree applicable class than student athletes who do not attend sessions.  C.4 b.2 90 % of student athletes who attend Boot Camp sessions will enroll in Math or English courses in the subsequent Fall Semester.

**Goal C5: Develop existing research regarding ESL/Basic Skills completion in designated populations including Foster Youth students, student Veterans, and AB540 students; create additional ways to track those populations and discover any areas of disproportionate impact.**

Activities/Strategies	Target Dates	Responsible Person/Groups	Expected Outcome
C. 5 a Develop a comprehensive intervention and wraparound services program for Former/Foster Youth students to include counseling (general and mental health), resource guide/map, assistance with school materials and resources, child care services, leadership development, soft skills development, self-efficacy, life skills, transportation, peer mentorship, and personal empowerment.	2014-16 ongoing planning 2014-15 develop concept and services for Foster Youth REACH 2015-16 implementation	Former/Foster Youth REACH The Dream Center Veterans Resource Center Counseling ACES, Arise, Aspire EOPS Financial Aid Student Life Student Health Services	C.5.a Increased basic skills completion rate over baseline data from 2013-14 for FY population
C. 5b.1: Research learning interventions targeting the needs of Veterans students.  C.5.b.2 Create professional development for faculty and staff for “safe zone” training and understanding needs of veteran students	2014-16 Study and develop interventions  2014-15: Develop training 2015-16: Host training 2016-17: Implement “safe zones”	Supervisor and staff of Veterans Bridge Associate Dean, Counseling Student Health Services DSPS  Veterans Staff DSPS Student Health Services Associate Dean, Counseling POD	C.5.b.1 Recommended learning interventions will be developed.  C.5.b.2 “Safe zones” for Veterans will be implemented on campus by trained faculty and staff.



Activities/Strategies	Target Dates	Responsible Person/Groups	Expected Outcome
C.5 c Research the impact on student success of delaying registration in Math, English, or Reading Basic Skills courses; “stopping out” of a Basic Skills sequence, or getting C grades.	2014-15: Conduct research 2015-16: Plan interventions 2016-17: Implementation	RIE Math, English, Reading department chairs Basic Skills Coordinating Committee Associate Dean, Student Success and Equity	C.5.c Targeted interventions will be developed to encourage successful course-taking strategies for students who place into Basic Skills resulting in higher completion rates.

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## GOALS AND ACTIVITIES

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### D. **DEGREE AND CERTIFICATE COMPLETION**

#### **STUDENT SUCCESS INDICATOR FOR DEGREE AND CERTIFICATE COMPLETION**

*“The percentage of students by population group who complete a minimum of 6 units and have attempted a transfer level course in mathematics or English who receive a degree or certificate within 6 years.”*

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**Goal D:** *To improve degree and certificate completion rates among targeted populations by implementing specialized instructional and support services.*

#### **Summary of Research**

Research on Veterans has shown that progress toward degree and certificate completion is slowed due to their absence from an educational setting and to transition difficulty from military to civilian life.

Large variations in degree completion exist among various student groups: (The numbers are proportionality index values.)

- Males are below equity at .77.
- Older students are less likely to earn degrees. The trend has already begun with those who start college as 20-25 year olds. Students starting at age 20-24 and 25 to 29 are below equity at .79 and .77 respectively.
- Asian males have the lowest degree completion rates at .40.
- Latinos/as have improved, from .77 five cohorts ago to the most recent cohort being essentially at equity at .99.
- Students with disabilities are at .88.
- Students without economic disadvantage earn fewer degrees, with a proportionality index of .87.

Large variations in certificate completion exist among various student groups:

- Females are somewhat below equity at .93.
- In general, older students are more likely to earn a certificate. However, over five years, students age 25 to 29 have dropped from 1.92 to .79, which is the lowest value by age.
- Asians have increased their earning of certificates, with Asian men increasing from .42 to 1.05 over five years.
- Latina women are less likely than Latino men to earn certificates, with the most recent cohort at .81 and .93 respectively.

- African American women have dropped in the likelihood that they will earn a certificate, going from 1.53 to .34 over five years.
- Students with a disability earn more certificates, at 1.46.
- Students with economic disadvantage have been as likely or more likely to earn a certificate, varying between 1.01 and 1.13 over five cohorts.

***Goal D.1: Improve the degree and certificate completion rates for first generation, basic skills and African American students by enrolling them in specialized support programs and developing specialized support services for Former/Foster Youth and Veterans.***

Activities/Strategies	Target Date	Responsible Person/Groups	Expected Outcome
D.1.a Create cohorts in Banner to gather persistence, certificate and graduation information on Former/Foster Youth and Veterans.	2014-15: Initiate research 2015-16: Continue research as necessary	Admissions, R.I.E.	D.1.a Student cohorts will be tracked in Banner to obtain graduation /transfer information. Data will be used to develop targeted activities.
D.1.b Develop comprehensive support program for Former/Foster Youth and Veterans to succeed at Mt. SAC.	2014-16 develop and ongoing planning 2015-16 Implementation	Foster Youth Program Staff Financial Aid EOPS ACES Veterans	<p>D.1.b.1 Increased degree and certificate completion rates for Former/Foster Youth and Veterans above the level achieved in 2013-14.</p> <p>D.1.b.2 Reduced number of Former/Foster Youth on SAP/academic probation and dismissal from the base line in 2013-14.</p> <p>D.1.b.3 Increased number of Former/Foster Youth declaring degree or certificate completion as an educational goal.</p> <p>D.1.b.4 Reduced time for Veterans to complete educational goals and increased degree and</p>

Activities/Strategies	Target Date	Responsible Person/Groups	Expected Outcome
			certificate completion rates.
D.1.c Develop Noncredit CDCP certificates (VESL/ABE/Short-Term Vocational) for first generation and English language learner students.	2014-15: Planning 2015-17: Implementation	Continuing Education Division Noncredit Faculty CTE Programs	D.1.c Increased certificate completion rates for first generation, basic skills, and English language learner students.
D.1.d Develop and implement a First Year Experience component of the Bridge Program for basic skills students.	2014-15: Planning 2015-16: Pilot 2016-17: Implementation	Bridge Instructional Faculty TERC (CTE Center) Library and Learning Assistance Division	D.1.d Increase degree and certificate completion rates for first generation, basic skills, and African American students.

