TO: Members of the Board of Trustees
FROM: Dr. Francisco Rodriguez, Chancellor
DATE: May 4, 2016

SUBJECT: BOARD LETTER FOR MAY 11, 2016 MEETING

Board Meeting Location
Next week’s Board meeting will be held at Los Angeles Harbor College. The meeting times and locations are as follows:

<table>
<thead>
<tr>
<th>Meetings</th>
<th>Time</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convene for Closed Session</td>
<td>3:30 p.m.</td>
<td>Student Services &amp; Administration Bldg., Room 219, 2nd Floor</td>
</tr>
<tr>
<td>Convene for Public Session</td>
<td>6:00 p.m.</td>
<td>Music Recital Hall</td>
</tr>
<tr>
<td>Convene for Second Closed Session (if necessary)</td>
<td>Immediately Following Public Session</td>
<td>Student Services &amp; Administration Bldg., Room 219, 2nd Floor</td>
</tr>
</tbody>
</table>

Parking
Please refer to the college campus map for the designated parking area on Parking Lot 10. A campus map has been included for your convenience.

Included in this letter is explanatory information related to agenda items:

- **FPD3.** Enclosed for your review is background information regarding Board agenda item FPD3, Adopt Resolution Authorizing the Buyout of the Northwest Parking solar Photovoltaic Power Plant at East Los Angeles College, which will be presented for Board approval at the May 11th Board meeting. *(Refer to Attachment A)*

Confidential Matters
The attached correspondence is confidential and should not be shared with other persons.

- **Office of General Counsel**
  - Enclosed for your review is the District-related litigation report. *(Refer to Attachment B)*
    - Enclosed for your review are documents related to pending litigation:
      - Jane Doe v. LACCD *(Refer to Attachment B1)*
Enclosed for your review is the District-related semi-annual litigation report. *(Refer to Attachment C)*

Enclosed for your review is the Bond-related litigation report. *(Refer to Attachment D)*

Enclosed for your review is an update report pertaining to complaints of discrimination/harassment. *(Refer to Attachment E)*

Enclosed for your review is an update report pertaining to the status on personnel actions. *(Refer to Attachment F)*

- **Office of Diversity, Equity and Inclusion** – Enclosed for your review is information regarding an Appeal to Letter of Determination. *(Refer to Attachment G)*

- **Human Resources**
  - Enclosed for your review is information pertaining to disciplinary matters. *(Refer to Attachment H)*

**Responses to Board Member Inquiries**

**Chancellor’s Office** – Enclosed for your information is a response to a Board member inquiry regarding the LACCD Foundation. *(Refer to Attachment I)*

**Educational Programs and Institutional Effectiveness** – Enclosed for your information is a response to a Board member inquiry regarding the e-Transcript Process. *(Refer to Attachment J)*

**Other Matters**

**Facilities Planning and Development** – Enclosed for your review is background information regarding the possibility of student housing at Los Angeles City College and West Los Angeles College. *(Refer to Attachment K)*

Let me know should you have any questions regarding the meeting.
Subject: Explanatory Information on Board Item FPD3 – May 11, 2016

Enclosed for your review is background information regarding Board agenda item FPD3, Adopt Resolution Authorizing the Buyout of the Northwest Parking solar Photovoltaic Power Plant at East Los Angeles College, which will be presented for Board approval at the May 11th Board meeting.

Submitted By: Jim O'Reilly, Chief Facilities Executive Date: May 11, 2016
Los Angeles Community College District
PROGRAM MANAGEMENT SERVICES

Synopsis of Solar Photovoltaic System Buyouts

Facilities Master Planning and Oversight Committee
April 25, 2016

BuildLACCD
Building for tomorrow's leaders

AECOM
Summary of District Photovoltaic Systems

- There are 10 free-standing solar photovoltaic (PV) systems at five colleges and one property.

- Three categories based on the year that they were installed and the financing mechanism used:

<table>
<thead>
<tr>
<th></th>
<th>2007 Project (1)</th>
<th>2009 Projects (6)</th>
<th>2010 Projects (3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power Purchase Agreement</td>
<td>Solar Leases/Master Equipment Leases with Production Guarantees</td>
<td>Solar Leases/Master Equipment Leases with Production Guarantees</td>
<td></td>
</tr>
</tbody>
</table>
PPA & Solar Lease Comparison

**Power Purchase Agreement**
- Provider paid for & installed PV
- Provider maintains facility for life of agreement
- Colleges pay from general fund to provider based on electricity produced
- System buyout option end of year 6 / beginning of year 7

**Solar Lease**
- Provider paid for & installed PV
- Provider maintains facility for life of lease
- Lease payment amounts fixed & paid from respective colleges’ 40J energy funds
- System buyout option end of year 6 / beginning of year 7
ELAC Northwest Parking Solar Photovoltaic Array
## ELAC Northwest Parking Solar Photovoltaic Array

<table>
<thead>
<tr>
<th>Year</th>
<th>Buyout Value (in millions)</th>
<th>Termination Value</th>
<th>Annual Production Charges + $130k annual capacity charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>No buyout / termination option</td>
<td>No buyout / termination option</td>
<td>$333,430.50</td>
</tr>
<tr>
<td>2</td>
<td>$3.17</td>
<td></td>
<td>$342,000.01</td>
</tr>
<tr>
<td>3</td>
<td>$3.07</td>
<td></td>
<td>$350,930.51</td>
</tr>
<tr>
<td>4</td>
<td>$2.97</td>
<td></td>
<td>$360,237.21</td>
</tr>
<tr>
<td>5</td>
<td></td>
<td></td>
<td>$369,935.95</td>
</tr>
<tr>
<td>6</td>
<td>$3.17</td>
<td></td>
<td>$380,043.25</td>
</tr>
<tr>
<td>7</td>
<td>$3.07</td>
<td></td>
<td>$390,576.32</td>
</tr>
<tr>
<td>8</td>
<td>$2.97</td>
<td></td>
<td>$401,553.10</td>
</tr>
<tr>
<td>9</td>
<td>$2.87</td>
<td></td>
<td>$412,992.28</td>
</tr>
<tr>
<td>10</td>
<td>$2.77</td>
<td></td>
<td>$424,913.33</td>
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<tr>
<td>11</td>
<td>$2.67</td>
<td></td>
<td>$437,336.55</td>
</tr>
<tr>
<td>12</td>
<td>$2.57</td>
<td></td>
<td>$450,283.10</td>
</tr>
<tr>
<td>13</td>
<td>$2.47</td>
<td></td>
<td>$463,775.03</td>
</tr>
<tr>
<td>14</td>
<td>$2.37</td>
<td></td>
<td>$477,835.30</td>
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<tr>
<td>15</td>
<td>$2.27</td>
<td></td>
<td>$492,487.86</td>
</tr>
<tr>
<td>16</td>
<td>$2.17</td>
<td></td>
<td>$507,757.66</td>
</tr>
<tr>
<td>17</td>
<td>$2.07</td>
<td></td>
<td>$523,670.71</td>
</tr>
<tr>
<td>18</td>
<td>$1.97</td>
<td></td>
<td>$540,254.08</td>
</tr>
<tr>
<td>19</td>
<td>$1.87</td>
<td></td>
<td>$557,536.04</td>
</tr>
<tr>
<td>20</td>
<td>$1.77</td>
<td></td>
<td>$575,545.99</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>$8,793,094.79</strong></td>
</tr>
</tbody>
</table>

- No buyout/term in first 6 years
- Buyout/term value in year 6 refers to buyout/term at end of year 6 / beginning of year 7
- **Buyout value:** Lump sum payment from purchaser to power provider before end of agreement term, to take ownership of generating facility and terminate agreement
- **Term value:** Lump sum payment from purchaser to power provider upon term of agreement
- **Term value = buyout value + removal fee**
- **Removal fee = all costs associated with removal of generating facility, if purchaser elects to have the power provider remove the generating facility upon early term of agreement**
ELAC NW Parking Lot Solar PV System
Post Buyout Service and Maintenance Alternatives

• Alternative I:
  – Do nothing and leave it the way it is. Right now, it is being serviced and maintained by an outside company.

• Alternative II:
  - Hire the services of an outside company to do the service and maintenance of the existing solar asset.

• Alternative III:
  Continue the service and maintenance contract for at least 1 year so that during that year (learning curve), ELAC Facility Personnel could learn and be trained to do their own service and maintenance work.
Decision and Financial Analysis of ELAC Feasible Solar PV System Buyout Alternatives

• Alternative 1:

• 40J Energy Budget Funds are earmarked for acquisition of solar assets.
  – Execute Buyout ASAP in order to maximize cost savings benefit. Please see table below.

<table>
<thead>
<tr>
<th>Year</th>
<th>Buyout Cost Savings Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>$3,483,767.38</td>
</tr>
<tr>
<td>7</td>
<td>$3,193,191.03</td>
</tr>
<tr>
<td>8</td>
<td>$2,891,637.83</td>
</tr>
<tr>
<td>9</td>
<td>$2,576,048.65</td>
</tr>
</tbody>
</table>

It does make financial sense to proceed with the buyout, even if the worst case scenario is considered where we include the cost of the service and maintenance contract for the remaining 12 years contract + feasible and/or unforeseen replacement costs of (2) 500 kW Satcon Inverters ($615,509.00).
Decision and Financial Analysis of Feasible Solar PV System Buyout Alternatives

Alternative II – Status Quo

- If Solar PV System Buyout is not considered by the BOT, then ELAC will continue to make annual payments for the remaining years of the contract (12 years).
- ELAC has already made $2,928,707 in payments until May 1\textsuperscript{st}, 2016.
- Total payments made by ELAC during the life of the contract (20 Year) will amount to $8,793,095.
- Even if buyout doesn’t ever occur until the end of the contract, there is still a mandatory buyout amount per contract which needs to be paid off in addition to a removal fee and/or cost for the solar system.
- It is important to know that every time we delay the buyout process for whatever reason(s), there is a financial loss on average of $302K per year in spite of your decrease in buyout value of $100K per year.
ELAC Northwest Parking Solar Photovoltaic Array

PV Array Buyout Facts

- 1,190 kW DC (5,952 panels)
- Buyout option began on May 1, 2015
- Funds allocated in the 40J Energy budget to proceed with system acquisition for $3,072,750 (if executed by 5/1/2016)
- According to the system provider, Chevron Energy Solutions, system has performed as expected based on monitoring analysis reports.
- ELAC will stop paying for energy production out of general funds.
ELAC Northwest Parking Solar Photovoltaic Array

Operations and Maintenance Options Post Buyout

1. District hires the services of an outside company to service and maintain the existing PV system.

2. Additional College facilities staff operate and maintain the systems after appropriate training.

3. O&M services cost per year (based on formal quotation):

   $20,458
# Schedule of System Buyouts

<table>
<thead>
<tr>
<th>Year</th>
<th>Type</th>
<th>College</th>
<th>Project Name</th>
<th>Early Buyout</th>
<th>Net EBO Price</th>
<th>Total Net EBO Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>PPA</td>
<td>East</td>
<td>NW Parking PV Farm / Carport Structure</td>
<td>5/1/16</td>
<td>$2,972,750</td>
<td>2,972,750</td>
</tr>
<tr>
<td>2009</td>
<td>SL</td>
<td>Harbor</td>
<td>Phase 1 – Parking lots 6 &amp; 8</td>
<td>6/30/16</td>
<td>2,050,501</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>SL</td>
<td>Harbor</td>
<td>Phase 2 – Parking lots 6 &amp; 7</td>
<td>6/30/16</td>
<td>2,126,845</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>SL</td>
<td>Pierce</td>
<td>Parking lot 6</td>
<td>6/30/16</td>
<td>896,160</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>SL</td>
<td>East</td>
<td>A1 CC, C1 MG, E9 WG, G3 Aud, H9 PF, P1 AS</td>
<td>6/30/16</td>
<td>217,542</td>
<td>5,993,497</td>
</tr>
<tr>
<td>2009</td>
<td>SL</td>
<td>SW</td>
<td>Parking Lot 3</td>
<td>6/30/16</td>
<td>463,194</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>SL</td>
<td>East</td>
<td>NW Parking PV System Expansion</td>
<td>6/30/16</td>
<td>239,255</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>SL</td>
<td>Pierce</td>
<td>Parking lots 1 &amp; 8</td>
<td>12/30/17</td>
<td>1,377,619</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>SL</td>
<td>Valley</td>
<td>M&amp;O, C &amp; D Parking Lots</td>
<td>12/30/17</td>
<td>1,140,045</td>
<td>2,905,136</td>
</tr>
<tr>
<td>2010</td>
<td>SL</td>
<td>VDK</td>
<td>South Parking Lot</td>
<td>12/30/17</td>
<td>387,471</td>
<td></td>
</tr>
</tbody>
</table>

**Total** 11,871,383

PPA = Power Purchase Agreement with production guarantees
SL = Solar Leases/Master Equipment Leases with production guarantees

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BuildLACCD

Building for tomorrow's leaders
Board Member Svonkin requested information regarding LACCD Foundation. Attached is the information provided to Mr. Svonkin.

Submitted By: Selina Chi, Former Sr. Director of District Foundation          Date: May 11, 2016
Stuart Laff  
*Chairman of the Board*

Francisco C. Rodriguez, Ph.D.  
*Chancellor*  
Los Angeles Community College District

John Donner  
*Treasurer*

Selina S. Chi  
*Executive Director*  
Interim Senior Director of Foundations,  
Los Angeles Community College District

*Board Members:*

Adriana Barrera, Ph.D.  
Paul Branks  
Lizette Carbajal  
Raymond Cheng  
Oscar De La Hoya  
Jim Haney  
Adif Mahmood, MD  
Ken Maxey  
Robert Morgan

The Foundation for Los Angeles Community College is an independent 501(c)(3) non-profit organization, tax id is 95-4106993.
Foundation for the Los Angeles Community Colleges
Board Meeting

Date: Tuesday September 23, 2014
Time: 2:00PM - 4:00 PM
Location: LACCD, 770 Wilshire Blvd., Los Angeles, CA 90017, First Floor Board Room
Attendees: Chancellor Francisco Rodriguez, Dr. Adriana Barrera, Jeanette Gordon, Robert Morgan, Jim Haney, David Iwata, Paul Branks, Brian Rix, Felice Densa, Garn Stephens

Minutes

I. In the absence of President Laff, Jim Haney called the meeting to order

II. Chancellor Francisco Rodriguez was introduced to everyone

III. Chancellors Report
Chancellor Rodriguez stated his interest in fundraising and the current issues of public money going away. Chancellor Rodriguez thanked everyone on the board for their help and he stressed the importance of even the smallest amount of assistance.

