



**PLANNING & BUDGETING COMMITTEE**

**February 16, 2017**

**1:00 -2:30 P.M.**

**Library 202**

Facilitator: Rory K. Natividad

Notes: Linda M. Olsen

**STATEMENT OF PURPOSE**

The Planning and Budgeting Committee serves as the consultation committee for campus-wide planning and budgeting. The PBC assures that planning and budgeting are integrated and evaluated while driven by the mission and strategic initiatives set forth in the Strategic Plan. The PBC makes recommendations to the President on all planning and budgeting issues and reports committee activities to campus constituencies.

**Strategic Initiative – C – Collaboration**

Advance an effective process of collaboration and collegial consultation conducted with integrity and respect to inform and strengthen decision-making.

**Members**

- |  |  |
|--|--|
| <input type="checkbox"/> William Garcia - Student & Community Adv. | <input type="checkbox"/> Rory K. Natividad - Chair (non-voting)      |
| <input type="checkbox"/> Amy Grant - Academic Affairs              | <input type="checkbox"/> Cheryl Shenefield - Administrative Services |
| <input type="checkbox"/> Ken Key - ECCFT                           | <input type="checkbox"/> Jackie Sims - Management/Supervisors        |
| <input type="checkbox"/> David Mussaw – ECCE                       | <input type="checkbox"/> Dean Starkey – Campus Police                |
| <input type="checkbox"/> Areceli Rodriguez – ASO, Student Rep.     | <input type="checkbox"/> Josh Troesh - Academic Senate               |

**Alternate Members / Support**

- |  |  |   |
|--|--|---|
| <input type="checkbox"/> Babs Atane – Support                | <input type="checkbox"/> Jeanie Nishime – Support            | <input type="checkbox"/> Michael Trevis – Alt. Adm.     |
| <input type="checkbox"/> Janice Ely – Support                | <input type="checkbox"/> Barbara Perez – Support             | <input type="checkbox"/> Vacant – Alt. Ac. Sen          |
| <input type="checkbox"/> Irene Graff – Support               | <input type="checkbox"/> Rebecca Russell - Alt., Ac. Affairs | <input type="checkbox"/> Steve. Waterhouse-Alt.Mgmt/Sup |
| <input type="checkbox"/> Jo Ann Higdon – Support             | <input type="checkbox"/> Andrea Sala – Alt. SCA              | <input type="checkbox"/> Alt. ASO, Student              |
| <input type="checkbox"/> Kristie Daniel-DiGregorio – Support | <input type="checkbox"/> Jean Shankweiler – Support          | <input type="checkbox"/> Luukia Smith – Alt. ECCE       |
| <input type="checkbox"/> Art Leible – Support                | <input type="checkbox"/> Ericka Solarzano - Alt. Police      | <input type="checkbox"/> Susana Prieto – Alt. ECCFT     |

**AGENDA**

- |  |                    |           |
|--|--------------------|-----------|
| 1. Draft Minutes Approval – February 2, 2017 | R. Natividad       | 1:00 P.M. |
| 2. Compton Accreditation Update              | J. Nishime         | 1:10 P.M. |
| 3. College Preview Night                     | W. Garcia          | 1:20 P.M. |
| 4. South Bay Promise                         | W. Garcia /A. Sala | 1:35 P.M. |
| 5. Comprehensive Master Plan                 | I. Graff           | 1:45 P.M. |
| 6. Fiscal Health Risk Analysis               | J. Higdon          | 1:55 P.M. |
| 7. Budget Topics                             | Group              | 2:00 P.M. |
| 8. Budget Book Page 31/32                    | Group              | 2:10 P.M. |

**Next meeting – March 2, 2017**

## Committee Funds and Financial Terms Glossary

General Unrestricted	Fund 11
General Restricted	Fund 12
Compton Center Related Activities	Fund 14
Special Programs Compton Center Partnership	Fund 15
Student Financial Aid	Fund 74
Workers Comp.	Fund 61
Capital Outlay Projects	Fund 41
General Obligation Bond	Fund 42
Property & Liability Self-Insurance	Fund 62
Dental Self-Insurance	Fund 63
Post-Employment Benefits Irrevocable Trust	Fund 69
Bookstore	Fund 51

WSCH =	Weekly Student Contact Hours
BOGFW =	Board of Governors Fee Waiver
FTES =	Full Time Equivalent Students
FTEF =	Full Time Equivalent Faculty
COLA =	Cost of Living Adjustment
OPEB =	Other Post-Employment Benefits
FON =	Faculty Obligation Number

\* A complete list is available in the annual final budget book.

