



Coast Community College District Enterprise, Inc.

BOARD OF DIRECTORS REGULAR MEETING

October 11, 2018 at 12 noon

BOARD OFFICE CONFERENCE ROOM

1370 Adams Ave., Costa Mesa, CA 92626

MINUTES

I. Call to Order

The meeting was called to order at 12:00 p.m.

II. Roll Call

Present:

David Cline, Regina Blankenhorn, Sharon Donoff, Richard Kapko, and Dr. John Weispfenning

Absent:

Richard Armendariz and Amber Gil

In Attendance:

Trustee Jim Moreno, Janet Houlihan, Candy Lundell, Julia Clevenger, Dana Swart, Paul Wisner, Jane Burton, and Dr. Jack Lipton. Dr. Rich Pagel joined the meeting by teleconference.

III. Opportunity for Public Comment

There were no requests to address the Enterprise Board.

IV. Approval of Minutes from Regular Meeting of July 26, 2018

On a motion by Ms. Blankenhorn, seconded by Sharon Donoff, the Board of Directors voted to approve the minutes of the Regular Meeting of July 26, 2018.

Members Voting Yes:	Ms. Blankenhorn, Ms. Donoff, Mr. Kapko, and Dr. Weispfenning
Members Voting No:	None
Members Abstaining:	Mr. Cline
Members Absent:	Mr. Armendariz and Ms. Gil

V. Report on Board of Directors Positions

Ms. Houlihan reported that the terms of three directors would be expiring on November 12, 2018: Sharon Donoff, David Cline and Richard Armendariz. Mr. Cline and Mr. Armendariz had expressed their interest in re-appointment, however, Ms. Donoff was not seeking re-appointment. Ms. Houlihan indicated that some resumes had been received and would be reviewed by the Enterprise Shareholders at their upcoming annual meeting. The Board thanked Ms. Donoff for her service to the Enterprise Board.

VI. Swap Meet Operations/Construction Update

- a. **Orange Coast College:** Report provided by Julia Clevenger
 - Some challenges because of construction; kinesiology and aquatics would be starting up and preliminary space changes had been made and vendors notified. Student housing construction would also impact swap meet parking. The Conditional Use Permit with the City provided a solid plan to work with.
 - Overall, the swap meet was moving well; Sundays at capacity.
- b. **Golden West College:** Report provided by Janet Houlihan
 - Golden West had been reviewing some protocols and practices, working with Orange Coast College on some minor contract amendments.
 - They were looking at expanding being open on holidays to bring additional revenue.
 - Operations had been smooth, however, there was some frustration from vendors due to the number of events being held on campus affecting swap-meet parking. President McGrath understood the concern and had expressed a desire to work with the swap-meet to manage the events taking place.
 - They were also looking at doing more outreach with swap-meet shoppers who may be able to benefit from classes offered at the campus.

VII. Financial Reports (Combined for GWC and OCC), and Report and Ratification of Staff Board Deliverables per Master Agreement Requirements Sections 8, 10, 11, 13, 20, 22 and 28, and Discussion of Accounting Methodologies

Mr. Swart reported that the financial position as of June 30, 2018 was good, with total assets of over \$1,300,000 and liabilities of \$695,000 of which \$428,000 was due to deferred income. Total equity of \$640,000. For the Statement of Deliverables, total expenses for Item #20 were a little over budget which was due to the class and comp study increases in salaries. Overall, the revenue that was generated for the year was slightly over budget. Total reimbursements going back to the colleges was \$5,585,800. Total expenses were \$6,228,713, property license fee was \$2,100,728, management oversight \$93,471, and personnel costs \$2,973,801. Because we were at the end of year, there were very few purchase orders needing ratification. Total checks written in the amount of \$1,958,325. Mr. Swart noted he would streamline this report more for next year and discussion was made to revise the Statement of Board Deliverables, adding an additional line item.

On a motion by Ms. Donoff, seconded by Chancellor Weispfenning, the Board of Directors requested that the Statement of Deliverables be modified for future reports per the discussion to clarify the bottom line totals.

Members Voting Yes:	Ms. Blankenhorn, Mr. Cline, Ms. Donoff, Mr. Kapko, and Dr. Weispfenning
Members Voting No:	None
Members Abstaining:	None
Members Absent:	Mr. Armendariz and Ms. Gil

On a motion by Mr. Kapko, seconded by Ms. Blankenhorn, the Board voted to have corrections made to the financials for presentation to the Board of Trustees.