LACCD’s finances are stabilized for first time in a while. There is now money available for restoration. LACCD lost 20,000 students during the dire times and we are now trying to recapture those students. Capacity is increasing. 140,000 full head count as of now. 4.7% growth target.
All campuses are going thru a growth and rebirth. There is much change and building going on. LACCD needs to add over 100 full time teachers.
The future looks up beat.
Noted that adult education is a priority in LA County and Bachelor degrees are being considered for community colleges. 22 states already offer this. The degree would be $10,000 for 2 years. The issue still remains of a large percentage of students who are unprepared for college. Remedial classes need to be phased out. Southwest has the highest number needing remedial classes. This is an ongoing discussion.

IV. Finance Committee Report
1st finance committee report: A foundation finance committee was formed in April and met a few times in order to discuss the audit findings. The committee consisted of Jim Haney, Robert Morgan and Felice Densa. Both the external and
Foundation for the Los Angeles Community Colleges
Board Meeting

internal audits pretty much turned up same issues. A printed report was handed out by Robert Morgan.

Brian gave some historical information about the purpose of the Foundation, and revenue and expenses during Dr. Drummonds Chancellorship. He also mentioned the large grants we used to get from CCF but are now no longer available to us. Because we are having difficulty bringing in these large grants, we are now operating on a deficit. Getting our best practices in order may help get future grants

Robert walked us through his report, which addresses this issue.

Dr. Barrera related that her meeting with CCF indicated that we needed a more unified coordination of the Foundations. All the colleges having different types of foundations were not to anyone’s advantage. There was some additional discussion about how and why we lost the CCF money.

- Multiple changes within CCF itself.
- CCF required more follow up and more data driven information
- It would also help if we had a personal connection to a board member.

It was believed that these are all very fixable problems for future application.

Board approved $3500 expense for a grant writer if needed.

Huerta fund was brought up as an issue on our financials: We are essentially stewards of this money with no connection or approval of how the funds are distributed or used. This is a red flag on our financials. Dr. Barrera explained that 2 district employees are in charge of this. Two lectures are to be underwritten for a limited amount of time for this. Dr. Barrera thinks this was established 3 chancellors ago. There is approximately $20,000.00 in the fund. The issue is whether this should be moved into The District or somewhere else out of the Foundation so that the Foundation does not claim responsibility for it.

An alternate solution would be for all transactions for this fund to go through the foundation for approval or for acknowledgement and it should be clear that future fundraising for this should not be considered a charitable contribution.

First step for accepting funds and transactions is to identify the function and mission of the Foundation.
Foundation for the Los Angeles Community Colleges
Board Meeting

Date: Tuesday February 3, 2015
Time: 12:00PM-1:30PM
Location: LACCD, 770 Wilshire Blvd., Los Angeles, CA 90017, Sixth Floor Board Room

Agenda

I. Welcome and Call to Order
   Stuart Laff

II. Approval of Minutes

III. Chancellor's Report
     Chancellor Rodriguez

IV. District updates: Jan. great month, press, interest, budget. Fabulous budget. Lobbying to keep all that was gained. Stability is here. 5 or 6 union negotiations have been resolved and raises are in place.

V. More classes offered. 20,000 students lost because district couldn’t offer enough classes and teachers. Ambitious growth target for this coming year. Teaching core has doubled. Bachelor offerings has been approved. Science and health, dental hygiene will be offered first. Federal and state grants are being aggressively sought. High school students who qualify will be able to sit in on college classes. Adult ed. Literacy is very low and there are resources from Brown to fund the problem. Branding the colleges is a priority. Wants the board to be ambassadors in conjunction with this branding effort. 92% recovered in building. Those running for board seats have met with Chancellor and he did discuss that there are 4 seats running. 2018 bond not in the works as of now. State bond in 2016 has not been decided either. 2006 was last state wide bond. March 5 acon meet and greet, CA. Club April 2, investiture for chancellor, East LA college. June, 2015 commencements for all colleges. Oversight committee should include invite to our board, Stuart Laff brought up. Pierce is top performing. Southwest is at the bottom.

   a) LACCD Update
   b) Future Directions for LACCD Foundation-
      Development Office
      1100 S. Flower Street, #3300
      Los Angeles, California 90015
      213-516-3004
Foundation for Los Angeles Community College District

Wednesday, July 15, 2015
12:00pm - 2:00pm
Location: Educational Services Center
770 Wilshire Blvd
Los Angeles, CA 90017
2nd Floor Conference Room

Agenda

I. Call to Order

II. Introductions of Director and Staff

III. Consent Agenda
   a. Approval of Account Signers
   c. Adoption of Accounting Policy and Procedures

IV. New Business
   a. Board Recruitment and Nominations
   b. Calendar of the Meetings
   c. Development of 2015-16 Budget
   d. Board Retreat

V. Adjournment
Foundation for Los Angeles Community College District  
Board of Directors  
Wednesday, July 15, 2015  
12:00pm - 2:00pm  
Location: Educational Services Center, 770 Wilshire Blvd, Los Angeles, CA 90017  
2nd Floor Conference Room  

Minutes

Board Chair Stuart Laff – meeting called to order at 12:15 p.m.

I. Welcome and Call to Order: 12:15 p.m., Board Chair Stuart Laff presiding.

II. Roll Call:  
Members present: Jim Haney, Paul Branks, Stuart Laff, Robert Morgan, Deputy Chancellor Adriana Barrera, Chancellor Francisco Rodriguez  
Staff: Senior Director, Foundations, Selina Chi  
Felice Densa, Araceli Gutierrez, Michelle Rodriguez

III. Introductions: S. Chi introduced herself to the Board. She noted that she has been part of the District for over 30 years both in capacity as faculty and then administration. Dr. Barrera noted that Ms. Chi applied for the position for the newly formed position of Senior Director, Foundations. She noted that she holds a Certified Fund Raising Executive (CFRE) certificate that made her highly qualified in the area of nonprofit management. She made a commitment to work with the Foundation Directors to support their good work by giving them a strong platform as well as would value their time commitment to the foundation and ultimately the District.

IV. Approval of Minutes: Minutes of February 3, 2015 Tabled J. Haney

V. Chancellor’s Report: F. Rodriguez welcomed the Board back. He noted that he was working on bolstering the efforts of supporting the district and reported that the position he spoke about previously for resource development was changed to director of institutional advancement with resource development defined very broadly.

He stated that higher education institutions needed to be nimble, entrepreneurial, and opportunistic to allow us to position the district positively in the future. He reported that the state budget is good and therefore the District budget is good, better than projected and expected. He gave the Board a summary of the intensive hiring throughout the LACCD; the new Dental Baccalaureate program at West Los Angeles College and noted that the dental group was invited to Washington, DC per an invitation from Vice President Biden.

He informed the Board about AB 288, an LACCD sponsored bill that deals with concurrent enrollment to allow K-12 students to receive both high school and college credit. Chairman S. Luff inquired if this already exists. F. Rodriguez stated that priority is not given to these students currently and this bill would change that.
He reported that as of July 1, 2015, all the colleges are fully accredited and all 138 institutional standards have been met. Chancellor Rodriguez reported that the target goal of under 5 percent FTES growth was met but noted that the District is still in restoration mode and stated that the growth target for the current year is aggressive. He noted that more students are coming to two year colleges and the stigma of attending a community college is dissipating. He noted that the increases were attained while maintaining tight fiscal controls and ending with a 10 percent balance reserve.

Chancellor Rodriguez also reported that five of the six agreements with employee unions have been successfully negotiated. He reported that the LACCD was one of the five districts that were awarded a Department of Education career pathways trust grant. This grant will provide 15 million dollars in support and tools to help the students succeed in their pathway. Chancellor Rodriguez also reported on a leadership transition at West Los Angeles College, with a vacancy in presidency; Interim President is Robert Sprague. He noted that the District welcomed new LACCD Board of Trustees members Mike Fong, Andra Hoffman and Sydney K. Kamlager and welcomed back Scott J. Svonkin.

VI. Senior Director of Foundations Report: S. Chi noted in the review of existing Foundation documents that she would begin the work of making recommendation for edits and bring to the board for approval. She circulated a list of documents that are important to have in place for the Board. Her first and most immediate task would be the review of the bylaws. She offered to begin reviewing and rewriting them and will present the revisions for comments and adoption.

A fiscal year-end document was provided from the Office of the Chief Financial Officer. There was an inquiry regarding the restricted accounts and if the board could have some clarity on those. S. Chi will follow up on restricted funds to get a historical perspective and present at the next board meeting. S. Chi noted that the District is considering the adoption of uniform Scholarship Selection software which will assist with proper stewardship of scholarships. In addition to the conversion, A. Barrera noted that the District has also committed underwrite the external audits for all foundations in the district beginning in fiscal year ending 2016.

J. Haney inquired as to the requirement of having an external audit. S. Chi noted that in light of the financial position of the District Foundation, it was under the threshold but noted that a statement of financial position should be generated. It will be difficult to apply for any external funding without fiscal documents in place.

VII. Consent Agenda
   a. Approval of Authorized Signatories: P. Branks/R. Morgan/passed
      Approval to remove F. Densa from approval and authorization of funds disbursement and add S. Chi for the same responsibilities. Motion passed unanimously.
   b. Adoption of Policy and Procedures Table of Contents – J. Haney/ R. Morgan/passed
Approval to use table of contents as template to adopt, revise or develop policies and procedures.
Motion passed unanimously

c. Adoption of Table of Contents list and Accounting procedures manual - R. Morgan/J. Haney/Passed
Items from the table to contents are to be reviewed and be used as a general outline to adopt individual items as needed.

VIII. New Business
a. Board Recruitment and Nominations:
S. Chi reported that with the support of the Chancellor Lizette Carbajal has been approached as a prospective Board member. Ms. Carbajal is Vice President of Community Relations at Telemundo and is a good match for LACCD. The Board indicated interest in growing and diversifying the board. It was also decided to revisit a broad prospects list that was previously created. S. Chi stated that it would be wise to adopt the Board Director Statement of Understanding so that it can be presented to prospective Board members.
S. Chi presented a Statement of Understanding for adoption. Document was adopted J. Haney/P. Branks/Passed

b. Calendar of the Meetings:
Board requested quarterly dates with ample notice. A. Barrera noted that it might be necessary to meet more often than quarterly in the interest of growing the board. It was suggested to have shorter meetings once a month through December.

c. Discussion on 2015-16 Budget:
S. Chi noted that having a operational budget in place was critical to when seeking external funding. It was also important to support the activities of the Board. S. Chi will generate a draft budget for 2015-16 based on the direction and goals of the Foundation Board.

d. Board Dinner
It was recommended that the Board get together to hear more regarding Chancellor Rodriguez's vision and how the LACCD Foundation Board can support that vision. P. Branks offered to host and coordinate with the assistance of J. Haney

XIX. Items from the Floor: None

XX. Adjournment: 2:04 p.m.

Respectfully Submitted:
Michelle Rodriguez, Foundation Development Assistant
Foundation for Los Angeles Community College Foundation

Tuesday, September 15, 2015
12:00pm - 1:30pm
Location: LACCD 9th Floor Conference Room

Agenda

I. Call to Order
II. Roll Call
III. Introductions of Guests
IV. Approval of Minutes
V. Chancellor’s Report – State of the District
VI. Foundation Update – Executive Director
   a. Alignment with district mission and goals
   b. OMB regulations
   c. Student Support – One-on-One Program
VII. Fiscal Report
VIII. Budget Prep 2015-16
IX. Consent Agenda
   a. Board Nomination
   b. Bylaws Amendments
   c. Policy and Procedures Manual
   d. Authorization for Executive Director to Act as Agent of Corporation.
   e. Acceptance of Incoming Funds
X. Items from the Floor
XI. Adjournment
Foundation for Los Angeles Community College District
Board of Directors
Tuesday, September 15, 2015
12:00pm - 1:30pm
Location: Educational Services Center
770 Wilshire Blvd, Los Angeles, CA 90017
9th Floor Conference Room

Minutes

I. Call to Order: 12:15 p.m., Board Chair Stuart Laff presiding.

II. Roll Call:
Members present: Jim Haney, Paul Branks, Stuart Laff, Robert Morgan, John Donnor, Deputy Chancellor Adriana Barrera, and Chancellor Francisco Rodriguez
Staff: Senior Director, Foundations, Selina Chi, Michelle Rodriguez

III. Introductions of Guests: L. Carbajal introduced herself to the board and the board introduced themselves.

IV. Approval of Minutes: Minutes of 7/15/2015 were approved with one spelling correction. Haney/Branks/Passed unanimously.

V. Chancellor’s Report – State of the District: F. Rodriguez welcomed the Board back. He reported on the start of the fall semester. He noted that enrollment is tracking about the same amount of growth from last year. That the district has already met the target enrollment growth but that the will district continues to be in restoration. Due to the growth, the district is hiring an unprecedented number of new faculty. He reported on the accreditation cycle and that all 9 colleges will be reviewed in the spring of 2016. He spoke about the fall 2017 beginning of the Dental Hygiene Bachelors of Science pilot program at West Los Angeles College noting that the cost of the complete program is $10,400.00 and that the degree would meet current local workforce needs. Chancellor spoke about the College Promise, a national initiative to make K-14 mandatory and free for good academic standing and eligible students. He also noted that the workforce in the coming years will need more than a high school diploma. He also spoke on the dual/concurrent enrollment bill which would give high school students equal access to college classes and provide colleges the opportunity to offer classes at the high school sites during the day. Dr. Rodriguez reported on grants that the colleges have been awarded. Many are capacity grants that supported students that are first generation, underserved populations, bolstering student success, STEM programs and gender related. Also reported on executive searches for President of West LA College, Vice Chancellor of Finance and Resource Development, General Counsel, and Director of Institutional Advancement.

VI. Foundation Update – Executive Director:

a. Alignment with district mission and goals: S. Chi shared the latest LACCD District Strategic Plan and noted that Goal 4 places importance and value on the Foundation. The Foundation should work toward alignment with District goals. She noted that this
demonstrates that the district values the foundations. There are steps underway to develop capacity.

b. **OMB (office of management and budget) regulations**: S. Chi reported that she attended an accounting/audit workshop on the new federal OMB regulations regarding administrative fees and indirect cost. With that she distributed a copy of an Administrative Cost Recovery policy that will be included in the packet of policy and procedures to be adopted.

c. **Student Support – One-on-One Program**: S. Chi shared the possibility of a newspaper subscription partnership with LA Times. The partnership would support civic literacy and provide a resource to students for free. The partnership requires a $20,000 commitment which equates to a cost of $1.00 per student to serve 20,000 students. S. Chi made a request to reserve unrestricted funds to support this program if the District was unable to support it, as well as a way to expedite the program contact. F. Rodriguez added that the Op-In program would give students access to current resources. That the program would be piloted at Trade Tech College and City College.

➤ Motion to restrict $20,000.00 of unrestricted funds for this student educational support activity. Haney/Branks/Passed.