***Goal D.2 Conduct research to determine barriers to degree and certificate completion.***

Activities/Strategies	Target Date	Responsible Person/Groups	Expected Outcome
D.2.a 1 Analyze data on major selection and enrollment in CTE programs to determine why some programs attract students in disproportionately affected groups and why other programs do not.  D.2.a.2 Use data reports to develop targeted intervention strategies for increasing program and major selection for specific groups.	For D.2.a through D.2.g 2014-15: Define parameters 2015-16: Conduct research and review findings 2016-17: Develop strategies and pilot interventions	RIE CTE Deans	D.2.a Enhanced enrollment in CTE programs by students who have historically been disproportionately enrolled.

Activities/Strategies	Target Date	Responsible Person/Groups	Expected Outcome
D.2.b Conduct research and focus groups to analyze factors that prevent certificate and degree completion (e.g. institutional course requirements, students transferring without a degree, and students obtaining employment without a certificate or degree.)		RIE Counseling Faculty Instructional Faculty Instructional Deans Dean, Enrollment Management	D.2.b Use data reports to develop strategies to mitigate completion barriers for students.
D.2.c Conduct research and focus groups to analyze how students receive information about degree and certificate course requirements.		RIE, Counseling, Faculty	D.2.c Conduct targeted interventions with disproportionately affected populations to deliver information in more accessible venues or formats.
D.2.d Improve student access to information about program completion requirements.		Faculty Deans Center (TERC) Counseling Department Student Services Programs Marketing IT	D.2.d Better informed students will have higher rates of degree and certificate completion.
D.2.e Track students who exit CTE programs before completion, and identify reasons for leaving.		RIE	D.2.e Use the tracking information to develop specific interventions related to CTE completion.

Activities/Strategies	Target Date	Responsible Person/Groups	Expected Outcome
D.2.f Conduct additional research on African American women, older students, and Asian males to determine barriers to achieving degree and certificate completion		RIE CTE Faculty CTE Deans	D.2.f Research findings will enable the development of specialized interventions to improve degree and certificate completion, especially for African American women, older students and Asian males.
D.2.g Conduct research on the impact of Basic Skills (courses, preparation and orientation) on degree and certificate completion.		RIE	D.2.g Research findings will allow us to address the identified components preventing completion.

**Goal D.3 Improve communication about degree and certificate progress to disproportionately impacted students.**

Activities/Strategies	Target Date	Responsible Person/Groups	Expected Outcome
D.3.a Develop enhancements to MAP (DegreeWorks, apps, and other online tools) to include milestone benchmarks, dashboard indicators, and personalized messaging to students to track their progress.	Begin spring 2015	Admissions Counseling IT Transfer Center Title V HSI Grant	D.3.a Students in disproportionately impacted groups will increase rates of degree and certificate completion.
D.3.b Improve communication to students about ADT degree options, especially to disproportionately impacted students desiring to transfer.		Counseling Marketing Transfer Center Student Services Programs Department Chairs Title V Grant IT	D.3.b.1 More disproportionately impacted students will declare ADT majors as their educational goal.  D.3.b.2 Increased number of awarded ADTs especially for disproportionately impacted students.

**Goal D.4 Create interventions to improve completion and graduation rates for disproportionately impacted students.**

Activities/Strategies	Target Date	Responsible Person/Groups	Expected Outcome
<p>D.4.a Establish instructional and support interventions to be provided through the Technology Education Resource Center (TERC) for students in CTE fields.</p> <p>D.4.b Establish cohorts program design in specific instructional programs.</p>	<p>2014-15 planning 2015-16 implementation</p>	<p>CTE Faculty Instruction Office TERC (CTE Center)</p> <p>Instructional Deans CTE Department Chairs Title V HSI Grant</p>	<p>D.4.a Students who have higher participation rates in TERC services will have higher CTE program completion rates.</p> <p>D.4.b Increased degree and certification completion rates of disproportionately impacted students.</p>

**Goal D.5 Create interventions to improve completion and graduation rates for disproportionately impacted students in Science, Technology, Engineering, and Mathematics (STEM) majors.**

Activities/Strategies	Target Date	Responsible Person/Groups	Expected Outcome
<p>D.5.a. Create a STEM Center and expand the MARC to provide tutoring and support for students in STEM majors and use targeted advertising to bring students from disproportionately impacted groups into the STEM Center.</p> <p>D.5.b Develop outreach approaches to target African American, Latino/a and female</p>	<p>2014-15: Planning and design 2015-16: Pilot 2016-17: Implementation</p> <p>2014-15: Review data, plan interventions 2015-17: Pilot</p>	<p>Vice President of Instruction Dean of Natural Sciences Natural Sciences Faculty LAC</p> <p>Natural Sciences Aspire Outreach</p>	<p>D.5.a Students who use the STEM Center resources will have higher success rates in core degree classes, including disproportionately impacted groups.</p> <p>D.5.b The numbers of African American and Latino students successfully completing math and science courses and subsequently declaring a STEM major will</p>

<b>Activities/Strategies</b>	<b>Target Date</b>	<b>Responsible Person/Groups</b>	<b>Expected Outcome</b>
students in lower level math and science courses to participate in the STEM Center.	approaches and interventions	Counseling Bridge	increase.