## **Planning and Budgeting Committee 2016-17 Goals**

PBC Goals 2016-17 for discussion:

1. Develop an action plan utilizing the college wide evaluation of planning and budgeting process. The evaluation was conducted last year.
2. Review and approve the Comprehensive Master Plan to ensure that they are:
  - a. Supportive of the Mission and Strategic Plan,
  - b. Integrated with other college planning and budgeting,
  - c. Implementable, and
  - d. Achievable.
3. Evaluate the Strategic Plan including Institutional Effectiveness Outcomes and Strategic Initiative Objectives.
4. Review and improve upon the yearly activity calendar.
5. Provide a professional development opportunity for faculty and classified.
6. Seek evidence of constituent group PBC communications in an effort to improve the understanding of committee efforts throughout the campus.

**EL CAMINO COLLEGE**  
**Planning & Budgeting Committee**  
**Minutes**  
**Date: February 2, 2017**

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**MEMBERS PRESENT**

- |  |   |
|--|---|
| <input type="checkbox"/> William Garcia– Student & Comm Adv.     | <input checked="" type="checkbox"/> Rory K. Natividad – Chair (non-voting)    |
| <input checked="" type="checkbox"/> Amy Grant – Academic Affairs | <input checked="" type="checkbox"/> Cheryl Shenefield–Administrative Services |
| <input type="checkbox"/> Ken Key - ECCFT                         | <input checked="" type="checkbox"/> Jackie Sims -Management/Supervisors       |
| <input type="checkbox"/> Araceli Rodriguez – ASO, Student Rep.   | <input type="checkbox"/> Dean Starkey – Campus Police                         |
| <input checked="" type="checkbox"/> David Mussaw – ECCE          | <input checked="" type="checkbox"/> Josh Troesh - Academic Senate             |

**Other Attendees: Members:** M. Guess (W. Garcia), A. Sala, S. Waterhouse  
**Support:** I. Graff, J. Higdon, J. Nishime, J. Shankweiler  
**Guest:** H. Wong

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The meeting was called to order at 1:04 p.m.

**Announcements** – R. Natividad

1. J. Troesh was present via speaker phone from an off-campus site.
2. Heidi Wong, the new Development Officer for the Foundation was introduced by A. Sala to the committee.

**Approval of the January 19, 2017 Minutes**

1. The minutes were approved as presented to the committee. The minutes will be posted to the website.

**Budget Update** – J. Higdon (handout)

1. For this upcoming year COLA is projected to be at 1.48% and the increase in the base is projected to be at 1.68%. It was noted that community colleges (state-wide) feel they are not receiving their fair share of the Proposition 98 money. Typically the colleges have advocated for an estimated 10.93% but unfortunately in the January budget the figure fell to 10.87% which is a \$45 million difference. This is an area we need to be aware of and keep an eye on each year.
2. On the capital outlay side, they are only approving five projects to be funded at the moment. Fortunately, one of these projects is the Instructional building at Compton. The State has still not stated when they are going to release the state-wide bond money in order for things to move forward. It was noted there are a significant amount of districts in the state that are not growing.

**Foundation Update** – A. Sala

1. It was reported the audit from 2015-16 was just approved. Last year the Foundation awarded 526 scholarships and managed \$1.4 million dollars which included these scholarships as well as the HERSA (Nursing) and other external scholarships. The Foundation distributed over \$1.3 million to campus programs and they processed over \$1.2 million in donations.
2. The Foundation manages 70 division accounts for the college. They control over 100 scholarship accounts which are annual scholarships which come in on a yearly basis. They administered 40 endowed scholarships which are invested and earn interest in order to support and pay the scholarships.