VII. **Fiscal Report**: not available.

VIII. **Budget Prep 2015-2016**: S. Chi began to review some potential budgets with line items and suggested costs. The Board recommended that rather than go line by line, it was suggested that we table the adoption and S. Chi can present a simplified and complete budget document for review and edits for the board adoption at the next meeting.

IX. **Consent Agenda**:

a. **Board Nomination**: formal approval of Lizette Carbajal, VP, NBC4 Telemundo to the board.

b. **Authorization for Executive Director to Act as Agent of Corporation**: S. Chi was approved to act as an agent of the corporation.

c. **Acceptance of Incoming Funds**: Acceptance of $15,000 from City National Bank earmarked for Southwest College Scholarships. Acceptance of $100 per a solicitation letter from Chairman Laff. Acceptance of $12,500 for student support for East Los Angeles College.

➤ Haney/Branks/Passed unanimously

Bylaws as well as and Policy and Procedures Documents will be reviewed and voted on the next meeting

X. **IPS Statement**: S. Chi inquired if there are any suggested changes the IPS presented. It was requested that review take place and the voted on the next meeting.

XI. **Adjournment**: 2:06 p.m.

➤ Branks/Haney/Passed
Foundation for Los Angeles Community College District

November 16, 2015
12:00pm - 2:00pm
Location: Education Service Center
770 Wilshire Blvd
Los Angeles, CA 90017
Hearing Room

Agenda

I. Call to Order

II. Approval of Minutes

III. Chancellor's Report

IV. Senior Director's Report

V. Consent Agenda
   a. Approval of budget line items
   b. Open an FLACCD bank account.
   c. Approval of Investment Policy Statement
   d. Adoption of Foundation Policy and Procedures
   e. Adoption of Accounting Policy and Procedures
   f. Approval to accept Rios Endowment - public funds back to private funds
   g. Piggy back on ELAC Investment Counsel formal RFP

VI. New Business
   a. Holiday Gathering
   b. Development and launch of Chancellor's Circle
   c. Legacy Society

VII. Items from the Floor

VIII. Adjournment
Foundation for Los Angeles Community Colleges

Board of Directors

Monday, November 16, 2015
12:00pm - 2:00pm
Location: Educational Services Center, 770 Wilshire Blvd, Los Angeles, CA 90017
Hearing Room

Minutes

I. Call To Order: 12:15pm, Board Chair Stuart Laff presided.

Members present: Jim Haney, Paul Branks, Stuart Laff, Robert Morgan, John Donner, Lizette Carbajal, Deputy Chancellor Adriana Barrera, Chancellor Francisco Rodriguez, Staff: Senior Director, Foundations, Selina Chi

II. Approval of Minutes: Minutes of 9/15/2016 were approved.

➤ Haney/Rodriquez/Passed unanimously

III. Chancellor’s Report: Chancellor Francisco Rodriguez updated the Foundation Board on faculty new hires and an optimistic budget outlook. He reported on the upcoming interviews for senior staff at Educational Services Center (ESC): Vice Chancellor of Educational Programs and Institutional Effectiveness, Vice Chancellor for Finance and Resource Development, Director of Institutional Advancement and Director of Communications and External Relations. Chancellor Rodriguez reported on the progress regarding accreditation. Also, he noted that there was some discussion about a future bond measure as there were additional facility needs at all of the nine colleges.

IV. Senior Director Report: Selina Chi, Senior Director of Foundations, reported on a meeting with Chairman Laff to review items on the consent agenda. She noted that there are multiple items/issues that need to be developed.

V. Consent Agenda:

a. Approval of Budget Line Items: Ms. Chi reported that the Board needs to have an approved operational budget in place for multiple reasons. Board member Haney responded that the budget was developed well and that it was good to give the Board a goal for the year. Ms. Chi noted that the fundraising goal was $250,000 and the budget was designed not to tap into the unrestricted balance from 2014-15 year.

b. Open an FLACC Bank Account: Ms. Chi reported on the need to open a Foundation of the Los Angeles Community Colleges (FLACC) bank account. The account would allow the Foundation to be nimble and develop an online presence by setting up a credit card system for the Foundation.
c. **Approval of Investment Policy Statement:** Ms. Chi stated that the Investment Policy Statement presented at the September meeting was ready for final adoption. She noted that the policy has been vetted by the East Los Angeles (ELAC) Foundation Finance Committee, indicating that there is a licensed financial advisor on that committee. She also noted that it was a fairly standard policy for most community college foundations throughout the state.

d. **Adoption of Foundation Policy and Procedures:** As the Los Angeles Community College District (LACCD) prepares for accreditation, Ms. Chi noted the need to have an approved policies and procedures for FLACC. The policies and procedures presented have been developed from the content list approved at the July 15th FLACC Board meeting.

e. **Adoption of Accounting Policy and Procedures:** In addition to the Foundation Policy and Procedures, Ms. Chi also reported on the need to have Accounting Policies and Procedures in place for accounting and book keeping as was also recommended in the last audit. The audit also noted that the Foundation Board needs to be more informed and is ultimately responsible for all fiscal matters. Ms. Chi noted that a Treasurer was needed and requested a volunteer. FLACC Board member Donner volunteered stating that he had the time to commitment and some experience.

   The Board unanimously voted J. Donner to serve as Treasurer.

f. **Approval to Accept Rios Endowment – Public Funds back to Private Funds:** S. Chi gave some background on Blanca Flanagan Rios Scholarship Endowment fund for students at ELAC. She reported that the endowment is not returning enough interest due to the placement of the funds. She went on to explain that public funds have rules on where they can be housed and the district is merely following those prescribe rules. She further explained that an endowment is designed and specifically set up so the principle remains untouched while interest is earned and that it is the duty of the Foundation Board to oversee that the funds are properly stewarded. At this time it has been requested that the FLACC accept the funds back from public to private funds but that the transaction should be well documented in order to protect all parties involved. Additionally, Ms. Chi suggested that the FLACC could transfer these funds into the accountant management of the investment counsel that ELAC Foundation selected through its Request for Proposals (RFP) process in order for that ELAC foundation could be kept informed about the performance of the fund and for availability of funds for scholarship disbursement. Ms. Chi reported that Cal State Los Angeles received the other half of the residual from the Rios trust and was able to award over $30,000 in scholarships while LACCD was only able to award $33,000 in the same period. She stated that for this reason, the FLACC needs to rectify this circumstance.

g. **Piggyback on ELAC Investment Counsel Formal RFP:** Ms. Chi recommended piggybacking on the investment counsel selected by ELAC
Foundation through a formal RFP process. The firm selected was Payden & Rygel. She noted that Payden & Rygel currently works with multiple community college endowment funds. It is a female owned company located in downtown Los Angeles with good ratings.

J. Haney and R. Morgan expressed concern at their lack of understanding regarding endowment funds. It was recommended that the Foundation Board be offered some additional information and/or training. Ms. Chi acknowledged this request and indicated she would do so at a scheduled retreat

➤ Motion to approve consent agenda a-g, Haney/Donner passed.

VII. Items from the Floor: Dr. Barrera requested at this time to bring up item from the Floor due to the fact she needed to leave for another meeting. She noted there was an invitation and opportunity to apply for a grant from the California Community Foundation. Two presidents were eager to be part of the application. S. Chi stated that she would look into it immediately and report back.

VI. New Business:

a. Holiday Gathering: Holiday gathering date was finalized for Dec 10th at 6:00pm, location to be confirmed.

b. Development and Launch of Chancellor’s Circle: Ms. Chi shared graphic design for the Chancellor’s Circle launch. The board commented that they were pleased with the design. The content was yet to be further developed.

c. Legacy Society: This item was tabled due to time.

VIII. Adjournment: 2:00pm

➤ Carbajal/Morgan/Passed

Respectfully Submitted:

Michelle Rodriguez, Foundation Development Assistant
Foundation for Los Angeles Community College District

Thursday, February 18, 2016
12:00pm - 1:30pm
Location: Educational Services Center
770 Wilshire Blvd
Los Angeles, CA 90017
9th Floor Conference Room

Agenda

I. Call to Order
II. Roll Call
III. Approval of Minutes
IV. Chancellor’s Report
V. Executive Director’s Report
VI. Subcommittee Reports
   a. Treasurer’s Report – J. Donnor
   b. Public Relations Update - L. Carbajal/S. Springer
   c. Endowment Update – S. Chi
VII. Consent Agenda
   a. Ratify Incoming Funds
   b. Ratify Outgoing Expenditures
   c. Ratify Contract with Steve Springer
   d. Approve Grant Proposal Submission
VIII. Old Business
   a. Board Nomination – S. Laff
   b. Board Calendar of Events
IX. New Business
   a. April 2th fundraising Event – S. Springer
   b. Peterson Automotive Site Visit for Event - S. Chi
X. Items from the Floor
XI. Adjournment
THE FOUNDATION FOR THE LOS ANGELES COMMUNITY COLLEGES
(A California Nonprofit Corporation)

REVIEWED FINANCIAL STATEMENTS

For the Fiscal Years Ended
June 30, 2015 and 2014
THE FOUNDATION FOR THE LOS ANGELES COMMUNITY COLLEGES
(A California Nonprofit Corporation)

Reviewed Financial Statements
For the Fiscal Years Ended June 30, 2015 and 2014

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  Statement of Functional Expenses, For the Fiscal Year Ended June 30, 2014 11
Independent Accountants' Review Report

The Board of Directors and Ms. Jeanette L. Gordon, CFO
The Foundation for the Los Angeles Community Colleges
770 Wilshire Blvd., 8th Floor
Los Angeles, California 90017

We have reviewed the accompanying financial statements of The Foundation for the Los Angeles Community Colleges, (A Nonprofit California Corporation), which comprise the statements of financial position as of June 30, 2015 and 2014, the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management’s Responsibility for the Financial Statements

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

Accountants’ Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants’ Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Supplementary Information

The supplementary information included on the accompanying Schedule 1 and Schedule 2 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information is the representation of management. We have reviewed the
Information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.

ANDERSON, SATULOFF, MACHADO & MENDELSOHN
Certified Public Accountants
An Accountancy Corporation

Woodland Hills, California
February 16, 2016
THE FOUNDATION FOR THE LOS ANGELES COMMUNITY COLLEGES  
(A California Nonprofit Corporation)  
STATEMENTS OF FINANCIAL POSITION  
As of June 30, 2015 and 2014

**ASSETS**

<table>
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<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>Change</th>
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<tr>
<td>Current Assets:</td>
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<tr>
<td>Cash (Note 1 and 3)</td>
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<td>Receivables (Note 4)</td>
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<td>Total Current Assets</td>
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<td>338,921</td>
<td>28,633</td>
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<tr>
<td>Total Assets</td>
<td>$367,554</td>
<td>$338,921</td>
<td>$28,633</td>
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**LIABILITIES AND NET ASSETS**

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<tr>
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<th>2015</th>
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<td>Current Liabilities:</td>
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<td>Accounts payable</td>
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<td>Total Current Liabilities</td>
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<td>2,109</td>
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<tr>
<td>Total Liabilities</td>
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<td>-</td>
<td>2,109</td>
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<td>Net Assets:</td>
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<tr>
<td>Temporarily restricted (Note 2)</td>
<td>162,037</td>
<td>129,078</td>
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<tr>
<td>Unrestricted</td>
<td></td>
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<tr>
<td>Designated</td>
<td>6,716</td>
<td>-</td>
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<tr>
<td>Undesignated</td>
<td>196,682</td>
<td>209,843</td>
<td>(13,151)</td>
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<tr>
<td>Total unrestricted</td>
<td>203,408</td>
<td>209,843</td>
<td>(6,435)</td>
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<td>Total Net Assets</td>
<td>365,445</td>
<td>338,921</td>
<td>26,524</td>
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<td>Total Liabilities and Net Assets</td>
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<td>$338,921</td>
<td>$28,633</td>
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</table>

See accompanying independent accountants' report.  
The accompanying notes are an integral part of these financial statements.
The Foundation for the Los Angeles Community Colleges  
(A California Nonprofit Corporation)  
Statements of Activities  
For the Fiscal Years Ended June 30, 2015 and 2014

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>Change</th>
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<tbody>
<tr>
<td><strong>Unrestricted Net Assets:</strong></td>
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<td></td>
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</tr>
<tr>
<td>Revenues and Other Support:</td>
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</tr>
<tr>
<td>Grants and contributions</td>
<td>$20,565</td>
<td>$21,717</td>
<td>$(1,152.00)</td>
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<tr>
<td>In-kind contribution (Note 5)</td>
<td>100,000</td>
<td>150,000</td>
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<tr>
<td>Program revenue:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scholarships</td>
<td>1,000</td>
<td>4,000</td>
<td>(3,000)</td>
</tr>
<tr>
<td>Other revenue:</td>
<td></td>
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<tr>
<td>Miscellaneous revenue</td>
<td></td>
<td>2,002</td>
<td>(2,002)</td>
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<tr>
<td>Interest income</td>
<td>177</td>
<td>167</td>
<td>10</td>
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<td><strong>Total Unrestricted Revenues</strong></td>
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<td>177,886</td>
<td>(56,144)</td>
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<td><strong>Net Assets Released from Restrictions</strong></td>
<td>6,000</td>
<td>2,004</td>
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<td><strong>Total Unrestricted Revenues</strong></td>
<td>127,742</td>
<td>179,890</td>
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<td><strong>Expenses:</strong></td>
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<tr>
<td>Program</td>
<td>32,678</td>
<td>38,140</td>
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<tr>
<td>Management and administration</td>
<td>101,500</td>
<td>158,750</td>
<td>(58,250)</td>
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<td><strong>Total Unrestricted Expenses</strong></td>
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<td>197,890</td>
<td>(63,712)</td>
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<td><strong>Total Increase (Decrease) in Unrestricted Net Assets</strong></td>
<td>(6,436)</td>
<td>(18,000)</td>
<td>11,564</td>
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<tr>
<td><strong>Temporarily Restricted Net Assets:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scholarships</td>
<td></td>
<td>16,500</td>
<td>(16,500)</td>
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<tr>
<td>Other programs</td>
<td>38,960</td>
<td>16,695</td>
<td>22,265</td>
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<tr>
<td>Net assets released from restrictions</td>
<td>(6,000)</td>
<td>(2,004)</td>
<td>(3,996)</td>
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<td><strong>Total Increase (Decrease) in Temporarily Restricted Net asset</strong></td>
<td>32,960</td>
<td>31,191</td>
<td>1,769</td>
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<td><strong>Total Increase (Decrease) in Net Assets</strong></td>
<td>26,524</td>
<td>13,191</td>
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<td><strong>Net Assets at Beginning of Year</strong></td>
<td>338,921</td>
<td>325,730</td>
<td>13,191</td>
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<td><strong>Net Assets at End of Year</strong></td>
<td>$365,445</td>
<td>$338,921</td>
<td>$26,524</td>
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See accompanying independent accountants' report.  
The accompanying notes are an integral part of these financial statements.
THE FOUNDATION FOR THE LOS ANGELES COMMUNITY COLLEGES  
(A California Nonprofit Corporation)  
STATEMENTS OF CASH FLOWS  
For The Fiscal Years Ended June 30, 2015 and 2014  

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
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</thead>
<tbody>
<tr>
<td>Cash Flows from Operating Activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in Net Assets</td>
<td>$26,524</td>
<td>$13,191</td>
</tr>
<tr>
<td>Changes in:</td>
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<tr>
<td>Receivables</td>
<td>$(70)</td>
<td>150</td>
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<tr>
<td>Accounts payable</td>
<td>2,109</td>
<td>$(4,851)</td>
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<tr>
<td>Net Cash Provided (Used) by Operating Activities</td>
<td>28,663</td>
<td>8,490</td>
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<tr>
<td>Cash Flows from Investing Activities:</td>
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<td></td>
</tr>
<tr>
<td>Net Cash Provided (Used) by Investing Activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash Flows from Financing Activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Cash Provided (Used) by Financing Activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Increase (Decrease) in Cash</td>
<td>28,663</td>
<td>8,490</td>
</tr>
<tr>
<td>Cash, Beginning of Year</td>
<td>337,335</td>
<td>328,845</td>
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<tr>
<td>Cash, End of Year</td>
<td>$365,898</td>
<td>$337,335</td>
</tr>
</tbody>
</table>

Supplemental disclosures for:  
Cash paid during the year for interest:  
$43  $ 
Cash paid during the year for tax:  
$ -  $ -  

See accompanying independent accountants' report.  
The accompanying notes are an integral part of these financial statements.
NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Purpose: The Foundation for the Los Angeles Community Colleges (the Foundation) is a non-profit corporation organized under the California Nonprofit Public Benefit Corporation Law for charitable and educational purposes for community college auxiliary organizations. The Foundation was established in 1987 to support and serve the Los Angeles Community College District (the District). The support includes promoting the District, receiving property and gifts for the benefit of the District, establishment of scholarships, support for alumni activities, and the enhancement of the District through public relations outreach programs. The Foundation is financially supported by the District, donor contributions, grants, and fundraising activities. Endowments through the California Community Foundation provide major funding for the Foundation's scholarships program.