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## GOALS AND ACTIVITIES

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### E. TRANSFER

#### STUDENT SUCCESS INDICATOR FOR TRANSFER

*“Ratio of the number of students by population group who complete a minimum of 6 units and have attempted a transfer level course in mathematics or English to the number of students in that group who actually transfer after one or more (up to six) years.”*

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**Goal E.** *Research disparities in transfer preparation and transfer rates for identified students and implement instructional and support services designed to improve the successful transfer of under-represented students.*

#### **Summary of Research:**

Large variations exist among the various demographic groups.

- The genders are nearly equal in transfer rate.
- Transfers drop off quickly with age. The age 20 to 24 group is at .74, and all other age groups are below .60
- Asians are the most likely to transfer, at 1.68.
- African Americans were at or just above equity for four cohorts, but have dropped to .85 for the most recent cohort that started in 2007 – 2008. This is most pronounced for African American males, who dropped to disproportionate .78.
- Latino/a students are at .72.
- Students with economic disadvantage are slightly less likely to transfer, at .93.
- Students with a disability are much less likely to transfer, at .56. This is more pronounced for males who are at .50 than for females who are at .63.

In addition, external research literature shows that:

- When Latino and African American students do transfer, their targeted majors usually exclude STEM areas. This lack of representation of Latino and African American students in STEM related majors and careers is related to their documented difficulties in completing transfer level mathematics courses.

- The research shows that student Veterans can be successful in completing their educational goal if given the support services they need. Student Veterans report that progress is slowed due to transition difficulty from military to civilian life as well as the learning curve they have to contend with having been out of school for a few years.

***Goal E.1 Gain more understanding about the issues preventing African American and Latino students from successfully transferring to universities and apply current and future research findings to lessen the transfer disproportionality for African Americans, Latinos and Former/Foster Youth.***

Activities/Strategies	Target Date	Responsible Person/Groups	Expected Outcome
E.1.a. Survey Latino, African American and Former/Foster Youth students with declared transfer goals to identify barriers or obstacles to transfer.	For E.1.a to E.1.c 2014-15: initiate research 2015-16: continue research and develop interventions	RIE Counseling Transfer Task Force	E. 1.a. Increased understanding of transfer roadblocks or “choke points” that negatively impact transfer for specific student groups.
E.1.b. Obtain data (such as demographics and types of success generating activities received) from the targeted groups who successfully transfer and complete baccalaureate degrees.		RIE Counseling Transfer Task Force	E.1.b. Increase understanding of disproportionately affected groups who successfully matriculate and graduate from universities.
E.1.c. Conduct additional research including focus groups to assess reasons for lower transfer rates for older age and returning students.		RIE Re-entry Center Counseling Transfer Task Force	E.1.c Address the barriers affecting older adults in attaining access and completion of transfer goals.

**Goal E.2 Implement instructionally-based interventions to improve students' preparation for transfer**

Activities/Strategies	Target Date	Responsible Person/Groups	Expected Outcome
<p>E.2.a Improve the process of assessment of English for students in the targeted groups to increase their preparation before taking the placement tests. Develop and implement math assessment preparation workshops and math interventions such as ALEKS and Noncredit basic skills boot camps. Offer affected students more opportunities to participate in intensive boot camp with ALEKS lab sessions.</p>	<p>For E.2.a to E.2.c 2014-15: Planning 2015-16: Pilot 2016-17: Implementation</p>	<p>Director, Assessment and Matriculation Math Department Chair Dean, Natural Science English Department Chair Dean, Humanities and Social Sciences Transfer Pathways</p>	<p>E.2.a Increased transfer eligibility and motivation to persist toward transferring for African American, Latinos and Former/Foster Youth. Improved placement accuracy in order to decrease time to complete transfer sequence.</p>
<p>E.2.b Increase learning communities (LC) and pathways for students in the targeted populations so they can receive both instructional and counseling interventions.</p>	<p>2014-17</p>	<p>Associate Dean, Counseling Bridge Coordinator Math and English Department Chairs Aspire, Arise, ACES, Pathways to Transfer Library and Learning Resources Division</p>	<p>E.2.b Application of effective instruction and counseling strategies will result in increased retention and completion of key courses and higher transfer rates for African American, Latino/a and Former/Foster Youth and other under-represented students.</p>
<p>E.2.c Create Re-entry Learning Communities (LCs) for transfer level math and English courses in order to improve the transfer success rates of the</p>		<p>Associate Dean, Counseling Math and English Department Chairs</p>	<p>E.2.c Timely support and interventions will increase targeted students' completion of transfer level course requirements, especially for Re-entry and older aged</p>

Activities/Strategies	Target Date	Responsible Person/Groups	Expected Outcome
target age group.		Director, EOPS and CARE Director, CalWORKs Re-entry Center	students.