3. For the students the Foundation provides emergency book money and tuition. They also worked with numerous donors last year on estate planning and local businesses to support the school.
4. At the end of the fiscal year 2015/16, the Foundation's assets were valued at \$12.3 million. The assets are structured by having gift annuities (not held in our accounts) and having the Osher Endowment (invested through other vehicles). Investments with all the endowment accounts are valued at about \$8 million. Last year the Osher Endowment and the gift annuities did not do well which did bring down the value of the assets. As of December 31, 2016 the assets are valued at \$12.2 million and the investments are at \$7.9 million. It was reported the return on the investment last year was 95%.
5. It was reported we no longer have the dorms in Torrance. They are still in existence but they are no longer part of our responsibility. An early lease termination was done in October.
6. The 2016-2017 fundraising goals and programs will include the President's Circle, Community Partners, Alumni Outreach and Direct Mail. The Scholarship Program for 2016 awarded over 540 scholarships totaling \$604,000. This continues to be the most popular form of donation to the Foundation. Under direct giving is STEM and Naming Opportunities.
7. A. Sala stated the Foundation is in need of readers and rankers to review the numerous scholarships they have this year. There is an estimate of over 1,000 scholarships to read. Anyone interested was encouraged to contact her. The South Bay Promise is a program which will admit up to a total of 60 students from Inglewood and Centinela Valley school districts. This program will have significant growth in the future, expanding to include students in the entire ECCCD. A presentation on the South Bay Promise will be presented at a future meeting.
8. The Foundation held the 2016 El Camino College Distinguished Alumni Dinner which was a success. Upcoming events will include the Scholarship Awards Ceremony on May 11, 2017 and the President's Circle event on May 12, 2017.

**Enrollment Report** – J. Shankweiler (handout)

1. It was noted on the enrollment report for spring 2017 that as of 25 days until census we are currently at 7,238 projected FTES. At the same time last year we were at 7,078. The goal is 8,100 which looks like an attainable goal.
2. The 2016-17 320 P1 report listed the following:
  - a. Base FTES is reported at 19,539
  - b. Summer 2016 - 610.95
  - c. Fall 2016 – 8,516.18
  - d. Winter 2017 – 830.79
  - e. Spring 2017 – 7,908.18 (projection from last three years)

There will be no borrowing for summer 2017. This totals 17,866.10 which gives us a difference from Base of (1,672.90). It was noted that since we are going into stabilization, this year will be a reset year. The figures from this summer will go into next year.

**Strong Workforce Budget** – J. Shankweiler (handout)

1. It was noted under instructional salaries they are looking at hiring for some reassigned time to help in various parts of the campus such as Admissions, Distance Ed and Public Relations.
2. Programs having some kind of certification were reviewed. We have to show we are offering more or better CTE with the Strong Workforce money. These certification programs give us a solvent way of making this measurement.
3. In review the non-instructional salaries it was noted this is a program worth \$1.5 million. A director for Strong Workforce will be sought for this program as well as some administrative staff and a project specialist.
4. This is just the first year planning for this program. The funds are guaranteed for three years. In March planning will start for year two and three. The first year began in September and the total funding costs amount to \$1,554,414.

5. A suggestion was made to have the students declare in the beginning when they are attempting a certificate. The counselors could be the starting point in helping to assure this declaration takes place. They usually don't declare them until after they have earned them. It was also recognized the process for students to change their major by themselves is cumbersome. Currently students have to make an appointment and see a counselor just to make this change. It was noted that if a student does declare a certificate up front it could interfere with them receiving their financial aid. This will be further looked at in the future. C. Shenefield stated she would check with the Ellucian team she is associated with to see if more than one certificate/program could be declared at the same time.

**PBC Responsibilities / Budget Criteria** – R. Natividad

1. The revisions of the criteria were again reviewed. A correction was given under Communication, first bullet the title should be listed as Superintendent/President. Other suggestions were given as follows:
  - Under Budgeting, first bullet, place the world district before budget proposal.
  - Under Planning, second bullet, add an s to both of the words "request" in that sentence.A final copy reflecting all the changes will be brought back to the next meeting. This will then be forwarded to J. Higdon for inclusion into the budget book, page 32.
2. Information on page 31 will be tabled until next time. J. Troesh sent in a discussion item with increased student and community access to courses and convenience in completing their educational goal. This will give the committee a chance to review the information for next time. It was again noted under the Budget Development Criteria area, #1, I.E. needs to be corrected to e.g. Anyone with further corrections or suggestions were encouraged to send them to R. Natividad.

**Adjournment** – R. Natividad

1. The meeting adjourned at 1:54 p.m. The next meeting will be held on **February 16, 2017** in Library 202.

RKN/lmo



## EL CAMINO COLLEGE FOUNDATION



### College is expensive. We want to help.

Free college enrollment fees\* for high school graduates in the South Bay might sound too good to be true, but that is the goal of the South Bay Promise. Many families in our community see college affordability as a key priority. In addition, creating a college going culture is necessary for economic growth in our community, benefits local businesses and creates a sense of pride in our community.

In the fall of 2018, thanks to the El Camino College Foundation, the South Bay Promise Program will be expanded to all public high schools in the El Camino College District service area. Enrollment fees for South Bay Promise participants will be paid for up to 500 public high school graduates in the District. These Promise students must commit to attend El Camino College in the fall immediately following graduation, enroll full-time, and complete the matriculation steps to help ensure success.