Date of Management's Review: Management has evaluated subsequent events through February 16, 2016, the date on which the financial statements were available to be issued.

Basis of Accounting: The financial statements of the Foundation are prepared on accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Revenue Recognition: Grants and contributions are recognized when the donor makes a promise to give. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in either permanently restricted net assets or temporarily restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Income Tax: The Foundation for the Los Angeles Community Colleges is a tax-exempt California nonprofit corporation as described in Section 501(c)(3) of the Internal Revenue Code.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents: The Foundation considers all highly liquid investments with an original or remaining maturity of one year or less at the date of purchase to be cash equivalents.
THE FOUNDATION FOR THE LOS ANGELES COMMUNITY COLLEGES
(A California Nonprofit Corporation)
Notes to the Financial Statements
June 30, 2015 and 2014

Receivables: Receivables are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. There were no charges in the valuation allowance for the fiscal year ending June 30, 2015 or any previous year.

Net Assets: The Foundation's net assets and changes therein are classified and reported as:

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that will be met either by the Foundation and/or by the passage of time.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the use of all or part of the income earned on related investments for general or specific purpose.

All grants/contributions are considered to be unrestricted unless specifically restricted by the donor. All donor-restricted grant/contributions made in the year ended June 30, 2015, whose restrictions have been met in this period, are included in the statement of activities as unrestricted revenue.

The Foundation’s policy, for any expense to be incurred for which both unrestricted and restricted resources are available, is to first apply and exhaust restricted resources to satisfy the expense, and then apply unrestricted resources towards that expense.

Donated Services: Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation. Several volunteers provided a variety of services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria was not met. However, the Foundation recognizes the management services provided by the District through an outside consultant.
THE FOUNDATION FOR THE LOS ANGELES COMMUNITY COLLEGES
(A California Nonprofit Corporation)
Notes to the Financial Statements
June 30, 2015 and 2014

Functional Allocation of Expenses: The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between the program and supporting services. Indirect or shared costs are allocated among program and support services by the method that best measures the relative degree of benefit.

NOTE 2: RESTRICTED NET ASSETS

Temporarily restricted net assets that include cash and receivables are available for the following purposes at June 30:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scholarship</td>
<td>$ 64,417</td>
<td>$ 70,417</td>
</tr>
<tr>
<td>Other programs</td>
<td>$ 97,620</td>
<td>$ 58,661</td>
</tr>
</tbody>
</table>

There were no permanently restricted assets at June 30, 2015 and 2014.

NOTE 3: CONCENTRATION OF CREDIT RISK

The Foundation places its temporary cash investments with various financial institutions. At times, such investments may be in excess of $250,000 - the Federal Deposit Insurance Corporation’s insurance limit.

NOTE 4: RECEIVABLES

Receivables at June 30, 2015 and 2014 consists of:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants receivable</td>
<td>$ 1,250</td>
<td>$ 1,180</td>
</tr>
<tr>
<td>Refund from vendor</td>
<td>$ 406</td>
<td>$ 406</td>
</tr>
</tbody>
</table>

NOTE 5: RELATED PARTY TRANSACTIONS

The Foundation acts as an auxiliary entity to the District. In exchange for the services the District receives from the Foundation, the District provides all necessary and appropriate support such as staff, office space, and related like-kind operational necessities to the Foundation at no charge. Thus, the Foundation uses the District’s offices and employees to accomplish its goals.
THE FOUNDATION FOR THE LOS ANGELES COMMUNITY COLLEGES  
(A California Nonprofit Corporation)  
Notes to the Financial Statements  
June 30, 2015 and 2014

Additionally, the District signed a contract with a consulting company to run day-to-day activities of the Foundation under the supervision of the District’s C.F.O, who is also a C.F.O for the Foundation. The consultant is directly paid by the District. The amount paid to the consultant is recognized by the Foundation as in-kind donation. For the fiscal year ended June 30, 2015 and 2014, the District paid the consultant $100,000 and $150,000, respectively.

No amounts were ascribed for the use of the District’s offices, equipment, supplies, and personnel services for the fiscal years ended June 30, 2015 and 2014.

NOTE 6: CONTINGENCIES

The Foundation has received funds for specific purposes that are subject to reviews or audits by the grantor agencies. Although such reviews/audits could generate expenditure disallowances under the terms of the grants, it is believed that any required reimbursements will not be material.

NOTE 7: OPEN TAX YEARS

The Foundation 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 tax positions evaluated are possible unrelated business income activities that could be taxable and the ability of the entity to continue qualifying as a tax-exempt organization. No disclosures of uncertain income tax positions are required since management has determined that all income tax positions are more likely than not (more than fifty percent) of being sustained upon potential audit or examination.

At the financial statement date, the Foundation’s Form 990, Return of Organization Exempt from Income Tax, for the years ending June 30, 2013, 2014, and 2015 are subject to examination by the Internal Revenue Service, generally for three years after they were filed.

Furthermore, The Organization’s Form 199, California Exempt Organization Annual Information Return, for tax years ended June 30, 2012, 2013, 2014, and 2015, are subject to examination by California Franchise Tax Board, generally for four years after they were filed.
THE FOUNDATION FOR THE LOS ANGELES COMMUNITY COLLEGES  
(A California Nonprofit Corporation)  
STATEMENT OF FUNCTIONAL EXPENSES  
For Fiscal Year Ended June 30, 2015

<table>
<thead>
<tr>
<th></th>
<th>Program Services</th>
<th>Management &amp; Administration</th>
<th>Total Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting and auditing</td>
<td>$ -</td>
<td>$ 1,500</td>
<td>$ 1,500</td>
</tr>
<tr>
<td>Insurance</td>
<td>1,754</td>
<td>-</td>
<td>1,754</td>
</tr>
<tr>
<td>Interest</td>
<td>67</td>
<td>-</td>
<td>67</td>
</tr>
<tr>
<td>Management fees</td>
<td>-</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>Meetings</td>
<td>7,076</td>
<td>-</td>
<td>7,076</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>248</td>
<td>-</td>
<td>248</td>
</tr>
<tr>
<td>Other programs</td>
<td>7,565</td>
<td>-</td>
<td>7,565</td>
</tr>
<tr>
<td>Scholarships offered</td>
<td>7,000</td>
<td>-</td>
<td>7,000</td>
</tr>
<tr>
<td>Sponsored activities</td>
<td>7,513</td>
<td>-</td>
<td>7,513</td>
</tr>
<tr>
<td>Taxes and license</td>
<td>60</td>
<td>-</td>
<td>60</td>
</tr>
<tr>
<td>Utilities</td>
<td>1,395</td>
<td>-</td>
<td>1,395</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$ 32,678</strong></td>
<td><strong>$ 101,500</strong></td>
<td><strong>$ 134,178</strong></td>
</tr>
</tbody>
</table>

See accompanying independent accountants' report.
# THE FOUNDATION FOR THE LOS ANGELES COMMUNITY COLLEGES
(A California Nonprofit Corporation)

## STATEMENT OF FUNCTIONAL EXPENSES
For Fiscal Year Ended June 30, 2014

<table>
<thead>
<tr>
<th></th>
<th>Program Services</th>
<th>Management &amp; Administration</th>
<th>Total Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting and auditing</td>
<td>$</td>
<td>$9,750</td>
<td>$9,750</td>
</tr>
<tr>
<td>Bank charges</td>
<td>285</td>
<td>-</td>
<td>285</td>
</tr>
<tr>
<td>Contributions</td>
<td>1,250</td>
<td>-</td>
<td>1,250</td>
</tr>
<tr>
<td>Insurance</td>
<td>1,197</td>
<td>-</td>
<td>1,197</td>
</tr>
<tr>
<td>Management fees</td>
<td>-</td>
<td>150,000</td>
<td>150,000</td>
</tr>
<tr>
<td>Meetings</td>
<td>12,902</td>
<td>-</td>
<td>12,902</td>
</tr>
<tr>
<td>Meals and entertainment</td>
<td>3,893</td>
<td>-</td>
<td>3,893</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>484</td>
<td>-</td>
<td>484</td>
</tr>
<tr>
<td>Other programs</td>
<td>9,952</td>
<td>-</td>
<td>9,952</td>
</tr>
<tr>
<td>Scholarships offered</td>
<td>4,000</td>
<td>-</td>
<td>4,000</td>
</tr>
<tr>
<td>Sponsored activities</td>
<td>2,000</td>
<td>-</td>
<td>2,000</td>
</tr>
<tr>
<td>Supplies</td>
<td>117</td>
<td>-</td>
<td>117</td>
</tr>
<tr>
<td>Taxes and license</td>
<td>660</td>
<td>-</td>
<td>660</td>
</tr>
<tr>
<td>Utilities</td>
<td>1,400</td>
<td>-</td>
<td>1,400</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$38,140</strong></td>
<td><strong>$159,750</strong></td>
<td><strong>$197,890</strong></td>
</tr>
</tbody>
</table>

See accompanying independent accountants' report.
THE FOUNDATION FOR THE LOS ANGELES COMMUNITY COLLEGES  
(A California Nonprofit Corporation)  

Reviewed Financial Statements  
For the Fiscal Year Ended June 30, 2014  

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Statement of Activities, For the Fiscal Year Ended June 30, 2014 4  

Statement of Cash Flows, For the Fiscal Year Ended June 30, 2014 5  

Notes to the Financial Statements 6  

Supplementary Information:  

Statement of Functional Expenses, For the Fiscal Year Ended June 30, 2014 10
Independent Accountants' Review Report

The Board of Directors and Ms. Jeanette L. Gordon, CFO
The Foundation for the Los Angeles Community Colleges
770 Wilshire Blvd., 8th Floor
Los Angeles, California 90017

We have reviewed the accompanying financial statements of The Foundation for the Los Angeles Community Colleges, (a California Nonprofit Corporation), which comprise the statement of financial position as of June 30, 2014, the related statement of activities and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Supplementary Information

The supplementary information included on the accompanying Schedule 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and,
based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.

ANDERSON, SATULOFF, MACHADO & MENDELSONH
Certified Public Accountants
An Accountancy Corporation

Woodland Hills, California

February 16, 2016
THE FOUNDATION FOR THE LOS ANGELES COMMUNITY COLLEGES  
(A California Nonprofit Corporation)  
STATEMENT OF FINANCIAL POSITION  
As of June 30, 2014

### ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash (Note 1 and 3)</td>
<td>$337,335</td>
</tr>
<tr>
<td>Receivables (Note 4)</td>
<td>1,586</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td><strong>338,921</strong></td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>338,921</strong></td>
</tr>
</tbody>
</table>

### LIABILITIES AND NET ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities:</td>
<td></td>
</tr>
<tr>
<td>Total Liabilities</td>
<td></td>
</tr>
<tr>
<td><strong>Net Assets:</strong></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>209,843</td>
</tr>
<tr>
<td>Temporarily restricted (Note 2)</td>
<td>129,078</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td><strong>338,921</strong></td>
</tr>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td><strong>338,921</strong></td>
</tr>
</tbody>
</table>

See accompanying independent accountants' report.  
The accompanying notes are an integral part of these financial statements.
THE FOUNDATION FOR THE LOS ANGELES COMMUNITY COLLEGES  
(A California Nonprofit Corporation)  
STATEMENT OF ACTIVITIES  
For The Fiscal Year Ended June 30, 2014

Unrestricted Net Assets:  
Revenues and Other Support:  
Grants and contributions $ 21,717  
In-kind contribution (Note 5) 160,000  
Program revenue:  
Scholarships 4,000  
Other revenue:  
Miscellaneous revenue 2,002  
Interest income 167  
Total Unrestricted Revenues 177,886  
Net Assets Released from Restrictions 2,004  
Total Unrestricted Revenues 179,890  

Expenses:  
Program 38,140  
Management and administration 159,750  
Total Unrestricted Expenses 197,890  
Total Increase (Decrease) in Unrestricted Net Assets (18,000)  

Temporarily Restricted Net Assets:  
Scholarships 16,500  
Other programs 16,695  
Net assets released from restrictions (2,004)  
Total Increase (Decrease) in Temporarily Restricted Net asset 31,191  
Total Increase (Decrease) in Net Assets 13,191  
Net Assets at Beginning of Year 325,730  
Net Assets at End of Year $ 338,921  

See accompanying independent accountants' report.  
The accompanying notes are an integral part of these financial statements.
THE FOUNDATION FOR THE LOS ANGELES COMMUNITY COLLEGES  
(A California Nonprofit Corporation)  
STATEMENT OF CASH FLOWS  
For The Fiscal Year Ended June 30, 2014

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Flows from Operating Activities:</td>
<td></td>
</tr>
<tr>
<td>Change in Net Assets</td>
<td>$13,191</td>
</tr>
<tr>
<td>Changes in:</td>
<td></td>
</tr>
<tr>
<td>Receivables</td>
<td>150</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>(4,851)</td>
</tr>
<tr>
<td>Net Cash Provided (Used) by Operating Activities</td>
<td>6,490</td>
</tr>
<tr>
<td>Cash Flows from Investing Activities:</td>
<td></td>
</tr>
<tr>
<td>Net Cash Provided (Used) by Investing Activities</td>
<td>-</td>
</tr>
<tr>
<td>Cash Flows from Financing Activities:</td>
<td></td>
</tr>
<tr>
<td>Net Cash Provided (Used) by Financing Activities</td>
<td>-</td>
</tr>
<tr>
<td>Net Increase (Decrease) in Cash</td>
<td>8,490</td>
</tr>
<tr>
<td>Cash, Beginning of Year</td>
<td>328,845</td>
</tr>
<tr>
<td>Cash, End of Year</td>
<td>$337,335</td>
</tr>
</tbody>
</table>

Supplemental disclosures for:  
- Cash paid during the year for interest: $ -  
- Cash paid during the year for tax: $ -  

See accompanying independent accountants' report.  
The accompanying notes are an integral part of these financial statements.
NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Purpose: The Foundation for the Los Angeles Community Colleges (the Foundation) is a non-profit corporation organized under the California Nonprofit Public Benefit Corporation Law for charitable and educational purposes for community college auxiliary organizations. The Foundation was established in 1987 to support and serve the Los Angeles Community College District (the District). The support includes promoting the District, receiving property and gifts for the benefit of the District, establishment of scholarships, support for alumni activities, and the enhancement of the District through public relations outreach programs. The Foundation is financially supported by the District, donor contributions, grants, and fundraising activities. Endowments through the California Community Foundation provide major funding for the Foundation’s scholarships program.