***Goal E.3: Develop and initiate transfer interventions to enhance the knowledge, confidence, and preparedness of targeted students to successfully transfer.***

Activities/Strategies	Target Date	Responsible Person/Groups	Expected Outcome
E.3.a Develop and implement “Transfer Bridge” designed to educate students and their parents about transfer and provide them with an onsite university transfer experience.	2014-15 Develop 2015-17 Implement	For E.3.a to E.3.c Transfer Center ACES, Aspire Arise, EOPS Transfer Bridge Former/Foster Youth	E.3.a Increase the number of Former/Foster Youth, African American and Latino students who consider transferring as a realistic goal.
E.3.b Provide local university tours and transfer presentations for African American, Latino/a and Former/Foster Youth students.	2014-15 Begin implementation 2015-17 Continue implementation	Dream Center Counseling MAP – Transfer (DegreeWorks) Teacher Prep Institute	E.3.b Increase in the number of Former /Foster Youth, African American and Latino students who are informed about their career and transfer options.
E.3.c Invite Former/Foster Youth, African American and Latino students to participate in career exploration and transfer options through a newly created University Outreach Program (UOP) to promote collaboration with universities	2014-15 Initiate 2015-17 Further develop	Former/Foster Youth REACH Honors Program Re-entry Center Student Health Services	E.3.c Increase the number of students from the disproportionately impacted groups who successfully make the transition from Mt. SAC to a university.

Activities/Strategies	Target Date	Responsible Person/Groups	Expected Outcome
<p>to facilitate transfer awareness, preparation, and transfer-readiness of target population.</p> <p>E.3.d Develop specialized career counseling interventions in collaboration with campus resources such as to promote transfer awareness, preparation and readiness for Re-entry and students 25 years and older</p>	<p>2014-16 Develop and Pilot 2016-17 Fully Implement</p>	<p>Pathways to Transfer</p> <p>Teacher Prep</p>	<p>E.3.d.1 Re-entry and students 25 years of age and older will have increased access to services and information to assist them in identifying and realizing their transfer goals.</p> <p>E.3.d.2 Increased access to services and resources will decrease barriers to transfer for Re-entry and students 25 years of age and older.</p>

***Goal E.4: Examine the disparity in transfer rates for students with verified disabilities and increase the number of students with disabilities who complete their declared transfer goals.***

Activities/Strategies	Target Date	Responsible Person/Groups	Expected Outcome
<p>E.4.a Conduct research to identify transfer barriers or obstacles for students with disabilities who have a declared transfer goal.</p> <p>E.4.b Provide additional counseling</p>	<p>For E.4.a to E.4.f 2014 -15 Initiate research, review, planning 2015-16 Pilot</p>	<p>For E.4.a to E.4.f RIE DSPS Program IT Transfer Center Counseling Student Services Instructional</p>	<p>E.4.a Research findings will be utilized to develop interventions to break down barriers and obstacles to transfer for disabled students.</p> <p>E.4.b Disabled students who are determined to</p>

Activities/Strategies	Target Date	Responsible Person/Groups	Expected Outcome
<p>resources; develop activities and strategies to better guide students with disabilities in reaching their transfer goals.</p> <p>E.4.c DSPS and the Transfer Center will work collaboratively to provide support and services to assist students with verified disabilities.</p> <p>E.4.d Increase collaboration with campus and community resources to support students with disabilities in reaching their transfer goals. (For example: Veterans Services, Department of Rehabilitation)</p> <p>E.4.e Invite local university representatives to participate in the DSPS Advisory Board to address barriers and obstacles to transfer for students with disabilities.</p> <p>E.4.f Develop and maintain appropriately accessible instructional media in transfer level courses.</p>	<p>implementation 2016-17</p> <p>Continue to pilot and continued implementation</p>	<p>Media</p>	<p>be transfer ready will increase by 5% annually.</p> <p>E.4.c Disabled students who receive enhanced services will have a higher transfer ready rate.</p> <p>E.4.d A network of services provided by informed staff will enable disabled students to increase their successful transfer.</p> <p>E.4.e Critical partnerships will be developed with local universities to create transfer pathways for disabled students.</p> <p>E.4.f Students with disabilities will attempt and succeed in advanced level transfer courses.</p>



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## Budget

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**SOURCES OF FUNDING**

Budget Line Item	Student Equity Funding
<b>Salaries and Benefits</b> New, permanent full-time positions (7 total: 1 faculty, 2 management, 4 classified) New, permanent partially funded or part-time (3 total: 2 classified, 1 management) Adjunct faculty; faculty stipends; reassigned time Hourly classified (tutors, student workers, peer mentors, instructional support)	\$1,543,664
Instructional and Administrative supplies:	\$48,754
Professional development, conferences, training:	\$10,000
Contracts and Consulting Agreements:	\$53,854
<b>Total Allocation</b>	<b>\$1,655,272</b>

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## Evaluation Schedule and Process

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## EVALUATION SCHEDULE AND PROCESS

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### Student Equity Plan: Evaluation Schedule & Process:

The Student Equity Committee is responsible for the annual evaluation of the goals and activities specified in the Student Equity Plan. There are two components to this evaluation. First is an assessment of the progress being made on the goals and activities listed in this Student Equity Plan, or added subsequently, and as referenced in the expected outcomes per activity. A rubric will be developed to aid in evaluating the progress being made. This will be made available to the persons and groups responsible for activities, and will be used by the Student Equity Committee in its annual evaluation. Where there are activities that indicate inadequate progress, the committee will meet and confer with the key contacts to determine if the timeline, budget and activities are still achievable. Modifications such as additional interventions and changes to existing activities, will be made when necessary to achieve expected results.

The rubric will address, among other topics:

- Is the activity clearly defined?
- Are the activities being carried out?
  - Are the appropriate participants involved?
  - Are the resources appropriate?
  - How is the activity integrated with other key players and the rest of the college?
- Are the expected results being achieved?
  - What evidence is there that the results are being achieved?
  - How equitable are the results?
    - This will include an evaluation on the appropriate student equity metrics.
    - The results for the program will be compared to the rest of the college and to actual equity.
      - Positively evaluated if the program is inequitable, but in favor of a population that is below equity at the college level.
- How are the results of the activity being communicated to appropriate audiences at the college?