Through the South Bay Promise, students will go from high school directly to El Camino College with their choice of two pathways: transfer to a four-year university or career technical education.

### The College Promise

College Promise programs are initiatives that address the challenge of higher education affordability by offering funding for students to make college attainable. These initiatives also focus on developing a “college going culture” to increase higher education participation and completion rates of the students they serve, and, as a result, create stronger communities (Miller-Adams, 2015).

The California Community College system is the largest higher education system in the country, with 2.1 million students attending 113 colleges. College Promise programs are being developed at a rapid rate to serve the students of our state. The cost of higher education has increased dramatically, becoming less accessible to students of low to middle income families.

### The New South Bay Promise: Coming Fall 2018

El Camino College launched the South Bay Promise in 2014 with two school districts within the El Camino Community College District (ECCCD): Inglewood Unified School

District and Centinela Valley Union High School District. In fall 2017, the South Bay Promise will expand to include Torrance Unified School District. This original South Bay Promise was limited to 30 students from each district. Seeing the excitement and demand for the program, El Camino College is redefining and expanding the program in fall of 2018 to all public high schools in the college district.



*“The South Bay Promise is a really good program. It’s great how our group is in the same classes. It was nice that I didn’t have to stress about paying for my fees, and I got a lot of help from the counselors with my educational plan.”*

— Trevon Dennis,  
South Bay Promise student fall 2015  
Inglewood High School Class of 2015

\*Enrollment fees will be paid for full-time attendance at El Camino College.

## El Camino Community College District Public High Schools

El Segundo High School  
Hawthorne High School  
Inglewood City Honors High School  
Inglewood High School  
Lawndale High School  
Leuzinger High School  
Mira Costa High School  
Morningside High School  
North High School  
Redondo Union High School  
South High School  
Torrance High School  
West High School

## El Camino College Success Cohorts

Athletics  
California Work Opportunity and  
Responsibility to Kids (CalWORKs)  
Cooperative Agencies Resources  
for Education (CARE)  
Extended Opportunity Programs  
& Services (EOPS)  
First Year Experience (FYE)  
Guardian Scholars Program (GSP)  
Honors Transfer Program (HTP)  
Knowledgeable, Engaged, and  
Aspiring Students (KEAS)  
Mathematics, Engineering, Science  
Achievement (MESA)  
Project Success  
Puente Project  
Special Resource Center (SRC)  
Women in Industry & Technology  
(WIT)

## Accessibility. Affordability. Success.

Students who participate in the South Bay Promise will be linked in a cohort so they have an immediate sense of community. Academic counselors are available to provide needed support. Studies have shown that students who belong to a cohort feel a connection to the college and are more likely to succeed.

Providing internships and access to local businesses for South Bay Promise students is provided by the South Bay Workforce Investment Board, a key partner in the program. Students will take field trips to companies in our community to see first-hand the workforce in action.



## Your help will make the difference.

The South Bay Promise needs community sponsorship. Without the support of our local governments and businesses, the program will not succeed. We need to let our students know we believe in their educational dreams and are willing to surround them with the resources it takes to get ahead.

By working together, we will create the college going culture necessary for our South Bay economy to prosper and grow. College access and affordability can be a reality for every high school student in our community. Please join us in making our Promise program a reality. Thank you for your support.

For more information please contact:

Andrea Sala, Executive Director

El Camino College Foundation

310-660-3683

foundation@elcamino.edu

www.elcaminocollegefoundation.org

Robin Dreizler, Director

El Camino College Outreach & School Relations

310-660-3487

rdreizle@elcamino.edu

www.elcamino.edu/sbpromise

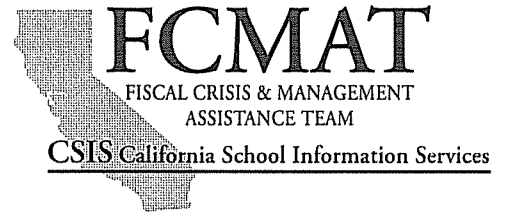


El Camino College, 16007 Crenshaw Boulevard, Torrance, CA 90506

The El Camino Community College District is committed to providing equal opportunity in which no person is subjected to discrimination on the basis of national origin, religion, age, sex (including sexual harassment), race, color, gender, physical or mental disability, or retaliation.