Date of Management’s Review: Management has evaluated subsequent events through February 16, 2016, the date on which the financial statements were available to be issued.

Basis of Accounting: The financial statements of the Foundation are prepared on an accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Revenue Recognition: Grants and contributions are recognized when the donor makes a promise to give. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in either permanently restricted net assets or temporarily restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Income Tax: The Foundation for the Los Angeles Community Colleges is a tax-exempt California nonprofit corporation as described in Section 501(c)(3) of the Internal Revenue Code.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents: The Foundation considers all highly liquid investments with an original or remaining maturity of one year or less at the date of purchase to be cash equivalents.
Receivables: Receivables are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. There were no charges in the valuation allowance for the fiscal year ending June 30, 2014 or any previous year.

Net Assets: The Foundation's net assets and changes therein are classified and reported as:

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that will be met either by the Foundation and/or by the passage of time.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the use of all or part of the income earned on related investments for general or specific purpose.

All grants/contributions are considered to be unrestricted unless specifically restricted by the donor. All donor-restricted grant/contributions made in the year ended June 30, 2014, whose restrictions have been met in this period, are included in the statement of activities as unrestricted revenue.

The Foundation's policy, for any expense to be incurred for which both unrestricted and restricted resources are available, is to first apply and exhaust restricted resources to satisfy the expense, and then apply unrestricted resources towards that expense.

Donated Services: Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation. Several volunteers provided a variety of services throughout the year that were not recognized as contributions in the financial statements since the recognition criteria was not met. However, the Foundation recognizes the management services provided by the District through an outside consultant.
THE FOUNDATION FOR THE LOS ANGELES COMMUNITY COLLEGES
(A California Nonprofit Corporation)
Notes to the Financial Statements
June 30, 2014

Functional Allocation of Expenses: The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between the program and supporting services. Indirect or shared costs are allocated among program and support services by the method that best measures the relative degree of benefit.

NOTE 2: RESTRICTED NET ASSETS

Temporarily restricted net assets that include cash and receivables are available for the following purposes at June 30:

- Scholarship $ 70,417
- Other programs $ 58,661

There were no permanently restricted assets at June 30, 2014.

NOTE 3: CONCENTRATION OF CREDIT RISK

The Foundation places its temporary cash investments with various financial institutions. At times, such investments may be in excess of $250,000 - the Federal Deposit Insurance Corporation's insurance limit.

NOTE 4: RECEIVABLES

Receivables at June 30, 2014 consists of:
- Contributions receivable $ 1,180
- Refund from vendor $ 406

NOTE 5: RELATED PARTY TRANSACTIONS

The Foundation acts as an auxiliary entity to the District. In exchange for the services the District receives from the Foundation, the District provides all necessary and appropriate support such as staff, office space, and related like-kind operational necessities to the Foundation at no charge. Thus, the Foundation uses the District's offices and employees to accomplish its goals.
Additionally, the District signed a contract with a consulting company to run day-to-day activities of the Foundation under the supervision of the District’s C.F.O, who is also a C.F.O for the Foundation. The consultant is directly paid by the District. The amount paid to the consultant is recognized by the Foundation as in-kind donation. For the fiscal year ended June 30, 2014, the District paid the consultant $150,000.

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The Foundation has received funds for specific purposes that are subject to reviews or audits by the grantor agencies. Although such reviews/audits could generate expenditure disallowances under the terms of the grants, it is believed that any required reimbursements will not be material.

NOTE 7: OPEN TAX YEARS

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Furthermore, The Organization’s Form 199, California Exempt Organization Annual Information Return, for tax years ended June 30, 2011, 2012, 2013, and 2014, are subject to examination by California Franchise Tax Board, generally for four years after they were filed.
Board Member Eng requested information regarding the e-Transcript Process of the LACCD colleges. Attached is the information provided to Mr. Eng.
eTranscript
CALIFORNIA

Standardized Transcript Views and Data Format
Reduced Workload and Expense
Improved Student Experience

Connecting California Community Colleges, California State University, University of California, and Private Colleges Statewide.
How eTranscript California works:

eTranscript California enables all California colleges to transfer student transcripts between the state’s 110 California Community Colleges and the University of California (UC) and California State University (CSU) system, as well as California high schools and other higher education institutions, in and out-of-state.

---

Green data ...

eTranscript California is a wholly electronic and paperless transcript exchange system. While it allows for printing paper copies of transcripts, it is intended to fulfill the transcript process among partner institutions with only a minimal use of paper when compared to the traditional, paper-heavy exchange process.

Using less paper consumes fewer trees and limits the introduction of harmful chemicals used to create paper ... helping the earth (and us) to breathe easier!

... green savings.

The CCC System Office estimates that costs for eTranscript California member colleges will drop from an average of seven dollars per transcript to less than fifty cents per transcript.

A college that processes 10,000 transcripts in a semester pays approximately $70,000 without eTranscript California. With eTranscript California, the same 10,000 transcripts would cost approximately $5,000—\textit{a projected savings of $65,000!}^*$

*These figures apply to the CCC system only and are offered as illustration. Actual results will vary.

---

"The electronic delivery and tracking of transcripts leads to a faster and more streamlined admissions process for students. These closely tracked transactions are encrypted and secure, eliminating errors and reducing the possibility of fraud inherent in accepting and re-entering paper transcripts."

- Diane Woodruff, Former Chancellor.
  California Community Colleges Chancellor's Office

---

eTranscript California | www.etranscriptca.org
How to join eTranscript California:

There are two types of eTranscript California membership: one for the California Community Colleges system and one for the California State University, University of California, and all other interested institutions.

The California Community Colleges have a negotiated cost structure. There is a one-time installation fee and an annual rate. Discounts are available to smaller colleges and a multi-college discount is available when an entire district participates.

Interested California Community Colleges should contact:

**Tim Calhoon**
CCC Technology Center
530-879-4001
calhoont@ccconext.net

CSU, UC, and all other interested institutions of higher education should contact Xap Corporation to discuss eTranscript California pricing:

**Keith Franco**
Xap Corporation
530-520-3471
keith@xap.com

The latest eTranscript California news, information, and details about getting started can be found at the eTranscript California Web site, www.etranscriptca.org.
It's the Law Now: Technology Edition

2016 CISOA
February 23, 2016

Presented by:
Cathie L. Fields, Partner
Sharon J. Ormond, Partner

Atkinson, Andelson, Loya, Ruud & Romo
20 Pacifica, Suite 1100
Irvine, CA 92618
949-453-42600 • fax 949-453-4262
CATHIE L. FIELDS
Partner
cfields@aalrr.com

Education Law

Experience
Cathie Fields is a partner in the Irvine office of Atkinson, Andelson, Loya, Ruud & Romo. Since 1997, Ms. Fields has represented school districts, community college districts, and other educational agencies in labor and employment matters, general education issues, and governance matters. She advises clients on employment issues ranging from hiring practices, preemployment inquiries and testing, and disability/accommodation concerns to disciplinary actions, certificated and classified layoffs, leaves of absence, contract drafting and interpretation, and wage and hour law. Additionally, she frequently advises administrators and governing boards regarding public records obligations, board meeting agendas and Brown Act compliance, and conflict-of-interest issues.

Cathie represents employers before the Public Employment Relations Board, the California Labor Commissioner, the Department of Fair Employment and Housing, and the Office of Administrative Hearings, and in other administrative venues. She is an experienced investigator of uniform complaints and workplace disputes. Cathie is a member of the firm's education technology group and the public sector wage and hour litigation group.

Education
Ms. Fields earned her undergraduate degree in English with a concentration in Linguistics from the University of Central Florida and her Juris Doctor (magna cum laude) from Western State University College of Law.

Admissions and Memberships
1997, State Bar of California
California Council of School Attorneys

Publications and Speaking Engagements
Cathie has presented dozens of workshops and training sessions for school districts and professional organizations including the California School Boards Association, the School Employers Association of California, and the California Association of School Business Officials. Presentation topics include mandated sexual harassment prevention training, employee evaluation and discipline, wage and hour issues, Brown Act compliance, student record requirements, and conflicts of interest, among others.

Along with AALRR senior partner Warren Kinsler, Cathie co-authored a chapter on the California Public Records Act in the treatise California Public Sector Employment Law, first published in 2011 and updated annually. Cathie has written several amicus briefs on behalf of the California School Boards Association in connection with significant judicial appeals affecting public schools.
SHARON J. ORMOND
Partner
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Education Law, Employment Law

Experience
Sharon Ormond is a Partner in the Cerritos and Irvine offices. She represents California public sector employers in all aspects of labor relations and personnel matters, including certified and classified discipline, reductions in force, unfair practice charges, contract grievances, and the investigation and defense of discrimination, harassment, whistleblower, and retaliation claims. Her practice also includes advice and counsel in First Amendment rights, wage and hour compliance, Title IX compliance, leaves of absence, disability accommodations, and compliance with the Brown Act and the California Public Records Act. She also heads the firm’s Education Law Technology group.

Sharon regularly represents employers before the Office of Administrative Hearings, the Department of Fair Employment and Housing, the Equal Employment Opportunity Commission, the Public Employment Relations Board, the office of the California Labor Commissioner, and in federal and state courts. In one such case, she helped a public employer secure a 12-0 jury verdict in its favor in a case of alleged discrimination and retaliation.

Education
Sharon received her Bachelor of Arts degree in Political Science (Public Law emphasis) from the University of California at Los Angeles, and her Juris Doctor, magna cum laude, from Whittier College School of Law, where she was a lead articles editor for the Whittier Law Review and a Dean’s merit scholar. During law school, Sharon interned for Justice Earl Johnson, Jr., in the California Court of Appeals, Second Appellate District, Division Seven.

Admissions
1998, California; U.S. District Court, Central District; U.S. Court of Appeal, Ninth Circuit.

Memberships
State Bar of California; Labor and Employment Law and Public Law Sections of the California Bar Association; National School Boards Association, Council of School Attorneys; California School Boards Association, Council of School Attorneys; National Association of College and University Attorneys; the Association of Workplace Investigators; and Association of Title IX Administrators.

Publications and Speaking Engagements
Sharon conducts workshops and training sessions for public education agencies and professional associations, including ACSA, CASBO, ACHRO, ACCCA, WACUBO and CISOA on a variety of employment and education law issues, including investigations, technology use issues, and Title IX compliance. Sharon is a senior trainer on the FRISK® Documentation Model. She also assisted with the development of AALRR’s ePROOF® materials for investigating technology incidents and serves as an ePROOF® trainer. She is a frequent contributor to the firm’s many publications and blog.
LEGISLATION, RULES, AND INITIATIVES

STUDENT ACCESS TO THE INTERNET
AND DIGITAL TOOLS OUTSIDE THE CLASSROOM

The Digital Learning Equity Act of 2015 (S.1606): If passed, this bill would amend Title IV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. §§ 7101 et seq.) to support pilot initiatives that increase student access to digital resources; increase student, parent, and educator engagement; and improve students' chances to participate in new learning models. The bill would also provide for a national study of data related to the digital divide, including barriers to students' home Internet access, how educators confront that reality in their classrooms, and how lack of home Internet access can impact student engagement.

This bill would authorize states and school districts to test, on a limited basis, innovative methods to increase student access to digital learning resources outside of the school day with the goal of increasing student, parent, and educator engagement and improving the ability of students to participate in innovative learning models, apply for work opportunities, and complete college applications and financial aid forms.

S.1606 was referred to the Senate Committee on Health, Education, Labor and Pensions on June 18, 2015, and no further action has occurred.

ConnectHome: On July 15, 2015, the White House announced ConnectHome, a new initiative to help provide high-speed Internet access, technical assistance, digital literacy programs, and devices to students living in public and assisted housing. Initially, a pilot program will reach more than 200,000 children in 27 cities and one tribal nation. The ConnectHome initiative aims to help low-income students access high-speed Internet at home in an effort to reduce the "homework gap." The Department of Housing and Urban Development is collaborating with EveryoneOn and US Ignite to establish partnerships with nonprofit organizations and the private sector to deliver the services required for ConnectHome. Internet service providers participating in the program include Google Fiber, Cherokee Communications, Pine Telephone, Suddenlink Communications, Vyve Broadband, CenturyLink, Cox Communications, and Sprint.

Electronic Books Opening Opportunity for Knowledge Act of 2015 (H.R. 2089): This bill, known as the E-BOOK Act of 2015, would amend the Higher Education Act of 1965 to authorize the Department of Education to award competitive grants to up to 10 institutions of higher education to conduct pilot programs to reduce the cost of attendance for undergraduate students by expanding their access to digital course materials. Preference would be given to applications that demonstrate a commitment to serving disadvantaged students. Grantees must make digital course materials available to undergraduate students in at least two different
academic departments. Grant funds may be used to:

- Purchase and maintain the electronic equipment or software their pilot programs need;
- Purchase and maintain the digital and online content that instructors or students will use;
- Hire staff to administer their pilot programs, with priority given to hiring enrolled undergraduate students;
- Build or acquire extra storage space for pilot program equipment;
- Support professional development; and
- Revise and adapt curricula as needed to implement the institution’s pilot programs.