Second, the annual review will include an analysis of the overall indicators of student equity using the same metrics as the baseline data included in this report. This data may be refined to include more specific, locally-derived data.

- Have we improved our ability to measure student equity on campus?
- Where is change happening? Not happening?
- Review the match of identified inequities to targeted interventions.

The results of the Student Equity Committee's annual evaluation will be communicated to appropriate audiences at the college, through the shared governance process. In particular, the Student Preparation and Success Council, a council reporting to the Academic Senate and the

President's Advisory Council will review the annual evaluation. Results from the annual review will also be shared through the college's strategic planning process, educational master planning process and the accreditation self-study.

In addition, standard protocols for institutional research and reporting will make equity information available across the college on an ongoing basis as part of a culture of evidence and equity. Activities which are identified as successfully making a difference in equity will be brought to the attention of broader audiences at the college. A continuous improvement cycle will be embedded into the Student Equity Plan process refinement and ongoing evaluation.

**STUDENT EQUITY COMMITTEE**

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Name: <u>Carolyn Keys</u>	Title: <u>Dean, Student Services, Co-Chair</u>
Name: <u>Alina Hernandez</u>	Title: <u>Faculty, Counseling, Co-Chair</u>
Name: <u>Hilary Lackey</u>	Title: <u>Faculty, Earth Sciences and Astronomy</u>
Name: <u>Jane Nazzal</u>	Title: <u>Faculty, Learning Assistance Center</u>
Name: <u>Jeff Archibald</u>	Title: <u>Faculty, Communication</u>
Name: <u>Bailey Smith</u>	Title: <u>Director, Learning Assistance Center</u>
Name: <u>Liza Becker</u>	Title: <u>Director, English as a Second Language</u>
Name: <u>Ana Tafoya-Diaz</u>	Title: <u>Classified, EOPS/CARE/CalWORKs</u>
Name: <u>Barbara Quinn</u>	Title: <u>Faculty, Counseling, DSPS</u>
Name: <u>Marie Kim</u>	Title: <u>Student Representative</u>

### ACKNOWLEDGEMENTS

The Student Equity Committee would like to take this opportunity to thank everyone who made contribution to the development of the Student Equity Plan.

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Name: William Scroggins Title: President/CEO

Name: Audrey Yamagata-Noji Title: Vice President, Student Services

Name: Irene Malmgren Title: Vice President, Instruction

Name: John Barkman Title: Educational Research Assessment Analyst

Name: Barbara McNeice-Stallard Title: Director, Research & Institutional Effectiveness

Name: Annel Medina Title: Educational Research Assessment Analyst

Name: Lisa DiDonato Title: Educational Research Assessment Analyst

Name: Maria Tsai Title: Senior Research Analyst

Name: Minerva Avila Title: Professional Expert

## APPENDIX A: EQUITY FOR ALL SUMMARY REPORT

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### Background

In May of 2005, a team of faculty and administrators were appointed to represent Mt. San Antonio College in the *Equity for All* project through the Center for Urban Education at the University of Southern California. Mt. SAC was one of only 10 community colleges selected to participate in the project based on the diversity of our student body. The team was charged with instituting a research design to measure whether specific cohorts of students were performing equitably on key success criteria. Speech Communication Professor and former Academic Senate President Phillip Maynard served as the chair of the team. The team members received training and guidance from the USC staff and met on a regular basis for two years to review and analyze data and develop the report. The goal of the project was to inform the campus community regarding equity outcomes and to develop a proactive approach to addressing any inequities.

### Research Design

Four research cohorts were comprised of first time freshmen students who enrolled in the fall semesters of 1997, 1998, 1999 and 2000. Equity measures were based on the students' accomplishments as of fall 2005. A total of 16,391 students were included in the student sample from seven ethnic groups plus a cohort of international students. The model that was developed through USC utilizes an "Equity Index" by which to measure whether a particular student group was above equity, at equity, or below equity in earning a vocational certificate, earning an Associate degree, and preparing to transfer and successfully transferring.

### Results

There was some variability in equity between certain student ethnic groups for particular cohorts. However, four student ethnic groups were consistently below equity on key measures:

<b>Criteria/Measure</b>	<b>African American</b>	<b>Hispanic</b>	<b>Mexican American</b>	<b>Pacific Islander</b>
Successful completion of transfer-level English	Below equity			
Successful completion of transfer-level math	Below equity	Below equity	Below equity	
Completion of Associate degree				Below equity
Successful transfer to 4-year college		Below equity		
Attained BA/BS Degree after transfer	Below equity	Below Equity	Below Equity	

The results point to the need to improve interventions with African American, Hispanic, Mexican American and Pacific Islander students in order to improve the success rates for these students.

Conclusions and Next Steps

Diversity and equity have historically been key components of the College’s mission, goals and values. The results of this project indicate a need to enhance efforts to address inconsistencies in achievement for certain student ethnic groups. A Call to Action is included in the report, detailing the recommended next steps. Incorporating equity and diversity measures into the college’s processes to develop Student Learning Outcomes, General Education Outcomes, and the Basic Skills Plan are key elements along with developing a results-oriented research agenda. Even more critical will be the development and initiation of a proactive agenda to directly address the inequity of certain student groups through instruction and student support services.