# Fiscal Health Risk Analysis

## Key Fiscal Indicators for Community Colleges



The Fiscal Crisis and Management Assistance Team (FCMAT) has developed this Fiscal Health Risk Analysis for California community colleges as a management tool to evaluate key fiscal indicators that may help measure a community college's risk of insolvency in the current and two subsequent fiscal years.

The presence of any single criteria is not necessarily an indication of a district in fiscal crisis. However, districts that answer "No" to seven or more of the 19 key indicators may have cause for concern and could require some level of fiscal intervention. The more indicators identified, the greater the potential risk of insolvency or fiscal issues. Identifying issues early is the key to success when it comes to maintaining fiscal health. Diligent planning will enable a district to better understand its financial objectives and strategies to sustain a high level of fiscal efficiency. A district must continually update its budget as new information becomes available both from within the district and from other funding and regulatory agencies.

Each of the 19 key indicators below contains several questions. The response given to each key indicator (Yes, No, or N/A) should be approximately the same as that given to a simple majority of its constituent questions.

FCMAT will continue to update this document as additional changes occur in education finance.

Is the district's fiscal health acceptable in the following areas?	Yes	No	N/A
<b>1. Deficit Spending</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Is the district avoiding deficit spending in the current year? . . . . .	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Is the district avoiding deficit spending in the two subsequent fiscal years? . . . . .	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Has the district decreased or eliminated deficit spending over the past two fiscal years? . . . . .	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Is deficit spending covered by fund balance, ongoing revenues, or expenditure reductions? . . . . .	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Has the board approved a plan to eliminate deficit spending? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>2. Fund Balance</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Is the district's fund balance at or consistently above the recommended reserve for economic uncertainty? . . . . .	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Is the fund balance stable or increasing due to ongoing revenues and/or expenditure reductions? . . . . .	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Does the fund balance include any designated reserves for unfunded liabilities or one-time costs above the recommended reserve level? . . . . .	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>3. Reserve for Economic Uncertainty</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Is the district able to maintain its reserve for economic uncertainty in the current and two subsequent years based on current revenue and expenditure trends? . . . . .	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Does the district have additional reserves in other funds? . . . . .	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• If not, does the district's multiyear financial projection include a plan to restore the reserve for economic uncertainty? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>



Is the district's fiscal health acceptable in the following areas?	Yes	No	N/A
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<b>4. Enrollment and FTES</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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- Has the district's enrollment been increasing or stable for multiple years? . . . . .
- Is the district's enrollment projection updated at least semiannually? . . . . .
- Are staffing adjustments for certificated and classified employee groups consistent with the enrollment trends? . . . . .
- Does the district analyze enrollment and full time equivalent students (FTES) data? . . . . .
- Does the district track historical enrollment and FTES data to establish future trends for projection purposes? . . . . .
- Has the district implemented any programs to increase FTES? . . . . .
- Do colleges maintain an accurate record of enrollment and FTES that is reconciled monthly? . . . . .

<b>5. Debt</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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- Does the district have a recent actuarial study and a plan to set funds aside for unfunded liabilities? . *FUNDED* . . . . .
- Does the district maintain low levels of non-voter-approved debt (such as COPs, bridge financing, BANS, RANS and others)? . *NONE* . . . . .
- Is the district conforming to GASB 68 requirements by recognizing and reporting its proportionate share of net liability for pension programs? . . . . .

<b>6. Cash Monitoring</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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- Can the district manage its cash in all funds without interfund borrowing? . . . . .
- If interfund borrowing is occurring, does the district repay the funds within the statutory period in accordance with Education Code Sections 85220 to 85223? . . . . .
- Does the district forecast its cash receipts and disbursements and verify them at least monthly to ensure that cash flow needs are known with plenty of notice? . . . . .
- Does the district have a plan to address short-term cash flow needs? . . . . .
- Are cash balances reconciled to bank statements monthly? . . . . .

<b>7. Bargaining Agreements</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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- Has the district settled the total cost of the bargaining agreements at or under COLA during the current and past three years? . . . . .
- Did the district conduct a pre-settlement analysis, including multiyear projections, identifying ongoing revenue sources or expenditure reductions to support the agreement, as well as the long-term effects on the district? . . . . .
- Did the district correctly identify the related costs above the COLA, (i.e. statutory benefits, step and column)? . . . . .
- Did the district address budget reductions necessary to sustain the total compensation increase, including a board-adopted plan? . . . . .
- Did the chancellor or superintendent/president and CBO verify the affordability of the agreement prior to ratification? . . . . .