H.R. 2089 was referred to the Subcommittee on Higher Education and Workforce Training on November 16, 2015. No further action has occurred.

**Enhancing Education Through Technology Act (H.R. 4021):** This bill would award grants to encourage State educational agencies, local educational agencies, and schools to utilize technology to improve student achievement and college and career readiness, the skills of teachers and school leaders, and the efficiency and productivity of education systems at all levels.

H.R. 4021 was referred to the House Committee on Education and the Workforce on November 16, 2015. No further action has occurred.

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**TAX INCENTIVES FOR STEM EDUCATION**

**STEM Education Opportunity Act (H.R. 3570):** This bill would amend the Internal Revenue Code to allow: (1) individual taxpayers a deduction from gross income for STEM (i.e., science, technology, engineering, and mathematics) higher education expenses; and (2) a business-related tax credit for contributions of STEM property (e.g., computer equipment and software, microscopes, and lab equipment), services, and training made to an elementary or secondary school to promote education in the biological sciences, mathematics, earth and physical sciences, computer and information science, engineering, geosciences, and social and behavioral sciences. The bill defines “STEM higher education expenses” to include any expenses incurred by an individual attending an institution of higher education who is majoring in science, technology, engineering, or mathematics.

The Government Accountability Office must submit to Congress a report detailing: (1) the efficacy of this Act in increasing higher education enrollment in the fields of mathematics, science, engineering, and technology; and (2) any effect this Act has had on the price of higher education tuition in such fields. H.R. 3570 was referred to the House Committee on Ways and Means on September 18, 2015. No further action has occurred.
The Student Privacy Protection Act (H.R. 3157): On July 22, 2015, the House Education and the Workforce Committee announced the introduction of a bi-partisan bill to amend the Family Educational Rights and Privacy Act (FERPA) of 1974. If passed, this bill will amend FERPA to modernize privacy protections, improve communication between parents and school officials, and hold schools, states and independent entities accountable for their use of student information.

Under this bill, educational agencies, institutions, and state educational authorities would be required to establish: (1) information security practices to protect students’ education records and personally identifiable information, and (2) breach notification policies to notify parents of breaches and security violations. The bill would expand the definition of “education records” to include student records that are: (1) maintained electronically or digitally; (2) accessible or collected by service providers, contractors, or other parties; or (3) created by or for a state educational authority, without regard to whether the student attends a school under the jurisdiction of the state educational authority.

Additionally, the bill would allow educational agencies and institutions to disclose education records without parental consent to education service providers, contractors, or other parties to whom institutional services have been outsourced, if the party agrees to secure information from unauthorized access and be subject to penalties for violations. The bill would also permit disclosure of education records without parental consent to authorized representatives of the Government Accountability Office, the Department of Education (ED), state or local educational authorities, or the Department of Justice (DOJ) for: (1) audits, evaluations, or enforcement of local, state, or federal laws; (2) audits or evaluations of locally supported, state supported, or federally supported education programs pursuant to local, state, or federal laws; or (3) enforcement of federal and state legal requirements related to such programs.

This bill would prohibit any person with access to an education record or a student’s personally identifiable information contained in the education record from marketing or otherwise advertising directly to students using information gained through that access. Significantly, this bill would authorize the Secretary of Education to impose fines on educational institutions and the state educational authority from $100 to $1.5 million for failure to voluntarily comply.

No further action on this bill has occurred since July 22, 2015.

The Student Digital Privacy and Parental Rights Act (H.R. 2092): If passed, this bill will prohibit an operator of a school’s Internet or online service that is designed and marketed for K-12 educational or administrative purposes from presenting students or parents with targeted advertisements that are selected based on information obtained or inferred from: (1) students’ online behavior or use of online or mobile applications; or (2) personally identifiable information about the student. The bill would exempt online advertisements that are contextually relevant and selected based on a single visit or session of use during which the advertisements are presented, provided information about students’ online behavior is not collected or retained over time.
This bill would also prohibit operators from: (1) selling students’ personal information to third parties; and (2) collecting student information to create a personal profile or for purposes unrelated to educational instruction, school collaboration, or administrative activities. Operators will be required, among other things to: (1) implement information security procedures and a process for responding to data breaches; (2) notify the Federal Trade Commission (FTC) and students, parents, educational agencies, school officials, or teachers of unauthorized acquisitions of, or access to, personal information; and (3) delete certain student information that is not required to be maintained by the school within 45 days after a request from an educational agency, institution, or student’s parent or within one year after the operator ceases to provide the service.

This bill would permit operators to disclose students’ information only for certain lawful purposes or pursuant to a process that requires the student’s or parent’s express affirmative request. The operator must receive the student’s or parent’s request before providing transcripts for admission to an institution of higher education or to a potential employer.

H.R. 2092 was referred to the House Subcommittee on Commerce, Manufacturing, and Trade on May 1, 2015 (the fourth committee to consider the bill), and no further action has occurred.

_Safeguarding American Families from Exposure by Keeping Information and Data Secure Act ("The SAFE KIDS Act") (S.1788):_ This bill is the Senate’s counterpart to the Student Digital Privacy and Parental Rights Act (H.R. 2092). The two bills are substantively similar. If this bill is passed, it will extend privacy protections to pre-kindergarten students.

S.1788 was referred to the Senate Committee on Commerce, Science and Technology on July 16, 2015, and no further action has occurred.

_The Protecting Student Privacy Act of 2015 (S.1322):_ If passed, this bill will amend FERPA to regulate the access of student records by “outside parties.” The bill defines “outside party” as a person that is not an employee, officer, or volunteer of the educational agency of a government agency, and consequently includes any contractor or consultant acting as a school official or authorized representative or in any other capacity. More specifically, this bill would prohibit programs administered by the DOE from making funds available to any educational agency or institution that has not implemented information security policies that: (1) protect personally identifiable information (PII) from education records; and (2) require each outside party to whom PII from education records is disclosed to have a comprehensive security program to protect such information.

Agencies receiving federal funds, would be required to ensure that any outside party with access to such records: (1) provides parents access to any PII it holds about their students; (2) provides a process to challenge, correct, or delete any inaccurate, misleading, or inappropriate data through a hearing by the agency or institution providing the outside party with access; (3) maintains a record of all individuals, agencies, or organizations that have requested or obtained access to the education records of a student; and (4) has information security procedures in place.

S.1322 was referred to the Senate Committee on Health, Education, Labor and Pensions on May 13, 2015, and no further action has occurred.
The Student Privacy Protection Act (S.1341): If passed, this bill would amend FERPA to restrict the release of student records to third parties, extend privacy protections to homeschooled children, prohibit psychological profiling of students, and make other changes. This bill would prohibit funding of educational agencies that allow third parties to access student data unless: (1) the agency first notifies parents about the data that will be accessed, the data will be made available to the third party only if the parent consents, the parent has the ability to access and correct inaccurate data, and the agency or institution and the outside party are liable for violations; (2) the agency can ensure the data cannot be used to determine the student’s identity; (3) the student data remains the property of the agency and is destroyed when the student is no longer served by the agency; and (4) the third party agrees to be liable for FERPA violations.

This bill would eliminate a current FERPA provision that allows agencies and institutions to permit the release of student educational records to organizations that study student aid programs, predictive tests, and instruction. Similarly, it would eliminate the current exception for releasing student information to the General Accounting Office (GAO), the DOE, or state educational authorities for audits and evaluations of federally supported education programs or enforcement of federal legal requirements. This bill would prohibit: (1) the DOE or educational agencies or institutions receiving federal funds from appending student data with PII obtained from federal or state agencies through data matches; (2) federal funds from being used to track a student’s education or career progression activities or obligate a K-12 student to involuntarily select a career or related job training; (3) psychological testing or predictive modeling of behaviors, beliefs, or value systems; (4) video monitoring or computer camera surveillance without a public hearing and consent of teachers and parents; and (5) surveys soliciting specified information about students or their families, including information regarding political affiliation, religious practices, or gun ownership. Additionally, the bill will require aggregation, anonymization, and de-identification of student data permitted to be released or collected under various exceptions; and it would make federally funded agencies and educational agencies, institutions, and third parties that fail to comply with FERPA civilly liable for a monetary award to affected persons.

S.1342 was referred to the Senate Committee on Health, Education, Labor and Pensions on May 14, 2015, and no further action has occurred.

**PRIVACY OF HEALTH INSURANCE INFORMATION**

**Assembly Bill 1541 (Chapter 96):** This bill, effective January 1, 2016, amends California Civil Code section 1798.81.5 regarding privacy. Existing law requires a business that owns, licenses, or maintains personal information about a California resident to implement and maintain reasonable security procedures and practices appropriate to the nature of the information, to protect the personal information from unauthorized access, destruction, use, modification, or disclosure. This bill revises the definition of personal information to include health insurance information, as defined, and a username or email address combined with a password or security question and answer for access to an online account.
DATA BREACH PROTOCOLS

Senate Bill 570: State law requires a person or business conducting business in California and any agency that owns or licenses computerized data that includes personal information to disclose a breach of the security of the system in the most expedient time possible and without unreasonable delay. A person, business, or agency that is required to issue a security breach notification must meet specific requirements, including issuing the notification in plain language.

This bill amended Civil Code sections 1798.29 and 1798.82 effective January 1, 2016 to require a security breach notification to be titled “Notice of Data Breach,” and to present information under prescribed headings. The bill prescribes a model security breach notification form.

Assembly Bill 964: A person or business conducting business in California, or any state or local agency, that owns or licenses computerized data that includes personal information must disclose a breach of the security of the system or data following discovery or notification of the security breach, to any California resident whose unencrypted personal information was, or is reasonably believed to have been, acquired by an unauthorized person. The disclosure must be made in the most expedient time possible and without unreasonable delay, consistent with the legitimate needs of law enforcement, or any measures necessary to determine the scope of the breach and to restore the reasonable integrity of the data system.

This bill amended Civil Code sections 1798.29 and 1798.82 effective January 1, 2016 to define “encrypted” for purpose of these provisions to mean rendered unusable, unreadable, or indecipherable to an unauthorized person through a security technology or methodology generally accepted in the field of information technology.

CYBERSECURITY

Executive Order B-34-15: On August 31, 2015 Governor Brown signed Executive Order B-34-15 to bolster California’s preparedness and response to destructive cyber-attacks that threaten the state’s economy and infrastructure along with individual privacy. The order establishes the California Cybersecurity Integration Center (Cal-CSIC), which will be responsible for strengthening cybersecurity strategy and improve interagency coordination to reduce the likelihood and severity of cyber-attacks. Cal-CSIC will work with the California State Threat Assessment System and the U.S. Department of Homeland Security to facilitate more integrated information sharing and communication with local, state and federal agencies, tribal governments, utilities and other service providers, academic institutions and non-governmental organizations.

The Cal-CSIC will be comprised of representatives from state and federal organizations, including the Department of Technology, California Highway Patrol, Attorney General’s Office,
California State University, University of California, California Community Colleges, U.S. Department of Homeland Security, Federal Bureau of Investigation, and Secret Service, among others. The order also establishes a multi-agency Cyber Incident Response Team that will serve as California's "primary unit to lead cyber threat detection, reporting, and response in coordination with public and private entities across the state."

S.754 - Cybersecurity Information Sharing Act of 2015: On the federal level, this bill would require the U.S. Director of National Intelligence and the Departments of Homeland Security (DHS), Defense, and Justice to develop procedures to share cybersecurity threat information with private entities, nonfederal government agencies, state, tribal, and local governments, the public, and entities under threats.

The bill would limit the purposes for which the government may use shared information to certain cybersecurity purposes and responses to imminent threats or serious threats to a minor. The crimes that may be prosecuted with such information are restricted to offenses relating to fraud and identity theft, espionage, censorship, trade secrets, or an imminent threat of death, serious bodily harm, or serious economic harm, including a terrorist act or use of a weapon of mass destruction. The bill would also allow criminal penalties for fraud involving account access devices to be imposed regardless of whether the underlying articles, property, or proceeds are held within, or have transferred through, U.S. jurisdiction.

S.754 was last amended in the Senate on October 28, 2015.

TRANSPARENCY

Strengthening Transparency in Higher Education Act (H. R. 3178): The purpose of this bill is to simplify and streamline the information regarding institutions of higher education made publicly available by the U.S. Secretary of Education. If passed, this bill would amend section 132 of the Higher Education Act of 1965 to require the Secretary of Education to develop and make publicly available a website to be known as the "College Dashboard website" that would prominently display for the most recent academic year for which satisfactory data are available, information including the following for each institution of higher education that participates in a program under title IV:

- A link to the website of the institution.
- The number of students enrolled
- The student-faculty ratio
- The percentage of degree-seeking or certificate-seeking undergraduate students who obtain a degree or certificate within "the normal time for completion of, or graduation from, the program in which the student is enrolled"
The average net price per year for undergraduate students receiving federal student financial aid under title IV based on income categories

The average federal student loan debt incurred by undergraduate students who obtained a certificate or degree from the institution

A link to national and regional data from the Bureau of Labor Statistics on starting salaries in all major occupations

A link to the institution's webpage containing campus safety data

The Secretary would also be required to publish on Internet webpages linked through the College Dashboard site the following information with respect to each institution of higher education that participates in a program under title IV:

The percentages of male and female undergraduate students enrolled at the institution

The percentages of full-time and part-time undergraduate students enrolled at the institution

The percentage of students who are in state and out of state, and the percentage of international students

The percentages of undergraduate students enrolled at the institution, their completion rates, disaggregated by race and ethnic background; classification as a student with a disability; recipients of a Federal Pell Grant; recipients of tuition assistance through the Department of Defense; and recipients of a Federal student loan

The cost of attendance for full-time undergraduate students who live on and off campus

The cost of tuition and fees per credit hour or credit hour equivalency for undergraduate students enrolled in the institution less than full time

Financial aid information, including the "cohort default rate" as defined

The ratio of course sections taught by part-time instructors to the number of course sections taught by full-time faculty, disaggregated by course sections intended primarily for undergraduate students and course sections intended primarily for graduate students

The mean and median years of employment for part-time instructors

H.R. 3178 was referred to the Subcommittee on Higher Education and Workforce Training on November 16, 2105. No further action has occurred.
NEW CASES

SEARCH AND SEIZURE

UNIVERSITY HAD AUTHORITY TO CONSENT TO LAW ENFORCEMENT SEARCH OF PROFESSOR’S LAPTOP UNDER ACCEPTABLE USE AGREEMENT

A New York district court held that a professor-defendant had a reasonable expectation of privacy in the contents of a university-owned laptop, but the university’s acceptable use agreement allowed the university to consent to the FBI’s search of the laptop. (U.S. v. Zhu (S.D.N.Y. 2014) 23 F.Supp.3d 234.)

