

This document will be a continuous list of questions and answers received in connection with the initial El Camino College Town Hall Financial Status presentation on Friday February 16, 2024 and on-going financial status issues. Additional questions can always be sent to the Office of the Vice President Administrative Services / Assistant Superintendent and once received the questions will be added to this document

From Town Hall meeting on February 16, 2024:

1) Good afternoon, will part of this Budget Town Hall allow for Q&A? G. Perez

As stated and noted in the presentation all questions can be input into the Zoom chat and if time allows they will be addressed at the end of the presentation. In addition, a question and answer document will be established and posted on the El Camino College web. Path to this document is Leadership – Administrative Services – Budget Strategies Leadership Group.

2) Are we looking at another hiring freeze like the one in 2008 and if so when would that be taking place? E. Yates

Current administrative leadership does not know of the particulars of a hiring freeze in 2008. However, all hiring has been finitely reviewed since July 1, 2023 and although no hiring freeze has been implemented to date, a significant portion of the expenditures at El Camino College are related to wages and benefits and as a result hiring is a definite expenditure area to realize spending reductions. Any specific hiring freeze or slow down approach will be announced if a formal decision is made in the future.

Update: Per President's statement at the President's meeting on February 22, 2024 if an open position is not filled by the April 2024 Board Meeting the position will not be filled until at least 2024/2025 unless it is critical to current operations.

3) The math is not mathing. V.

Any of the math in the presentation, once the flow of the spreadsheets is understood, calculates correctly. The question/statement needs clarification. If the question is clarified an additional answer will be provided. You are welcome to visit the office of the Vice President Administrative Services / Assistant Superintendent and he will go thru the numbers line by line to further understanding.

4) Will a recording of this be available later? L. George

We will verify if we enabled recording and if we did we will post it in the Budget Strategies Leadership group web page.

5) We are definitely and sadly going to be in the red. Can we please address cost-cutting measures please? <https://calstrs.com/retirement-incentive-program-faq>. G. Perez

College leadership has been addressing spending reductions and revenue enhancements since before the adoption of the 2023-2024 budget. Some reductions, as shown on the presentation spreadsheets, have already been made. However, more significant spending reductions must be made due to State funding deficits and State changes to revenue assumptions that were in place for the 2023-2024 budget development and contract conclusions.

6) Will the school investigate the STRS retirement incentive program as a way to reduce expenditures? K. Hull

Communications have been sent to STRS to clarify if El Camino College is eligible to participate in the STRS early retirement incentive program. The program has eligibility dependent on decisions and filings required prior to January 1, 1999. After initial phone calls we have sent written requests on February 29, 2024 and March 6, 2024. We have not yet received a response from STRS.

7) In the interest of transparency, I request that all questions be answered in a public forum. Today's session only covered historical references. No actionable items mentioned. G Perez

As stated in the presentation overview all questions will be answered dependent upon time available (post presentation fact is most questions were addressed before the end of the scheduled time). In addition, it was stated that a question and answer document will be established and posted after the meeting (as documented herewith). Any additional questions received after the presentation will be documented and answered as an addendum to this document (none received to date). Yes, historical reference information has been provided to help clarify and document historical financial status in addition to the current up to date and actionable information. Current up to date information is actionable.

8) I propose a full audit. V.

El Camino College engages a full independent external financial audit each year. All audits in recent years have been "unmodified" which is the highest level of confidence that an independent auditor can provide. The financial projections that are shown in the audits and each year's budget development starts with and cross references and utilizes the values documented in the financial audit. By definition a full audit is completed each year.

9) What is the savings on remote workers? A. Sargent

Question needs clarification – please clarify in order to provide an answer.

10) Will the Chancellor's Office will be flexible with future deficits due to state budget changes?

There are no indications that the Chancellor's Office would seek to change education code financial requirements and there is no intent to approach our financial affairs in a manner to hope that financial requirements might be changed. Research has not found any instances of the Chancellor's Office seeking to change financial requirements due to state budget changes which is a routine occurrence in California education funding.

11) Forensic Audit G. Perez

Assumption is that this relates to question #8 above.

A forensic audit is a specialization within accounting and is undertaken to examine and evaluate an entity or individuals' financial records to derive evidence used in a legal proceeding or a court of law. A forensic audit is undertaken most often related to issues of fraud and is fairly expensive. As noted above, El Camino College has received unmodified

successful audits in the past and most recent years and there are no indications that a forensic audit would be necessary. If a person feels that fraud is occurring at El Camino College they should immediately report their concerns consistent with Board Policy 7700 Whistleblower Protection

End of questions submitted in the chat during the Town Hall Financial Presentation February 16, 2024.

As of March 6, 2024, no additional questions have been submitted.