

EXECUTIVE COUNCIL MEETING MINUTES

February 12, 2014

(Approval by Executive Council on February 26, 2014)

Executive Councilors present (noted by *):

*Julie Thompson, <i>presiding</i>	*Dianne Davis	*Sean Martin	*Nikona Mulkovich
*Filomena Avila	*Terry Ehret	*Jacqueline McGhee	*Matt Murray
*Paulette Bell	*Karen Frindell Teuscher	*Bud Metzger	*MJ Papa
*Shawn Brumbaugh	Deirdre Frontczak	*Terry Mulcaire	*Margaret Pennington
*Paula Burks	*Andre LaRue	*Dwayne Mulder	

Officers/Negotiators/Appointed Positions present: Warren Ruud

Staff members present: Candy Shell, Carol Valencia

Faculty members present: Eric Stadnik

Guests present: Mike Gibson, Gibson & Company, Inc. C.P.A.

The meeting was called to order at 3:09 p.m. in Doyle Library, Room #4245, on the Santa Rosa campus.

CLOSED SESSION REPORTS

1. **Negotiations Report**. This report and discussion were conducted in closed session.
2. **Conciliation/Grievance Report**. This report and discussion were conducted in closed session.

Closed Session adjourned at 4:18 p.m.

OPEN SESSION

Open Session reconvened at 4:18 p.m.

MEMBER CONCERNS WITHIN AFA'S PURVIEW

1. Councilor Jacqueline McGhee read a "Member Concern" that a faculty member had sent her and had asked her to read to the Council. The email expressed concern about a recent email that an adjunct faculty Councilor had sent to all adjunct faculty (via SRJC's adjunct faculty distribution list) and which suggested to the faculty member that at least one and possibly more AFA Councilors were not representing ALL faculty members as Councilors are required to do. The faculty member stated the email contained "proven inaccuracies" and was "divisive."
2. One faculty member emailed AFA and asked that his email be read to the Council. The email expressed appreciation for the good work of DTREC faculty co-chair Sean Martin and AFA Conciliation/Grievance Officer Karen Frindell Teuscher, who recently advocated on behalf of the faculty member, who had come to AFA for representation in an issue related to his evaluation.

MINUTES

There being no corrections or additions, by unanimous voice vote, the Council approved a motion made and seconded to approve the minutes from the January 29, 2014 Executive Council meeting as submitted (17 in favor, 0 opposed, 0 abstentions).

(Approved minutes are posted at <http://www.santarosa.edu/afa/minutes.shtml>.)

PRESENTATION

Annual Audit for 2012-13 (*Mike Gibson, Gibson & Company, Inc. C.P.A.*)

Mike Gibson addressed the Council, explaining that it is important to look at AFA's financial information and ask any pertinent questions. There are three documents created in the audit:

1. Audited Financial Statement for 2012-2013
 - a. AFA's Statement is done on an accrual basis in conformity with Generally Accepted Accounting Principals (GAAP).
 - b. The Fee Payer Report includes the costs (both chargeable and non-chargeable) and a ratio of those costs. AFA has a high ratio of chargeable costs (99.13%). AFA also has restricted and unrestricted funds. (AFA's Political Action Committee funds are "restricted.")
 - c. Opinion Letter
 - i. AFA's "management" is responsible for the financial statements and for developing a system of internal controls accomplished by separating functions and having a system of checks.
 - ii. The auditor is responsible for getting enough information to determine whether there is adequate control.
 - iii. The auditor writes an "opinion" if he doesn't agree with anything in the financial statements. Mike wrote a clean opinion for AFA.
 - iv. "Other matters" details all the expenses for the year.
 - d. In general, for the period of time covered by the audit, AFA spent more money than was taken in; that was not the case for the 2011-12 audit. Regarding "reserves," AFA currently has seven months of reserve funds.
 - e. The footnotes on the statement include who AFA is, what it does, the accounting principles used in the audit, and more information on the organization's assets and liabilities.
2. Allocation of Expenses between Chargeable and Non-chargeable:
 - a. The Allocation is created by examining timesheets (for AFA staff, reassigned time, and stipends), legal bills, rent, taxes, accounting fees, and other expenses.
 - b. Non-chargeable activities include union organizing and certain parts of the dues paid to other organizations; he also examines the staff time on any non-chargeable activities in order to develop the ratio of chargeable to non-chargeable expenses.
 - c. There are footnotes on procedures.
3. Letter of Significant Audit Findings:
 - a. Mike had no findings; all suggestions given to AFA in the past were implemented.
 - b. This also includes a summary of the accounting policies in use.
 - c. The AFA officers and staff are asked for a representation letter that states "to the best of my knowledge and belief" all our financial documents have been provided and nothing has been held back from the audit.