Defendant was an assistant professor at the New York University School of Medicine when he applied for and received a grant from the National Institute of Health to conduct MRI research. All grant funds were to be the property of NYU, and NYU would become the owner of all equipment purchased with the funds. The professor ordered a laptop with the grant funds; he configured the laptop, created several levels of passwords, and encrypted the hard drive. He used the laptop for personal and professional matters, and took it home with him at night. NYU investigated the professor for bribery, conspiracy, falsification of records, and similar misconduct, and the professor gave NYU the laptop but refused to provide his passwords. The FBI and U.S. Attorney’s Office commenced a criminal investigation and NYU gave the professor’s laptop to the FBI, which decrypted it and searched its contents without obtaining a warrant.

The professor had signed two computer use agreements with NYU, agreeing that NYU could search NYU-owned computers, and that employees do not have an expectation of privacy in such equipment. The court held the professor had a reasonable expectation of privacy in the information stored on the laptop, despite the policy, because of the steps he took to restrict third-party access to the computer. The court also held the “no expectation of privacy” language did not apply to faculty, such as the professor, because it appeared in a staff handbook that excluded faculty. Accordingly, the only policy that applied was the agreement that stated NYU can inspect university-owned computers. The court held the FBI search was valid because NYU had authority to consent to the search as a third party; NYU had: (1) common authority over the area; (2) a substantial interest in the area; and (c) permission to gain access to the area. Therefore, the professor’s Fourth Amendment rights were not violated, and the evidence could be used at a criminal trial.
An Oregon district court held an eighth grade student’s 3½ day suspension, for out-of-school comments he made on a social media site about a teacher, violated the student’s free speech rights. (*Burge v. Colton School Dist. 53* (D.Or., 2015) 100 F.Supp.3d 1057.) After learning he received a “C” in health class and was going to be grounded, the student posted a series of comments on his Facebook page, including that he wanted to start a petition to get the teacher fired and a response that stated, “Ya haha [the teacher] needs to be shot.” The student immediately removed the posts at his mother’s request, but another parent printed the posts before they were deleted. The parent anonymously placed the printout in the principal’s school mailbox and the student was given a 3½ day on-campus suspension.

The student did not have a history of discipline for any act of violence and had never been convicted of a juvenile crime. School officials did not investigate whether the student had access to or experience with guns; contact law enforcement; refer the student to a counselor; discuss the Facebook posts with school site teachers; or inquire whether the student made subsequent posts of similar nature. The teacher who was the subject of the posts was, “scared,” “nervous,” and “upset” and asked the school administration to keep the student out of her class. The teacher did not take any time off work, accepted the school’s decision to allow the student to return to school, and supervised a field trip that the student attended.

The court explained that the Ninth Circuit (the federal appellate court with jurisdiction over Oregon and California) allows school districts to take disciplinary action in response to an identifiable threat of school violence that has a “material and substantial” impact on classroom activities or administrative responsibilities. The “threat” may be made on or off campus.

The court held the suspension violated the student’s free speech rights because the facts did not demonstrate a material or substantial impact and the school did not take any action that would indicate it took the comments seriously in light of the effect the comments had on the subject teacher.
SUSPENSION FOR OFF-CAMPUS COMMENT
VIOLATED STUDENT’S FREE SPEECH RIGHTS

On August 11, 2015, a federal district court in Minnesota ruled that a high school student stated a valid claim for violation of his First Amendment free speech rights after he was disciplined for an online comment, posted off-campus and outside of school hours, about a teacher. (Sagehorn v. Independent School District No. 728 (D. Minn. August 11, 2015) 2015 WL 4744482.) Sagehorn, a high school senior with no discipline record, responded to an anonymous posting on a website titled “Roger confessions.” The anonymous post asked: “did @R_Sagehorn3 actually make out with [name of female teacher at Rogers High School]?” Sagehorn responded by posting the phrase “actually yes,” which he intended to be a joke. He did not create or maintain the “Roger confessions” website.

Several days later, Sagehorn was summoned to the principal’s office, where he was met by the principal and a uniformed police officer. Sagehorn admitted authoring the post and said it was sarcastic and he did not expect anyone to believe it was true. Sagehorn was suspended for five days because he “damaged a teacher’s reputation.” That suspension was extended, and ultimately the principal recommended a 10-week suspension. Sagehorn’s parents objected to the long suspension and signed an agreement, provided by district officials, to withdraw Sagehorn from school. According to the lawsuit, the Police Chief commented to the news media about Sagehorn’s conduct, calling it “a crime” for which Sagehorn “could face felony charges.” Although Sagehorn was a minor, his identity was not concealed from the media. He was never charged with a crime.

The court rejected the school’s argument that Sagehorn’s post was obscene and therefore not protected by the First Amendment. The court disagreed that the post’s reference to “making out” referred to sexual intercourse and found it was not “patently offensive.” Next the court found the school had failed to show a “substantial disruption,” since the post was made off-campus and was not intended to reach the school environment, and there was no indication any disruption occurred. Finally, the court denied the school officials’ argument that they were entitled to qualified immunity, stating, “The law is sufficiently clear that on facts such as the complaint alleges in this case—a student using personal property to make non-threatening speech off-campus, that in no way impacts or disrupts the school environment—a student would have a clearly established right to free speech. The Court further concludes that a reasonable officer or school official would understand that punishing such speech would violate the student’s clearly-established right.”
SCHOOL EMPLOYEE’S FACEBOOK POSTS ABOUT NEWS EVENTS WERE NOT PROTECTED FREE SPEECH

A school security guard who was terminated for an off-duty Facebook post asked a New Jersey federal district court to overturn the school board’s decision, claiming the termination violated her right to free speech. (*Czaplinski v. Board of Education of the City of Vineland* (D.N.J. Mar. 26, 2015) 2015 WL 1399021.)

After a Philadelphia police officer was fatally shot by an African-American, the security guard posted on her Facebook page, “Praying hard for the Philly cop shot today by another black thug.” The security guard also wrote, “Just tired of race cards being played all over the place ... Maybe if we all just accepted the fact things could change.” The posts were anonymously forwarded to the superintendent, and the security guard was placed administrative leave. The district charged the security guard with “Conduct Unbecoming of a Public Employee,” and terminated her after a hearing.

The school board reasoned the security guard’s statement called into question her effectiveness as an unbiased arbiter of student and staff misbehavior and other incidents that “call upon impartial judgment including respect and tolerance for diversity.” The court addressed only whether the security guard’s comment was protected as free speech.

The security guard made her comment as a private citizen and during non-work hours. However, the court found the comments impaired her ability to “operate efficiently and effectively.” The court held the board had adequate justification, based on the employee’s position as a security guard, for treating her differently from other members of the public. The court noted at least one person, the anonymous individual who submitted the comment, found the security guard’s comments to be racist and troubling.

PUBLIC EMPLOYEE’S BLOG AND TWITTER COMMENTS WERE NOT MADE PURSUANT TO OFFICIAL DUTY

On June 15, 2015, the Ninth Circuit Court of Appeals ruled that a Los Angeles County Deputy District Attorney, a public employee, did not act in his official position to violate another citizen’s constitutional or statutory rights when he wrote derogatory articles about the citizen on his personal Internet blog and Twitter account. The attorney did not use county resources to blog or “tweet” during normal business hours, and his social media accounts contained a disclaimer that all statements were not made on behalf of his employer. (*Naff v. Frey* (9th Cir. 2015) 789 F.3d 1030.)

Through his blog, the attorney accused the citizen, a well-known political activist, of being a “liar, illiterate, callous,” and of “filing frivolous lawsuits” and possibly violating criminal laws.
The citizen sued the attorney under 42 U.S.C. section 1983, which allows citizens to sue government officials for constitutional violations. The citizen claimed the attorney abused his position as district attorney and violated the citizen’s First Amendment rights and right to privacy.

The court had “never decided if and when a state employee who moonlights as a blogger” acts in his official capacity as a public official so as to give rise to liability under section 1983. The court held the was not liable attorney for the following reasons: a county prosecutor’s “official responsibilities do not include publicly commenting about conservative politics and current events”; he did not tweet during normal business hours using county resources; and importantly, his social media accounts contained a disclaimer that “[a]ll statements are made in [his] private capacity and not on behalf of [his] employer.” Further, the attorney “frequently reminded his readers and followers that, although he worked for Los Angeles County, he blogged and tweeteed only in his personal capacity.”

The court concluded by noting, “If we were to consider every comment by a state employee to be state action, the constitutional rights of public officers to speak their minds as private citizens would be substantially chilled to the detriment of the “marketplace of ideas.” (Id. at p. 1038.)

**STUDENT’S TWITTER COMMENTS CONSTITUTE A CRIMINAL THREAT**

In an unpublished decision (which cannot be cited as legal authority), the California Court of Appeal held that a minor student was guilty of making criminal threats through comments she posted on her Twitter account. (*In re L.F.* (June 3, 2015) 2015 WL 3500616.) The student used her public Twitter account, which could be accessed by anyone, to tweet threatening statements over several hours. The tweets included threats to shoot students and a teacher in specific locations at the school, and a statement that she was going to obtain a firearm. Specifically, the student wrote, “I’m leaving school early and going to get my cousin [sic] gun now.” The student had approximately 500 followers on Twitter and some of the tweets had been commented on or retweeted.

A student at the school told her father she did not want to go to school the next day because of the tweets. The father reviewed the tweets and contacted law enforcement. A former student also contacted the school’s vice principal and notified him of the tweets.

During the trial, the student’s sister and best friend testified the student’s tweets were a “joke” and “not serious” because the tweets contained the terms “[just] kidding” and “[laughing out loud]” and laughing emojis. The vice principal, who was in charge of emergency school lockdown procedures, testified he was “scared and nervous” because the tweets had specific details.

The student was found guilty of a felony (a crime that is more serious than a misdemeanor) for making criminal threats in violation of Penal Code section 422. The conviction was affirmed on appeal.
IT IS REASONABLE TO ANTICIPATE OFFENSIVE AND MALICIOUS ONLINE SPEECH WILL IMPACT THE CLASSROOM ENVIRONMENT

On August 20, 2015, the Fifth Circuit Court of Appeals affirmed a school district’s disciplinary action against a student who posted threatening and offensive content on the Internet. The court acknowledged a school district’s ability to discipline a student who intentionally directs at the school community speech reasonably understood by school officials to threaten, harass, and intimidate a teacher – even if such speech originated and was disseminated off campus without the use of school resources. (Bell v. Itawamba County School Board (5th Cir. Aug. 20, 2015) 2015 WL 4979135.)

Bell, a high school student in Itawamba County, Mississippi, posted, through his Facebook and YouTube accounts, an “incredibly profane and vulgar rap recording” that described violent acts to be carried out against two high school teacher-coaches. In response, the school board found the recording constituted harassment and intimidation in violation of school district policy and state law; a disciplinary committee recommended Bell’s 7-day suspension be upheld. Bell alleged the disciplinary action violated his First Amendment right to free speech.

Reviewing the student’s constitutional claim, the federal court applied the 1969 ruling from Tinker v. Des Moines Independent Community School District, where the U.S. Supreme Court recognized students’ rights to freedom of expression, while student conduct that is materially disruptive or “involves substantial disorder or invasion of the rights of others” is not protected by the First Amendment. Since Tinker, courts have allowed school boards to discipline students for speech that causes a substantial disruption or that “gives rise to any reasonably forecast by school administration of ‘substantial and material disruption.’”

The court stated that although Tinker did not address off-campus speech, “Over 45 years ago, when Tinker was decided, the Internet, cellphones, smartphones, and digital social media did not exist. ... Students now have the ability to disseminate instantaneously and communicate widely from any location via the Internet.” Off-campus student speech can be regulated because of the “paramount need for school officials to be able to react quickly and efficiently to protect students and faculty from threats, intimidation, and harassment intentionally directed at the school community.”

Focusing on Bell’s intent, the court noted Bell admitted during his disciplinary hearing that one of his purposes for producing and posting the rap recording on Facebook and YouTube was that people would listen to it, since “students all have Facebook.” Further, the court found it “objectionable reasonable” for the school administrators to forecast that the rap recording would cause an actual disruption. The court concluded that “with near-constant student access to social networking sites on and off campus, when offensive and malicious speech is directed at school officials and disseminated online to the student body, it is reasonable to anticipate an impact on the classroom environment.”

Bell has petitioned the U.S. Supreme Court to hear his appeal of the Fifth Circuit’s decision. As of this week, the Court has not decided whether to hear the case.
A City of San Jose resident alleged the California Public Records Act (CPRA) required the disclosure of the mayor and city council members’ private voicemails, emails, and text messages that related to city business. (City of San Jose v. Superior Court (2014) 169 Cal.Rptr.3d 840.) The California Court of Appeal held the CPRA does not require the city to produce messages stored on personal electronic devices and accounts that are not accessible to the agency, or search such employee or officials’ accounts pursuant to a CPRA request for messages related to city business.

On June 25, 2014, the California Supreme Court agreed to review this case. The case is fully briefed, but oral argument has not been scheduled.

The Supreme Court’s decision in this case will apply to school districts and community college districts, which, like cities, are local agencies that must comply with the CPRA. (Government Code § 6252(a).) The opinion may affect district trustees and employees who use their private electronic devices and accounts for district business.

A California appellate court held that although a citizen’s petition under the CPRA was properly rejected for being unduly broad, it was not “clearly frivolous” so as to justify an award of attorney fees to the City of Sebastopol, and the request for emails and electronically stored information on city employees’ personal electronic devices was not frivolous. (Bertoli v. City of Sebastopol (2015) 233 Cal.App.4th 353.)

Bertoli was struck by a car on a California highway when she was 15 years old. Bertoli’s attorney filed a CPRA request because he was denied access to city documents he claimed were necessary for Bertoli’s personal injury case. The attorney requested copies of emails or other electronically stored data contained on the hard drives of past and present city officials and employees, including both municipal computers and private electronic devices, relevant to the maintenance and collision history of the highway. There was evidence that city employees used their home computers for city-related business.
A party that files a CPRA lawsuit that is "clearly frivolous" and "without merit" may be ordered to pay the other party's attorney fees. While the appellate court found the attorney's CPRA request was "overbroad" and could properly be denied, the request was not clearly frivolous and without merit. Thus, the attorney was not required to pay the city $44,630 it sought in attorney fees. Given this standard, the court noted "drafting a petition that is entirely without merit may actually be difficult to do. Indeed, this may be one reason why only one published appellate opinion has ever affirmed an award of attorney fees and costs to a public agency based on a finding of clear frivolousness."

The court also held that since "emails of City employees located on public computers constitute public records under the CPRA," an email message that relates to the conduct of the public's business and is written and retained by an employee on his/her personal computer or cell phone "is arguably a 'writing' that is 'prepared, owned, used, or retained' by a local agency" and thus a public record subject to disclosure. Contrary to the Court of Appeal's holding in City of San Jose, the Bertoli court concluded, "To permit a different rule simply because the employee is conducting public business from his/her home computer would allow a public agency to shield its public documents from disclosure simply by instructing its employees to use their private email accounts."