Is the district's fiscal health acceptable in the following areas?	Yes	No	N/A
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- Is the governing board's action consistent with the chancellor or superintendent's/president's/CBO's recommendation after verification of affordability? . . .  Yes  No  N/A
- Did the district disclose the costs associated with a tentative collective bargaining agreement before it became binding on the district? . . .  Yes  No  N/A

**8. General Fund**

- Is the percentage of the district's general fund unrestricted budget allocated to salaries and benefits at or under the statewide average? . . .  Yes  No  N/A
- Is the district making sure that only ongoing dollars pay for permanent staff? . . .  Yes  No  N/A
- Does the budget identify future reductions in expenditures proportionate to one-time revenue sources, such as parcel taxes, that will terminate in the current or two subsequent fiscal years? . . .  Yes  No  N/A
- Does the district ensure that parcel tax is not paying for ongoing expenditures? . . .  Yes  No  N/A
- Is the district ensuring that litigation and/or settlements are minimized? . . .  Yes  No  N/A

**9. Encroachment**

- Is the district aware of the contributions to restricted programs in the current year? (Identify cost, programs and funds) . . .  Yes  No  N/A
- Does the district have a reasonable plan to address increased encroachment trends? . . .  Yes  No  N/A
- Does the district manage encroachment in all funds? . . .  Yes  No  N/A

**10. Management Information Systems**

- Is the district's financial data accurate and timely? . . .  Yes  No  N/A
- Are the mandated reports filed in a timely manner? . . .  Yes  No  N/A
- Are key fiscal reports — including those on personnel, payroll and budget — accessible, timely, and understandable? . . .  Yes  No  N/A

**11. Position Control and Human Resources**

- Does the district maintain and use an effective and reliable position control system that tracks personnel allocations and expenditures? . . .  Yes  No  N/A
- Is position control integrated with payroll and the financial system? . . .  Yes  No  N/A
- Does the district control unauthorized hiring? . . .  Yes  No  N/A
- Is the district able to control overstaffing? . . .  Yes  No  N/A
- Are the appropriate levels of internal controls (i.e., checks and balances) in place between the business and personnel departments to prevent fraudulent activity? . . .  Yes  No  N/A
- Is position control reconciled against the budget during the fiscal year? . . .  Yes  No  N/A
- Does the district offer or ensure that staff attend professional development regarding financial management and budget? . . .  Yes  No  N/A

Is the district's fiscal health acceptable in the following areas?	Yes	No	N/A
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**12. Budget Development and Adoption**

- |   |                                     |                                     |                          |
|---|-------------------------------------|-------------------------------------|--------------------------|
| • Is a budget calendar used that contains statutory due dates and the major budget development milestones? . . . . .  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| • Are there clear processes and policies in place to analyze resources and allocations to ensure that they align with strategic planning objectives and that the budget reflects the district's priorities? . . . . . | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| • Is the 50% Law correctly calculated and understood? . . . . .   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| • Are projections for FTES, enrollment, and revenue accurate and reasonable? . . . . .  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| • Is the district decreasing deficit spending and maintaining adequate reserves and fund balance when compared with the prior year? . . . . .   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| • Is the budget developed using a zero-based method rather than being a rollover budget? . . . . .  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| • Does the district use position control data for budget development? . . . . .   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| • Does the budget development process include input from staff, administrators, board and community, as well as the budget advisory committee (if there is one)? . . . . .  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| • Is the tentative budget adopted by the governing board no later than June 30? . . . . .   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |

**13. Multiyear Projections**

- |  |                                     |                          |                          |
|--|-------------------------------------|--------------------------|--------------------------|
| • Is the final budget adopted by the governing board no later than September 15, and is it based on standards and criteria for fiscal stability? . . . . . | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Has the district developed multiyear projections that have reasonable assumptions? . . . . .   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Are projected fund balance reserves disclosed and based on the most reasonable and accurate information available? . . . . .                             | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • At a minimum, are the multiyear projections compiled at budget adoption and at the time of quarterly fiscal status reports? . . . . .                    | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**14. Budget Monitoring and Updates**

