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**Rogue Community College District**  
**Board of Education – December 18, 2012 Meeting Minutes**

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1. **Call to Order** – Tim Johnson, Chair, called the Rogue Community College (RCC) Board of Education (Board) meeting to order at approximately 4:00 p.m., Tuesday, December 18, 2012 at the RCC/Southern Oregon University (SOU) Higher Education Center (HEC) conference rooms 127 and 129, 101 S. Bartlett, Medford, Oregon. Due notice was given.
2. **Determine Presence of Quorum** – A quorum of the Board was present including Mr. Johnson, Patricia Ashley, Randy Sparacino, Kevin Talbert, Dean Wendle (via teleconference) and Joseph Zagorski. Joseph Davis was absent due to professional obligations.
3. **Introduction of Guests and Public Comment** – Lealan Miller and Kristen Diggs of Eide Bailly, LLP, and RCC District employees including Peter Angstadt, Kori Bieber, Rena Denham, Roger Friesen, Kirk Gibson, Natalie Herklotz, Jacob Jackson, John Osbourn, Linda Renfro, Teresa Schawo, Curtis Sommerfeld, Lisa Stanton, and Denise Nelson. There was no public comment.
4. **Presentations**

**A. 2011-2012 Audit Presentation** – *Lealan Miller, Eide Bailly, LLP*

Eide Bailly, LLP, is an independent auditing firm selected by the Board. Lealan Miller and Kristen Diggs, representing Eide Bailly, LLP, presented the 2011-2012 audit results. The audit was conducted 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 Controller General of the United States. RCC received a clean opinion which reflects the financial statements presented fairly, in all material respects, the financial position of RCC as of June 30, 2012.

In accordance with *Government Auditing Standards*, Eide Bailly, LLP, also issued a report dated December 04, 2012, on consideration of the College's internal control over financial reporting and on tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. In connection with the aforementioned testing, nothing came to attention that caused Eide Bailly, LLP, to believe the College was not in substantial compliance with certain provisions of laws, regulations, contracts and grants. 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.

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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 College's financial statements will not be prevented, or detected and corrected on a timely basis. Eide Bailly did not identify any deficiencies in internal control over financial reporting considered to be material weaknesses. However, they identified certain deficiencies in internal control over financial reporting described in the schedule of findings and questioned costs that were considered to be significant deficiencies in internal control over financial reporting (see finding 2012-01- Accounts Receivable Reconciliation, page 117 of the Comprehensive Annual Financial Report).

Mr. Miller thanked RCC Budget and Financial Services staff for their work preparing for the audit. Eide Bailly representatives were very impressed by the work of RCC staff.

Lisa Stanton thanked Teresa Schawo, Senior Accountant, and Natalie Herklotz, Assistant Director, Budget and Financial Services for their excellent work. She also thanked RCC staff in general for their efforts toward completing their work within the College accounting systems accurately.

**B. 2011-2012 Audit Approval**

Joseph Zagorski moved, seconded by Pat Ashley, the RCC Board of Education adopts Resolution No. B50-12/13 accepting the 2011-2012 audit as submitted.

**The motion unanimously carried.**

**5. Committee/Advisory Reports**

**A. Student, Faculty, Classified, Faculty Senate Reports**

Fall term ended December 8, 2012. No reports.

**B. Advisory Committees** – Peter Angstadt met with Jackson County Advisory Committee members on December 4, 2012 and discussed the changes going on at the state level. He met with Josephine County Advisory Committee members on December 5, 2012 and discussed the same issues.

**C. Board Executive Committee** – Pat Ashley reported the committee reviewed the December Board of Education meeting agenda. Members discussed the addition of a new section to the agenda to be known as “8. Board Discussion Items.” This is in response to the Board's request to allow for time at Board of Education meetings for discussion on Board identified topics.

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- D. Facilities Committee** – Randy Sparacino reported the Facilities Committee met on December 12, 2012 and discussed the proposed future tennis complex and the Redwood Campus annexation.
- E. Finance and Audit Committee** – Joseph Zagorski reported the committee met prior to the Board meeting and received detailed information regarding the 2011-2012 audit report and the November financial statement.
- F. Foundation Report** – The most recent Foundation meeting was held on December 5, 2012. Marv Elroy, Campaign Consultant, attended and provided a campaign update. Staff will share printed campaign material with Board members at the January meeting.
- G. OCCA/Oregon School Board Administration (OSBA) Reports** – Kevin Talbert reported there was a lot of activity last month. The Oregon Education Investment Board (OEIB) Governance and Policy Committee made a recommendation to the OEIB which included a proposed organizational chart (Peter will forward this to Board members). The most significant change in the proposal is that the State Board of Education would no longer exist. Community colleges would become a part of the Department of Post-Secondary Education. It is important to note that any and all changes of sort would take legislative action. It appears community colleges would be in support of this proposal. There have been no official announcements regarding the future of the Department of Community Colleges and Workforce Development (CCWD).
- 6. Consent Agenda** – Pat Ashley moved, seconded by Joseph Zagorski, the Board approves the consent agenda as presented.
- A. Meeting Minutes
    - a. November 20, 2012 Board of Education Meeting
  - B. Human Resources - None
  - C. Grants
    - a. New Grant
      - 1. Accelerated College Credit Round #2
      - 2. Music Department Equipment
      - 3. Project Oregon Reverse Transfer (PORT)
    - b. Continuation Grant
      - 1. Oregon Pathways for Adult Basic Skills (OPABS) & Learning Standards Project
  - D. Financial
    - a. Monthly Financial Data Report – November

**The motion unanimously carried.**

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**7. Action/Information Items**

**A. Adopt RCC 403(b) Amended and Restated Plan (Second Reading)**

Joseph Zagorski moved, seconded by Dean Wendle, the Board of Education adopts Resolution No. HR49-12/13 approving the RCC 403B Plan Document as amended and restate in the form supplied by legal counsel, to be effective January 1, 2013.