## Appendix B: Convening Meeting Agenda

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Friday, May 23, 2014  
9:00 am – 12:00 pm  
Founders Hall

- 8:30 a.m. Check in & Breakfast [Foyer]
- 9:00 a.m. Overview of Student Equity and the Student Equity Plan elements and purpose [Carolyn and Alina]  
Snapshot of Student Equity Research [RIE staff]
- 9:30 a.m. Setting the Tone: Student Speakers
- 9:45 a.m. Break-Out Session I
- Goal 1: Access – Living Room – Carolyn Keys & Ana Tafoya Diaz
  - Goal 2: Course Completion – President’s Conference Room – Audrey
  - Goal 3: ESL and Basic Skills Completion – Dining Room – Liza Becker & Bailey Smith
  - Goal 4: Degree and Certificate Completion – Main Conference Room – Hilary Lackey
  - Goal 5: Transfer – Main Conference Room – Alina Hernandez & Arianna Rivera
- 10:45 a.m. Break-Out Session 2
- Goal 1: Access – Living Room – Carolyn Keys & Ana Tafoya Diaz
  - Goal 2: Course Completion – President’s Conference Room – Audrey
  - Goal 3: ESL and Basic Skills Completion – Dining Room – Liza Becker & Bailey Smith
  - Goal 4: Degree and Certificate Completion – Main Conference Room – Hilary Lackey
  - Goal 5: Transfer – Main Conference Room – Alina Hernandez & Arianna Rivera
- 11:45 a.m. Wrap-Up [Carolyn and Alina]

**APPENDIX C: CONVENING MEETING – SHARING OF BEST THOUGHTS AND SUGGESTIONS**

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**ACCESS**

- Differentiate community and campus access
- Access to resources: library, computers, computer labs, hours of availability (no technology at home)
- Resources for older students – reentry services
- Students can't enroll due to full wait lists
- Lack of resources in the community – information provided, courses offered
- Courses/services in local high schools
- Prepare for Assessment
- Gaining entry into sequential courses (Pathways)
- Universal Design principles – help all students
- Better targeted marketing – information should be student friendly, translated
- Walk around campus – do in-reach on campus
- 24-hours access (like CPP)
- Hoops for non-credit students transitioning to credit and utilizing services like library
- Campus Climate survey
- Economically disadvantaged students' challenges – homeless, lack of food options on campus, students going hungry on campus, not a friendly campus to bring your lunch
- Flex Day: address issues; have an Open House to learn about resources
- Ongoing Orientations for students to learn, receive information

**Course Completion**

- Balancing compassion/affective development with rigor/high expectations and standards
- Providing students with “exposure” (audit) and information related to requirements – especially for D/L
- “Teach them to fish”: Feed for a lifetime. We need to help students know how to fish – study skills, time management, internal locus of control (accept responsibility for successes and failures).
- How faculty can relate to students and show they care/are concerned.
- Resource information to faculty and staff
- Diversity training to help faculty/staff know how to understand and relate to students
- Inform students of services and assist in accessing
- Promoting student leadership in the classroom – building engagement activities
- Have teachers provide progress reports to their students to help students understand their status/what they need to do
- Identify course “choke points” – where students get stuck and then can't move on
- Utilize moodlerooms to keep in touch with students in less intimidating way, increases engagement

- Mountie Mentoring Program: identify key contacts, safe zones, information, services
- Gamification: how to connect with students and engage them and provide them with incremental reinforcement
- Community Hour (not for meetings) but for dialogs and engagements between departments and students-to-students
- Opportunities to integrate between Student Services and Instruction
- Conduct research to determine what is working in certain efforts/program; why students leave – look closely at which student groups are not progressing

### **ESL/Basic Skills**

- De-silo sharing of strategies
- Improve data resources and internal program data
- Include qualitative data
- Positive examples: Pathways
- Negative examples: impacted courses in a sequence
- Integrate counseling and support services (peer-to-peer coaching, faculty personalizing teaching, professional development)
- Orientation and Early Alert: not just at the beginning
- Marketing: make it more appealing – making it “sexy to be a basic skills student” – to have a feeling of hope and opportunity
- Professional development – dealing with diverse students
- Data Gap: Look at successful programs and achievement gaps and combination of factors that impact students’ being at risk
- Support from the library – need to gather better data on how basic skills students are supported in the library
- Data Gap: delay between taking assessment and subsequently enrolling in Math, English, Reading
- Marketing, professional development, helping students to have resources and connections past the first semester

### **Degree and Certificate Completion**

- Which students obtain degrees and certificates – who are the students who are successful but are not completing?
- Students transfer without obtaining their degrees
- Some jobs only require certain # of units, or certain courses
- Auto-awarding of Degrees: not all students want this if they have changed their goals/majors. If awarded, will lose financial aid. This is based on the declared goals of students. (Students need to have updated degrees defined in Banner).
- Lack of awareness of what students need to get the certificate and degree.
- The Orientation in the first year isn’t enough – ‘second year orientation’
- VTEA Survey – some students skip this – can we capture students who are changing majors/update majors through this tool?

- Top 3 degrees: kinesiology/wellness; psychology; social and behavioral science – why do these degrees have greater completion?
- Increased information about majors – have open houses?
- Specialized Student Services programs have greater opportunities to receive information – how to expand campus-wide.
- Advertising certain college majors – use existing data, look at disproportionately impacted student groups and engage them in completing degrees/certificates and to use services.
- Data: need to clarify why there were shifts in data in certain years (changes in graduation requirements; obstacle in completing reading requirement)

### **Transfer**

- Preparation for college and transfer: how to retain motivation when the pathway appears so long
- Improve placement process (reduce time)
- Culture of transfer—involve students, disseminate information, help students know what it takes to transfer, utilize successful students by learning from them
- Increase access to tutoring and peer mentoring
- Honor the student’s goal – whether it is transfer or not
- Encourage students to think of transfer
- The idea of leaving Mt. SAC is scary – how to prepare students to move on to the next level – what are the skills, what information is necessary for assisting in the transition? Develop interventions (tours, workshops, mentoring) to develop skills and insights needed for continued success at the university level.
- Successful teaching practices: disseminate to faculty at large to incorporate into their courses
- Financial Aid: need more financial management workshops – how to manage their money and how to plan to finance college when transfer
- Faculty Advising: faculty members can serve as advisors, will need to be trained
- Mobile Counseling: advertising of services and increase access to services