Questions and Answers

- Mike has been the auditor for AFA for 10 to 15 years.
- As a non-profit corporation, AFA is not required to file its Financial Statement with the Internal Revenue Service (IRS) or other governmental agencies.
- The Fee Payer Report is not a complete financial statement.
- Mike also completes the Form 990 (Return of Organization Exempt from Income Tax) for AFA; it is filed with the IRS.

(See link to [AFA Audit](#).)

DISCUSSION ITEMS

1. **CCCI Advocate Spring 2014 Presentation to AFA Executive Council**

Julie explained that she would like to give California Community College Independents (CCCI) advocate David Balla-Hawkins some guidance on what the Council would like him to discuss at the March 12 Executive Council meeting. One idea is for him to give the Council a current legislative report (updated from Andrea York's [FACCC] report to the Council in December). The Council offered the following suggestions for topics:

- The current legislation regarding the Social Security Act, including the elimination of the WEP (<http://www.ssa.gov/retire2/wep.htm>), the "windfall" benefits reduction provision.
- The efforts of CCCI to address the problem of the "adjunctification" of community colleges. Also, the role of the Accrediting Commission for Community & Junior Colleges (ACCJC) in this problem.
- How AFA can share with other community colleges the ways we, as an organization, have made improvements for faculty members. Also, the strategies for using the improvements AFA has made as a catalyst for additional improvements at SRJC.
- The efforts of Faculty Association of California Community Colleges (FACCC) and CCCI in restoring recently-cut categorical funding for community colleges.

Please send staff any other ideas, or you can share them at the next Executive Council meeting.

ACTION ITEMS

1. **AFA Appointment to Professional Development Committee, Spring 2014**

Julie explained that this appointment was discussed at the last Executive Council meeting (1/29/14). A call for volunteers went out to all contract faculty members, and one faculty member has volunteered for the committee seat. The qualifications of the prospective appointee were discussed briefly. A motion was made, seconded and approved by unanimous voice vote to appoint Todd Straus, Modern & Classical Language faculty member, as the AFA representative to the Professional Development Committee (15 in favor; 0 opposed; 0 abstentions).

OTHER REPORTS

1. **President's Report.** Julie reported briefly on the following items:

- She has been talking with the District about enrollment. The District is trying to tie salary increases to enrollment, but this is problematic because many of the decisions regarding enrollment are out of AFA's control. She will be talking to Dr. Chong about several enrollment issues including problems with the new SRJC scholarships, the difficulty in navigating the SRJC website to add late-start classes, and other things that need to be addressed from the District's side.
 - There was a discussion regarding the new scholarships offered this spring to increase enrollment. These scholarships were only for full-time students, and recipients were not able to get their money until mid-February, which was too late for them to buy books. There was discussion about the District's pre-planning for these new scholarships.
 - There was a discussion regarding the challenges for both instructors and new students when there is insufficient pre-planning for increased enrollment efforts.
 - There was a discussion regarding the inconsistency in large numbers of classes being cancelled at the same time the College is advertising for new students.