**The motion unanimously carried.**

**B. Contract for the Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grant Project – Third Party Evaluator**

Kevin Talbert moved, seconded by Joseph Zagorski, the Board adopts Resolution No. B57-12/13 approving the contract for the TAACCCT project – Third Party Evaluator to Pacific Research & Evaluation in the amount of \$100,000 with a contingency of \$10,000 not to exceed \$110,000.

**The motion unanimously carried.**

**C. Adopt 2012-2015 Strategic Plan**

Pat Ashley moved, seconded by Randy Sparacino, the Board adopts Resolution No. P58-12/13 adopting the 2012-2015 Strategic Plan as presented.

Dean Wendle inquired about adding numbers to goals in order to make goals measurable. President Angstadt referred to Object A.2 as an example: *Annual goals and activities with measurable benchmarks and targets will be described and assessed in the annual program review process.*

Kevin Talbert thanked staff for their hard work during the strategic planning process.

**The motion unanimously carried.**

**D. Review Service and Annexation Agreement – Redwood Campus (First Reading)**

Board members are concerned about the Transportation Utility Fee in the agreement, and would like some assurance the College would not be liable. Also, would trading one building for another on campus trigger a change with the water system? The agreement will be reviewed by an attorney. Staff will try to get this accomplished prior to the next Board meeting.

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**E. Save the Date – Southern Oregon Business Conference, January 24, 2013**

This is the tenth annual Southern Oregon Business Conference and will be held at the Medford Red Lion. Board members interested in attending were asked to RSVP to Denise Nelson.

**F. Discuss Board Participation – AACC 93<sup>rd</sup> Annual Convention, April 20-23, 2013**

Information regarding this convention was distributed with Board meeting material. Board members interested in attending were asked to RSVP to Denise Nelson.

**8. Board Discussion Items**

**A. December 3, 2012 Oregon Leadership Summit**

Dean Wendle reported that Rudy Crew, Chief Education Officer, provided an excellent speech at the Summit.

Pat Ashley reported there are things happening throughout the state that might serve as good ideas for RCC, or for RCC to check into. There is \$50 million funding available to support Science, Technology, Engineering and Mathematics (STEM). There was conversation around a 16 year old girl who started a girl's science program 3 years ago. Intel donated money toward this program.

Jacob Jackson explained that RCC is currently holds STEM academies 4 to 6 times per year with area high schools. Staff will look into the funding possibility.

**B. General Discussion**

- President Angstadt will continue to compile Board member's suggestions for discussion items in preparation for the January Board meeting.
- Dean Wendle reported a community member called him regarding walking his dog on Redwood Campus. Peter reported that Curtis Sommerfeld is in contact with this gentleman.
- Kevin Talbert mentioned that each community college seems to handle the annual board organization process a little differently. Some Boards schedule annual retreats during this process. When he spoke with Karen Smith, OCCA, about this, she indicated that in her experience, it is not unusual that the Board of Education of each community college handles these things differently. There are certain things by statute that must happen within a specific timeframe, other than that, each Board can decide how they want to handle the process.

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**9. Administration Information Items**

**A. President's Monthly Report**

- The topic for the January 15<sup>th</sup> Program meeting was scheduled to be “Student Safety and Emergency Preparedness,” however, staff have asked for additional time to complete the presentation. Lisa Stanton has volunteered to provide a “Budget Update” during this 3:00 p.m. to 4:00 p.m. timeslot instead. President Angstadt thinks this will be very helpful to Board and Advisory Committee members.
- The College will be closed for winter break beginning Friday, December 21, 2012 through Tuesday, January 1, 2013.

**B. FTE Report (see file) –** The FTE gap is closing a bit with a net loss of 2.5%. The college is still planning for a 5 to 6% decrease in tuition receipts.

**C. Grant Status Report (see file)**

**D. Faculty Senate Meeting Notes (see file)**

Tim Johnson proposed, and Board members agreed, to adjust the meeting agenda order, moving Executive Session to the end of the meeting.

**10. Executive Session – None**

**11. New Business - None**

**12. Old Business**

**A. Update Regarding the Possibility of Athletics at RCC – Kori Bieber, Vice President Student Services/Chief Student Services Officer**

Vice President Bieber is working on a cost structure and hopes to present this to the Board in January. Kevin Talbert requested staff check with other Oregon Community Colleges regarding athletics and ask the question, “If you had it to do over again, would you?”

**13. Board Round Table - None**

**14. Adjournment –** The meeting adjourned at 5:32 p.m.

Meeting minutes submitted by Denise Nelson, Assistant to the President and Board of Education