- |   |                                     |                          |                          |
|---|-------------------------------------|--------------------------|--------------------------|
| • Are budget assumptions updated throughout the year as updated information becomes available? . . . . .  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Are actual revenue and expenses in line with the most current budget? . . . . .   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Are budget revisions completed in a timely manner? . . . . .  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Does the district openly discuss the impact of budget revisions at the board level? . . . . .   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Are budget revisions made or confirmed by the board at the same time the collective bargaining agreement is ratified? . . . . .                                 | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Has the district's long-term debt decreased from the prior fiscal year? . . . . .   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Are contributions to restricted programs controlled and monitored? . . . . .  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Has the district identified the repayment sources for long-term debt or non-voter-approved debt (e.g. certificates of participation, capital leases)? . . . . . | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Does the district's financial system have a hard-coded warning regarding insufficient funds for requisitions and purchase orders? . . . . .                     | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Is the district's fiscal health acceptable in the following areas?	Yes	No	N/A
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- Does the district encumber salaries and benefits? . . . . .  Yes  No  N/A
- Are the balance sheet accounts in the general ledger reconciled regularly? . . . . .  Yes  No  N/A
- Does the district complete and file its quarterly fiscal status reports within the statutory deadlines and ensure that they are based on standards and criteria for fiscal stability? . . .  Yes  No  N/A

**15. Retiree Health Benefits**  Yes  No  N/A

- Has the district completed an actuarial valuation to determine the unfunded liability under GASB 45 requirements? . *(FUNDED)* . . . . .  Yes  No  N/A
- Does the district have a plan for addressing the retiree benefits liabilities? . . . . .  Yes  No  N/A
- Has the district conducted a re-enrollment process to identify eligible retirees? . . . . .  Yes  No  N/A

**16. Leadership/Stability**  Yes  No  N/A

- Does the district have a chancellor or superintendent/president and/or chief business official who has been with the district more than two years? *NEW PRESIDENT BEGINNING YEAR TWO OF EMPLOYMENT* . . . . .  Yes  No  N/A
- Does the governing board adopt and revise understandable and timely policies and support the administration to ensure implementation? . . . . .  Yes  No  N/A
- Does the chancellor or superintendent/president adopt and revise understandable and timely administrative regulations and ensure that adopted board policies and approved administrative regulations are communicated to staff and followed? . . . . .  Yes  No  N/A
- Does the governing board refrain from micromanaging district administration and staff? . . . . .  Yes  No  N/A

**17. Internal Controls and Annual Independent Audit Report**  Yes  No  N/A

- Does the district implement appropriate measures to discourage and detect fraud? . . . . .  Yes  No  N/A
- Did the district receive an independent audit report without material findings? . . . . .  Yes  No  N/A
- Can the audit findings be addressed without affecting the district's fiscal health? . . . *NO FINDINGS FOR 2015-16* . . . . .  Yes  No  N/A
- Has the independent audit report been completed and presented within the statutory timeline? . . . . .  Yes  No  N/A
- Are audit findings and recommendations reviewed with the board? . . . . .  Yes  No  N/A
- Did the audit report meet both GAAP and GASB standards? . . . . .  Yes  No  N/A

**18. Facilities**  Yes  No  N/A

- Has the district passed a general obligation bond? . . . . .  Yes  No  N/A
- Has the district met the audit and reporting requirements of Proposition 39? . . . . .  Yes  No  N/A
- Has the district met IRS spending timeline compliance requirements for bond monies issued to the district? . . . . .  Yes  No  N/A
- Does the district have sufficient personnel to properly track and account for facility-related projects? . . . . .  Yes  No  N/A
- Does the district prioritize facility issues when adopting a budget? . . . . .  Yes  No  N/A

Is the district's fiscal health acceptable in the following areas?	Yes	No	N/A
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- If needed, does the district have surplus property that may be sold or used for lease revenues? . . . . .  Yes     No     N/A
- If needed, are there other potential statutory options the district can use rather than declaring the property as surplus, such as entering into agreements with some entities for joint use or joint occupancy, per the Education Code? . . . . .  Yes     No     N/A

**19. General Ledger**  Yes     No     N/A

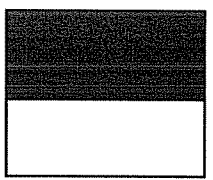
- Does the district record all financial activity for all programs accurately and in a timely manner, ensuring that work is properly supervised and reviewed? . . . . .  Yes     No     N/A
- Has the district closed the general ledger (books) within the time prescribed by the chancellor's or superintendent's/president's office? . . . . .  Yes     No     N/A
- Does the district follow a year-end closing schedule? . . . . .  Yes     No     N/A
- Have beginning balances in the new fiscal year been recorded correctly for each fund from the prior fiscal year? . . . . .  Yes     No     N/A
- Does the district adjust prior year accruals if the amounts actually received (A/R) or paid (A/P) are greater or less than the amounts accrued? . . . . .  Yes     No     N/A
- Does the district reconcile all suspense accounts, including payroll, at the close of the fiscal year? . . . . .  Yes     No     N/A

**RISK ANALYSIS**

1. Total the number of component areas in which the district's fiscal health is not acceptable ("No" responses).

2. Use the key below to determine the level of risk to the district's fiscal health.

<b>0 – 5</b>	<b>6 – 10</b>	<b>11 – 16</b>	<b>17 – 19</b>
Low	Moderate	High	Extremely High



## Budget Development Criteria

The 2016-17 Budget will reflect the goals identified in the El Camino College 2015-20 Strategic Plan. Balance the need for fiscal stability with the educational goals of students.