**APPENDIX D: OVERALL MATRIX OF SERVICES, ACTIVITIES, PROGRAMS, AND INTERVENTIONS PROVIDED AT MT. SAC**

		<b>SERVICES/ACTIVITIES/INTERVENTIONS</b>															
		<b>*Planned</b>															
<b>Program or Intervention</b>	<b>Population Served</b>	Counseling or Advising	Tutoring	Peer Advising	Orientation	Cohort Classes (LC)	Cohort Groups (Pathways)	Supplemental Instruct/ TIC	Basic Skills Assistance	Study Groups	Workshops	Test Prep	Financial Assistance	Transfer	Field Trips/ Special events	Team Building/ Social Integration	Other
ACES	First Generation College Students, Low income, Foster Youth Disabled Students	X	X	X	X	X		X		X	X		X	X	X	X	Financial literacy
Arise	Asian American and pacific Islanders; other low-income and minority groups (African American and Latino/a)	X	X Aka "English study hall" & math tutoring (basic-calculus)	X	X program		X	X			X	Plng for SU '14	Invited to ACES Financial Literacy workshops		X		-Fale Fono -Leadership Retreat -Welcome back meetings every Fall and Spring
Aspire	African American & other students	X			X program	X	X				X Monthly			X Counseling	X	X	Cultural enrichment activities
Assessment												X					
Bridge	Summer: recent HS grads, 1 <sup>st</sup> generation and basic skills Fall & Spring: New & continuing	X		X	X	X	X	X	X	X	X			X	X	X	Study room, computer lab, laptops checkout, Text-book loans

		<b>SERVICES/ACTIVITIES/INTERVENTIONS</b>															
		<b>*Planned</b>															
<b>Program or Intervention</b>	<b>Population Served</b>	Counseling or Advising	Tutoring	Peer Advising	Orientation	Cohort Classes (LC)	Cohort Groups (Pathways)	Supplemental Instruct/ TIC	Basic Skills Assistance	Study Groups	Workshops	Test Prep	Financial Assistance	Transfer	Field Trips/ Special events	Team Building/ Social Integration	Other
	students, start at basic skills or continuing on to the next level of math or English																
CalWORKs																	
Career/ Transfer	All	X									X		X	X	X	Transfer club restarted in Sp '14	Class presentations, career fairs, employer panels, events like Career Project Runway, Transfer Achievement Celebration, Mock Interviews, Univ. Rep Advising
Counseling	All Students	X			X	X	X				X			X			
DSPS	Verified, eligible disabled students	X	X High Tech Center		X	X	X		X High Tech Center								Testing accomm Alt Media Mobility Assistance
DHH	Verified deaf, hard of hearing, interpreting	X	(X)		X				X						X ASL Club		
EOPS/CARE	Foster Youth																
Financial Aid	Low -income,	X									X		X				

			<b>SERVICES/ACTIVITIES/INTERVENTIONS</b>														
			<b>*Planned</b>														
<b>Program or Intervention</b>	<b>Population Served</b>	<b>Counseling or Advising</b>	<b>Tutoring</b>	<b>Peer Advising</b>	<b>Orientation</b>	<b>Cohort Classes (LC)</b>	<b>Cohort Groups (Pathways)</b>	<b>Supplemental Instruct/ TIC</b>	<b>Basic Skills Assistance</b>	<b>Study Groups</b>	<b>Workshops</b>	<b>Test Prep</b>	<b>Financial Assistance</b>	<b>Transfer</b>	<b>Field Trips/ Special events</b>	<b>Team Building/ Social Integration</b>	<b>Other</b>
	AB 540																
Foster Youth	Verified foster youth/former foster youth	* (general but not targeted)		*	*							*	X	*	(general but not targeted)		* Legal assistance
Health Center	Credit Students																Triage; health clinic; psychological counseling
International Students	F-1 Visa Students																
Student Life					X						X						
Veterans	Veterans Foster Youth	X		X	*	*				*	X		X		X	X	
Upward Bound	Foster Youth																
AB 540	Undocumented students	*		*							*			*	*	*	* Legal Assistance
High School Outreach	High school students	X		X	X	X			X		X	X			X	X	X
Step to College	1 <sup>st</sup> . time college student; 1 <sup>st</sup> generation student	X		X	X	X			X			X	X	X	X	X	X
Title V Grant	Hispanic/Low income students All students	X	X	X	X	X	X	X	X		X	X	X	X			X
WIN	Student-Athletes	X	X		X				X	X	X	X			X		X
Library																	

		<b>SERVICES/ACTIVITIES/INTERVENTIONS</b>															
		<b>*Planned</b>															
<b>Program or Intervention</b>	<b>Population Served</b>	Counseling or Advising	Tutoring	Peer Advising	Orientation	Cohort Classes (LC)	Cohort Groups (Pathways)	Supplemental Instruct/ TIC	Basic Skills Assistance	Study Groups	Workshops	Test Prep	Financial Assistance	Transfer	Field Trips/ Special events	Team Building/ Social Integration	Other
Learning Assistance Center																	
Writing Center	All students with writing assignments		X		X			X	X	X	X	X					
MARC/ TMARC	All students		X						X	X	X	X					
Language Lab (LLC)	Noncredit ESL; credit AmLa		*		X			X	X								
Pathways to Transfer	All students (no restrictions)					X	X	X	X	X						X	
Honors	Eligible honors students				X	X		X						X	X		
Teacher Prep	Students intending to enter teaching				X						X	X			X		
Book Loan Program	Bookstore – eligible courses																
VESL Career Paths	Noncredit ESL	X	X		X	X	X		X		X	X					Advisory Group
GED/High School Programs	Non Credit ABE/ASE (adult secondary)	X	X		X			X	X		X	X		X	X		X
ESL Library	Noncredit ESL		X					X	X								
ESL Counseling	Noncredit ESL	X			X						X				X		