**CONSEQUENCES OF INADVERTENT RELEASE OF PRIVILEGED RECORDS**

The California Supreme Court is reviewing two court of appeal decisions that came to opposite conclusions regarding the consequence of an agency's inadvertent release of nondisclosable records under the CPRA. In 2014, community organizations sought documents from the Newark Unified School District about the resignation of the district's superintendent. The district provided records but within hours of turning them over realized it had inadvertently included more than 100 documents describing communications between District employees and their lawyers. When asked to return the documents, the community organizations refused, and were joined by news organizations in resisting the request. The trial court judge sided with the groups, but the Court of Appeal held that only the knowing and deliberate release of a confidential document can be a public "disclosure"; it cannot happen by accident. (Newark Unified School District v. Superior Court (2015) 190 Cal.Rptr.3d 721, review granted (10/14/15) 193 Cal.Rptr.3d 538.)

By contrast, another Court of Appeal came to the opposite conclusion regarding records that were inadvertently produced by a clerical employee in a city office. The court concluded that Government Code section 6254.5 "unambiguously expresses the Legislature's intention that everything produced in a response to a PRA request must be accessible to everyone except in the limited circumstances stated in the statute itself"; and inadvertent disclosures waive any privilege that would otherwise attach to the production. (Arden v. City of Los Angeles (2014) 181 Cal.Rptr.3d 324, review granted (2015) 184 Cal.Rptr.3d 726.)

The Arden case was argued and submitted to the California Supreme Court on January 5, 2016; review of Newark is deferred pending the Supreme Court's decision in Arden.
The duty to preserve evidence begins when litigation is “pending or reasonably foreseeable.” In a recent federal case, the plaintiff had threatened the defendant with litigation in text messages as early as May 2011, two years before filing a complaint. The text messages stating such things as “[K]eep it up and you’ll find [yourself] in court,” and “Call Clyde again and I sue. Mark my words.” The plaintiff later wrote friendly and apologetic text messages to the defendant, but never retracted the threat of suit. The defendants also had casual discussions of this potential for litigation, and they even met with counsel and discussed the possibility of bringing their own suit against the plaintiff. (Clear-View Technologies, Inc. v. Rasmick (N.D. Cal. May 13, 2015) 2015 WL 2251005.)

In January 2012, plaintiff’s counsel sent a document preservation and litigation hold notice “in anticipation of litigation” to all of plaintiff’s shareholders, note holders, and present and former employees, including defendants in the “Bcc” field of the email. The notice instructed recipients to preserve “any evidence you may possess, especially electronic evidence, including communications sent or received by Defendants.”

Plaintiff filed suit on June 14, 2013, and served discovery requests on February 10, 2014. In response, defendants produced just 48 pages – and swore under oath they had no further documents to produce. The court granted plaintiff’s motion to compel further production after only 305 more pages were produced, and testimony at defendants’ depositions revealed they had made no effort to protect information until the lawsuit was filed, deleted emails regularly, and threw away several electronic devices such as phones, laptops, and tablets they had used to access relevant documents and email accounts, with no effort to back up those sources. The defendants’ search techniques also fell short – reviewing only selected portions of email accounts, without running a single search across any medium, failure to search their cell phones, no attempt to recover deleted information, and even admissions that they did not know how to conduct the necessary searches or could not access certain email accounts because they had forgotten the passwords.

The court ordered a forensic analysis of defendants’ media and email accounts, which turned up 2,593 relevant documents totaling 12,467 pages, including documents the defendants had repeatedly declared under oath they did not have. The forensic analysis also revealed that optimization and computer cleaning programs were run on one of the defendant’s computers six days after plaintiff filed its motion to compel further production, and the defendant had purged Outlook files preventing the forensic analysis team from searching for potentially relevant data.
A court may issue sanctions against a party for failure to preserve, or “spoliation” of evidence, where the aggrieved party shows that (1) the party having control over the evidence had an obligation to preserve it when it was destroyed or altered, (2) the destruction or loss was accompanied by a culpable state of mind, and (2) the evidence that was destroyed or altered was relevant to the claims or defenses of the party that sought the discovery of the evidence. The court in Clear-View Technologies found all three prongs of this test were met. Defendants were on notice of foreseeable litigation, and the spoliation occurred with the culpable mindset because not only did they not take reasonable steps to preserve relevant evidence, but they also affirmatively destroyed evidence and failed to implement a hold policy. The court found the defendants also failed to conduct a reasonable or diligent search when compelled to produce documents, and then misrepresented their preservation and collection efforts, and failed to produce thousands of documents that were relevant to the plaintiffs’ claims.

The court found defendants not only jointly and severally liable (along with their prior counsel) for sanctions of $212,320, the amount of attorneys’ fees expended by plaintiffs in attempting to compel further production, plus the cost of the forensic analysts. The court also granted an “adverse inference,” meaning the jury would be instructed at trial that the defendants had destroyed relevant evidence, and that the lost evidence was favorable to the plaintiffs. The sanctions actually imposed in this case are a stark reminder of one’s duty to preserve evidence.

**DISCOVERY OF EMPLOYEE SOCIAL MEDIA ACTIVITY**

A federal court in Connecticut denied a defendant employer’s motion to compel production of 2,254 pages of non-redacted Facebook messages of the plaintiff employee in a Family Medical Leave Act lawsuit. The employer sought “a copy of the contents of Plaintiff’s accounts on any social media website, including Facebook.” The employee objected to the requests as overly broad, unduly burdensome, and outside the scope of the current matter. Defendant attempted to clarify that it was seeking “communications Plaintiff made via wall posts and private messages if the communications related to the employment, the employee’s feelings or mental health, or the allegations in the complaint. The employee produced redacted versions of his Facebook contents, which he said contained all relevant information, but the employer argued the redactions made it difficult to understand the context of the messages and sought an order to compel non-redacted copies of all of Plaintiff’s Facebook activity. (Silva v. Dick’s Sporting Goods (D. Conn. March 19, 2015) 2015 WL 1275840.)

The court denied the order of production of all the contents in non-redacted form. The court found no reason to believe that redactions, even mid-sentence, or heavy redactions on page, were an effort on the plaintiff’s part to “flout discovery rules,” given the “shifting, scattered tendencies” of the sampling of the plaintiff’s communications that the court viewed.

The court also rejected the employer’s argument that the posts made by plaintiff during working hours were relevant to the litigation and should be produced in full. The fact that the posts were made during working hours was a separate issue – and may be relevant to the employee’s work performance, but did not “change the analysis regarding the breadth of the discovery request.”
The court stated, "That Plaintiff made a post during work time does not, without more, make the content of the post relevant."

As employees’ use of social media continues to become ever more prevalent, this case shows the limitations on employers in seeking evidence of an employee’s activities on social media in discovery. The entitlement to information may be severely restricted to protect the employee’s privacy, even where the employee was active on social media during his or her working hours with the defendant.

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**RECOVERING COSTS OF E-DISCOVERY**

Federal statutes limit the types of costs courts may tax against the losing party to a lawsuit. A federal appeals court held that a defendant employer who prevailed in a wrongful termination action by a former employee could recover the cost of *imaging the plaintiff’s personal computer hard drive*. The plaintiff argued that, as a matter of law, "most electronic costs such as the imaging of hard drives are not recoverable as taxable costs." However, the court noted the federal statute does not preclude taxing electronic discovery costs. The pertinent question was whether imaging a hard drive, or other physical storage device, falls within the ordinary meaning of "making copies," a cost explicitly authorized under the statute.

The court concluded that imaging a hard drive "falls squarely within the definition of ‘copy,’ which tellingly lists ‘image’ as a synonym," and that synonym describes the exact process at issue — that of creating an identical copy, or image, of a hard drive. The court further explained that while courts often contrast copies necessarily produced to meet discovery obligations (which are recoverable), with copies produced solely for internal use or the convenience of counsel in conducting discovery (which are not), the defendant never went beyond requesting the cost of the mere electronic copying of the plaintiff’s computer files. Rather than producing relevant computer files in response to discovery requests, the plaintiff had delivered her computer to her attorney’s office and demanded that the defendant send a third-party vendor to image the hard drive under her attorney’s supervision. Her decision to tender the physical computer as opposed to producing the documents forced the defendant to incur the costs of making an image before it could search the hard drive for discoverable information.

As this case demonstrates, the methods and costs involved in discovery continue to expand with the advent of new technology, and these costs should be carefully tracked to facilitate potential recovery upon successful disposition. Additionally, parties should be aware the potential for paying these costs if they do not prevail.
AMERICAN WITH DISABILITIES ACT

DOJ'S EXPECTATIONS FOR WEBSITE ACCESSIBILITY

The U.S. Department of Justice (DOJ), in the absence of regulations to its 2010 Advance Notice of Proposed Rulemaking, recognized certain industry principles as guiding public accommodations when making websites accessible under the Americans with Disabilities Act (ADA). Relying on such guidelines, businesses and public agencies reasonably concluded providing website content in “accessible alternative” formats would ensure equal access in compliance with the ADA. Recently, the standard has become even less clear: the DOJ has stated its expectation that public accommodations (including public entities) make websites fully accessible now, despite the lack of formal guidance as to what the DOJ considers a legally compliant accessible website.

The shift in the DOJ’s stated expectations became known after the National Association of the Deaf (NAD) sued Harvard University for violating Title III of the ADA and Section 504 of the Rehabilitation Act by denying individuals who are deaf or hard of hearing equal access to the school’s online programming. In a Statement of Interest submitted on behalf of the NAD, the DOJ cautioned that even in the absence of a projected publication date for its regulations on website accessibility, public accommodations are expected to make their online goods or services fully accessible to individuals with disabilities. For Harvard, a private university, this expectation meant captioning its online programming. The DOJ argued against Harvard’s position that the case should be stayed until the DOJ issues regulatory guidance on accessibility requirements. (The video content did not refer to course offerings but to the many general interest videos posted on the university’s website.) The Harvard lawsuit is still pending in a Massachusetts federal court, along with a similar suit against the Massachusetts Institute of Technology.

The DOJ’s brief refers to “pre-existing obligations” under the ADA to make websites accessible. Without asserting that closed captioning is required to make every online video accessible, the DOJ did indicate video content must be accessible to every person with a disability, not only among potential customers but in the general public.

The DOJ now estimates its proposed regulations will be issued in spring 2016; however, there is no guarantee the regulations will be available then (the DOJ first announced its “notice of proposed rulemaking” on this topic in 2010). In the meantime, public and private organizations should not rely on industry standards for alternative formats of website media; to avoid litigation, websites should be fully compliant and accessible despite the lack of regulatory guidance.

In the absence of regulations, the DOJ has relied upon the following Web Content Accessibility Guidelines (WCAG) 2.0 guidelines:
1. Perceivable
   1.1 Provide text alternatives for any non-text content so that it can be changed into other forms people need, such as large print, braille, speech, symbols or simpler language.
   1.2 Provide alternatives for time-based media.
   1.3 Create content that can be presented in different ways (for example simpler layout) without losing information or structure.
   1.4 Make it easier for users to see and hear content including separating foreground from background.

2. Operable
   2.1 Make all functionality available from a keyboard.
   2.2 Provide users enough time to read and use content.
   2.3 Do not design content in a way that is known to cause seizures.
   2.4 Provide ways to help users navigate, find content, and determine where they are.

3. Understandable
   3.1 Make text content readable and understandable.
   3.2 Make Web pages appear and operate in predictable ways.
   3.3 Help users avoid and correct mistakes.

4. Robust
   4.1 Maximize compatibility with current and future user agents, including assistive technologies.
STUDENT ACCESS TO TECHNOLOGY

UNIVERSITY’S DELAY IN PROVIDING FINANCIAL AID FOR COMPUTER DID NOT AMOUNT TO DISCRIMINATION

On June 19, 2015, the federal district court in King v. Board of Trustees (N.D.Cal. June 19, 2015) 2015 WL 3832586, dismissed a California State University student’s discrimination claim based on the university’s delay in providing him financial aid for the purchase of school technology. The student alleged the university delayed giving him additional financial aid to cover the cost of “computer programs and other tools” necessary for the online graduate program in which he was enrolled. The student alleged that, due to the delay, the university engaged in racial discrimination under Title VI of the Civil Rights Act of 1964. However, the court denied review of this issue, because the student failed to show the court any facts to indicate he was denied financial aid because of his race.

This case may serve as a cautionary note to community college and higher education programs, as it is possible a different plaintiff could allege sufficient facts to show a school discriminated against a student by not timely providing financial aid for educational technology resources.
Subject: Explanatory Information on the Possibility of Student Housing

Enclosed for your review is background information regarding the possibility of student housing at Los Angeles City College and West Los Angeles College.

Submitted By: Jim O'Reilly, Chief Facilities Executive  Date: May 11, 2016
MEMO

Date: April 29, 2016

To: Board of Trustees

From: James D. O'Reilly, chief facilities executive

RE: Considering the Possibility of Student Housing

Background:

The Facilities Department is currently considering the possibility of student housing at Los Angeles City College ("City") and West Los Angeles College ("West"), via a ground-lease procured pursuant to Education Code 81390, et. seq. The land could be leased to a private student housing developer ("Developer") for up to 66 years. The Developer would be solely responsible for designing, entitled, financing, constructing and operating the student housing project. The Developer would also be obligated to construct a space, without cost or rental fees to the District, for the District's use ("Joint-Occupancy Space").

The space being considered at City for student housing is along Melrose Boulevard, between New Hampshire Avenue and N. Heliotrope Drive. The space currently houses Facilities Management and the Worksource Center. Potential Joint-Occupancy uses are being considered. The space is depicted in the attached College Map.

The space being considered at West for student housing is Parking Lot 7. The space is currently being leased for parking. Potential Joint-Occupancy uses are being considered. The space is depicted in the attached College Map.

Prior to beginning the procurement process, Facilities will prepare a resolution for your consideration authorizing our department to consider proposals for each project. The resolution will recommend a two-step selection process consisting of a Request for Qualifications, resulting in a short-list, and then a Request for Proposals.

Next-Steps:

Facilities will continue having conversations with College Presidents, researching what other community colleges are doing regarding housing, local regulations, experienced student housing developers, specifics about the land and other items as necessary.
MEMO
RE: Considering the Possibility of Student Housing
April 29, 2016
Page 2

Sources-Sought meeting will be held to receive input from student housing developers to assess interest and demand for this use.

Facilities will return to the Board for requesting its consideration of a resolution that will authorize our department to begin the procurement process. The procurement process will not begin until after the Board has authorized the resolution.

If you have any questions, please feel free to call me at (213) 891-2048.

C: Dr. Francisco Rodriguez, chancellor
Dr. Adriana Barrera, deputy chancellor
Thomas L. Hall, director, facilities planning and development
Thomas Donovan, director, LACCD Program Management Office

JDO/ss