Costs for operational necessities such as utilities, insurance, regular payroll (including step and column advancement and other negotiable items) will be budgeted and funded prior to identifying monies for priorities developed through the planning process.

Requests are based on needs assessments and/or program review. An augmentation is a one-time addition to the current year budget. Enhancement is an increase to the base budget. Priorities may also be accomplished by redirecting existing funds.

Requests will be funded using one or more of the following guidelines:

1. Maintain current level of revenue produced for the District, e.g., achieving FTES target, outreach activities, grant development.
2. Positively impact institutional effectiveness outcomes.
3. Maintain the integrity of the program.
4. Fulfill legal mandate requirements.
5. Recognize district employees as valued professionals.

## Planning and Budgeting Committee

The Planning and Budgeting Committee (PBC) serves as the consultation committee for campus-wide planning and budgeting. The PBC assures that planning and budgeting are integrated and evaluated while driven by the mission and strategic initiatives set forth in the Strategic Plan. The PBC makes recommendations to the President on all planning and budgeting issues and reports committee activities to campus constituencies.

### Strategic Initiative – C- Collaboration

Advance an effective process of collaboration and collegial consultation conducted with integrity and respect to inform and strengthen decision-making

## Responsibilities

### General

- Annually discuss, develop and review the purpose, goals, responsibilities, and membership of the committee.

### Planning

- Annually review and discuss the current strategic plan and comprehensive master plan, and monitor their implementation.
- Review and discuss prioritized college plan requests for funding, and other aspects of annual planning, ensuring that requests for funding are linked with program review, master planning, or other planning processes.
- Participate in the development and review of the five-year cycle of strategic and master planning.
- Participate, review and make recommendations on the college strategic initiatives.

### Budgeting

- Review and discuss annual preliminary, tentative and final District budget proposals and assumptions, ensuring they support the college's mission and strategic initiatives.
- Review and discuss college revenues and expenditures.
- Review and discuss long-range financial forecasting.

### Communication

- Provide recommendations to the Superintendent/President regarding college planning and budgeting activities.
- Regularly inform the college community of the results of the planning and budgeting process.
- Periodically review and evaluate the effectiveness of PBC communications to the college community.
- Inform the college community of committee goals and responsibilities.

## El Camino College Annual Planning & Budgeting Calendar

<b>Annual Planning Process</b>	<b>Month</b>	<b>Annual Budget Process</b>
College Plan discussion and development (Vice Presidents)	<b>September</b>	Final Budget submitted to Board of Trustees for discussion and approval (Early September meeting)
College Plan published. PBC review & endorsement of College Plan.	<b>October</b>	College Plan finalized and budgeted
Program plans finalized for the next fiscal year (November 15 <sup>th</sup> ) Unit plan (next fiscal year) development commences.	<b>November</b>	
Unit plan (next fiscal year) development	<b>December</b>	
Mid-year updates and evaluations of previous years program/unit/area plans.	<b>January</b>	Governors State Budget Update
Unit plan (next fiscal year) finalization	<b>February</b>	
Unit plans finalized for the next fiscal year (March 15 <sup>th</sup> )	<b>March</b>	
	<b>April</b>	Determine enrollment targets, sections to be taught, and full- and part-time FTEF. Faculty Obligation Number (FON) Vice Presidents jointly determine ongoing operational costs including: 1. Full-time salaries 2. Benefits, Utilities, GASB 3. Legal and contract obligations Develop Line Item Budgets for Operational Areas.
College Plans finalized for next fiscal year (May 15 <sup>th</sup> )	<b>May</b>	May Revise Tentative budget for PBC review, discussion and recommendation
	<b>June</b>	Tentative Budget is presented to the Board.
Final updates and evaluation of annual plan recommendations	<b>July</b>	Tentative Budget is rolled into active status (purchasing can begin)
	<b>August</b>	Final revenue and expenditure adjustments made to budget Final Budget 1 <sup>st</sup> and 2 <sup>nd</sup> review and discussion