			<b>SERVICES/ACTIVITIES/INTERVENTIONS</b>														
			<b>*Planned</b>														
<b>Program or Intervention</b>	<b>Population Served</b>	<b>Counseling or Advising</b>	<b>Tutoring</b>	<b>Peer Advising</b>	<b>Orientation</b>	<b>Cohort Classes (LC)</b>	<b>Cohort Groups (Pathways)</b>	<b>Supplemental Instruct/ TIC</b>	<b>Basic Skills Assistance</b>	<b>Study Groups</b>	<b>Workshops</b>	<b>Test Prep</b>	<b>Financial Assistance</b>	<b>Transfer</b>	<b>Field Trips/ Special events</b>	<b>Team Building/ Social Integration</b>	<b>Other</b>
Speech & Sign Success Center (SSSC)			X							X							
Teacher Preparation Institute (TPI)		X	X	X	X	X	X				X	X		X			Formal Peer tutoring, computer & printing access for TPI students

\*Planned

## APPENDIX E: RESEARCH DATA

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The Research and Institutional Effectiveness office prepared a variety of data on student equity. The report by ethnicity for degree attainment is attached as an example of the kind of detail report which was produced for each combination of student group and outcome measure. Following that are the data summary sheets which extract highlights from the detail reports.

The following is a list of reports and data summary sheets attached:

- Degree: Rate and Count by Ethnicity
- Degree: 80 Percent Index – vs. Highest by Ethnicity
- Degree: 80 Percent Index – vs. Average by Ethnicity
- Degree: 80 Percent Index by Ethnicity
- Disproportionate Impact Sheet: How to calculate Proportionality
- Student Equity Summarized Sheet - Instructions
- Student Equity Summarized Sheet – Course Success
- Student Equity Summarized Sheet – Basic Skills Improvement English
- Student Equity Summarized Sheet – Basic Skills Improvement AMLA
- Student Equity Summarized Sheet – Basic Skills Improvement Math
- Student Equity Summarized Sheet – Certificates
- Student Equity Summarized Sheet – Degree
- Student Equity Summarized Sheet – Transfer
- Student Equity Summarized Sheet – Foster Youth
- Student Equity Summarized Sheet – Veterans
- Student Equity Summarized Sheet – Measure by Age and Veteran
- Student Equity Summarized Sheet – Measure by Disability and Gender: Course Success
- Student Equity Summarized Sheet – Measure by Disability and Gender: BSI English, BSI AmLa, and BSI Math
- Student Equity Summarized Sheet – Measure by Disability and Gender: Certificate, Degree Completion, and Transfer
- Student Equity Summarized Sheet – Measure by Economic Disadvantage and Gender: BSI English, BSI AmLa, and BSI Math
- Student Equity Summarized Sheet – Measure by Economic Disadvantage and Gender: Certificate, Degree Completion, and Transfer

**BOARD OF TRUSTEES  
MT. SAN ANTONIO COLLEGE**

**DATE:** December 10, 2014

**ACTION**

**SUBJECT:** Student Equity Plan

**BACKGROUND**

In accordance with Title 5, Section 54220 and the requirements of AB 860, all California community colleges are required to develop and submit a Student Equity Plan to the California Community Colleges Chancellor's Office by January 1, 2015. The Plan must be approved and adopted by the Board of Trustees. Mt. SAC has had a Student Equity Plan in place since 1996. The State Chancellor's Office required plans to be submitted from 2003 to 2005. Mt. SAC maintained an updated Plan through 2009, even though it wasn't required to do so. The development of the current Student Equity Plan was comprehensive, deliberative, and research-based. The College engaged in a campus-wide process to ensure that all faculty, staff, students, and administrators were able to provide input into the Plan. The Plan has been approved through the College's shared governance process, which includes the Student Equity Committee, Student Preparation and Success Council, and the Academic Senate.

The focus of the Student Equity Plan is to provide activities and goals that improve outcomes for students who are disproportionately impacted in the areas of access, course completion, ESL and Basic Skills completion, degree and certificate completion, and transfer. The Plan targets foster youth, veterans, disabled, low-income, English learners, and other identified student groups. Required coordination with SSSP (Student Success and Support Program), DSPS, EOPS, CalWORKs, and Basic Skills is identified in the Plan.

Mt. San Antonio College received a first-year allocation of \$1,655,272 to be expended on implementing the goals and activities identified in the Plan. These new funds, along with existing budgets, will enable the College to implement the various components of the Plan.

**ANALYSIS AND FISCAL IMPACT**

The Student Equity Plan meets the requirements set forth in regulation by the State Chancellor's Office by covering all of the elements in the Plan template.

**Funding Sources**

Student Equity allocation.  
Unrestricted General Fund.

**RECOMMENDATION**

It is recommended that the Board of Trustees approves the Student Equity Plan.

Prepared by: Carolyn Keys/Alina Hernandez

Reviewed by: Audrey Yamagata-Noji

Recommended by: Bill Scroggins

Agenda Item: Action #6