Members Voting Yes:	Ms. Blankenhorn, Mr. Cline, Ms. Donoff, Mr. Kapko, and Dr. Weispfenning
Members Voting No:	None
Members Abstaining:	None
Members Absent:	Mr. Armendariz and Ms. Gil

On a motion by Ms. Blankenhorn, seconded by Ms. Donoff, the Board voted to ratify the deliverables as corrected.

Members Voting Yes:	Ms. Blankenhorn, Mr. Cline, Ms. Donoff, Mr. Kapko, and Dr. Weispfenning
Members Voting No:	None
Members Abstaining:	None
Members Absent:	Mr. Armendariz and Ms. Gil

VIII. Discuss, Review and Possible Action on Friday Evening Pilot Program

Ms. Houlihan reported that a meeting had taken place to discuss several different options including a Black Friday event, food truck events, and possibly partnering with Associated Students' movie nights to include vendors. The concern was shared about including bands or music as this could negatively impact the neighbors, specifically at Golden West. Dr. Pagel also commented that the Orange Coast College Conditional Use Permit would have to be considered and research would need to be done with the City. Additionally, both campuses have food contracts that may affect the ability to bring in food trucks.

Information would be put in the invoice packets to see how many vendors would be interested in the Black Friday event. Holiday boutiques were also an option, however, there may not be enough interest this year to cover the cost of staff due to the number of these events already scheduled. The new student housing project was also mentioned and the possibility of interest on the campus in the future. Ms. Houlihan indicated they would work with their promotions department on outreach, and any operational updates would be provided to the Board.

On a motion by Mr. Cline, seconded by Mr. Kapko, the Board voted that it would be at the discretion of Swap Meet management to explore and implement any pilot programs that would not conflict with the Master Agreement or standing agreements the District or colleges have, for the duration of one year.

Members Voting Yes:	Ms. Blankenhorn, Mr. Cline, Ms. Donoff, Mr. Kapko, and Dr. Weispfenning
Members Voting No:	None
Members Abstaining:	None
Members Absent:	Mr. Armendariz and Ms. Gil

IX. Discuss, Review and Possible Action on AP 3600

Ms. Snell gave an overview, noting that the version of BP and AP 3600 presented to the Board included suggestions for updates from Dr. Lipton. These would be going through the regular channels of the District policy sub-committee and would include other constituent suggestions and any updates the external auditor may suggest, and then ultimately to the Board of Trustees for approval/ratification. This was being brought to the Enterprise Board of Directors at this time to inform them of possible changes such as the Conflict of Interest update. In the past, signing of the COI form by the Enterprise Board members had not been documented as being required.

The Compliance Checklist, signed by Dr. Pagel, was being used by the auxiliary organizations to make a self-determination of good standing in compliance with the BP and AP, a full review being required every three years. Ms. Houlihan pointed out that they were working on #15 on checklist with Dr. Baeza and the Chancellor. It was noted by Dr. Lipton that he felt this should be marked "not applicable" instead of "not in compliance".

Dr. Pagel and Ms. Houlihan recommended that a small group review the bylaws and master agreement, and if changes were needed then they would be brought back to January meeting.

Ms. Snell spoke to the code of ethics and conflict of interest. Dr. Lipton clarified that there was no requirement for this Board to submit a Form 700, but rather a simple statement regarding no conflict of interest in respect to the transactions of the Enterprise.

On a motion by Mr. Cline, seconded by Mr. Kapko, the Board voted to have staff develop an appropriate conflict of interest statement that would comply with AB 3600 and Internal Audit intent, and bring this to the January meeting, noting that the form for the Enterprise Corporation did not need to be the same format as the other auxiliary organizations.

Members Voting Yes:	Ms. Blankenhorn, Mr. Cline, Ms. Donoff, Mr. Kapko, and Dr. Weispfenning
Members Voting No:	None
Members Abstaining:	None
Members Absent:	Mr. Armendariz and Ms. Gil

Mr. Cline recommended that the members of the Enterprise Board not be compelled to sign such a conflict of interest form until the revised AP 3600 was finalized.

X. Future Agenda Items

- a. Election of Officers (Chair and Vice Chair)
- b. Review of AP 3600 and Ethics Statement


XI. Meeting Dates

- a. January 10, 2019
- b. April 11, 2019

XII. Adjournment

On a motion by Mr. Cline, seconded by Ms. Blankenhorn, the Board of Directors voted to adjourn the meeting at 1:18 p.m.

Members Voting Yes:	Ms. Blankenhorn, Mr. Cline, Ms. Donoff, Mr. Kapko, and Dr. Weispfenning
Members Voting No:	None
Members Abstaining:	None
Members Absent:	Mr. Armendariz and Ms. Gil



Jane Burton, Secretary of the Enterprise