

Fiscal Monitor Ken Stoppenbrink's Report to the Chancellor's Office
Communications, Correspondence, and Meetings
January 23, 2021 through February 17, 2021

1. NEGOTIATIONS

NO ACTIVITY

2. INTERNAL AUDIT & PROCESS EVALUATION

NO ACTIVITY

3. MANAGEMENT STRUCTURE

NO ACTIVITY

4. BUDGET DEVELOPMENT

During the budget committee meeting held on February 9, 2021, the committee received a presentation on the 311 Q report previously shared with the Governing Board during their meeting on February 2. There was a discussion and presentation on the Governor's budget and because of that discussion many questions raised. It was determined that the District will need to wait until the May revise and subsequent final budget adopted the legislature to finalize the budget for the College.

Discussion about the multi-year budget as it relates to FCMAT recommendation is not to include funding from center status. Currently the revenue forecast did include these revenue streams but as the Chancellors Office has yet to approve these centers, the revenue needs to be removed from all forecasts.

Discussion on the budget calendar was postponed until the next committee meeting to be held on February 23. Discussion on the current committee meetings times and dates was discussed. It was determined the meetings will be held on the second and fourth Tuesdays of the month, 2:45 p.m. The intent is to provide information to the committee prior to any information going to the board just to ensure that the information is accurate.

5. ENROLLMENT MANAGEMENT

NO ACTIVITY

6. DATA INTEGRITY

The Data Integrity team has initiated a review of written procedures for Management Information Systems (MIS) data file submissions. MIS data files include an array of District data prescribed by the Chancellor's office for submission on a semester or annual basis. Included in this work will be a review of the current data procedures and a description of an annual review plan for ensuring files are reviewed and submitted on time.

7. POSITION CONTROL

NO ACTIVITY

8. PROFESSIONAL DEVELOPMENT

NO ACTIVITY

9. BOARD

During the board meeting held on February 2, there were a number of reports including an update from FCMAT. FCMAT was very happy as to the progress the District has made since the initial report done in 2019. While the progress has been good, there is still a ways to go in order to get out of the woods. FCMAT has found that the team members of the District have been forthcoming with information necessary for FCMAT to provide a progress report to the Chancellors Office. FCMAT addressed all eight recommendations made in 2019 and the progress achieved in all areas. FCMAT pointed out that the team members are working well together, and have a good understanding of the issues they face.

FCMAT did point out that there are still issues with future fiscal years budgets and the challenges that the District is facing with revenue and expenditures not lining up. FCMAT did provide seven areas the District needs to focus on to complete their fiscal imbalance going forward.

1. District needs to establish a three-year goal to reduce total compensation to less than 85% of ongoing revenues. This is currently at 90%; however, when the hold harmless funding expires that number would be at 93.8%.
2. Review an annual report that focuses on the District's level of fiscal resilience. Delineating fixed costs from one-time expenses will serve the district for establishing future budgets.
3. The FON should be no more than 2% of the published minimum from the Chancellors Office. The district has dropped this number but a 2% threshold should be a target and ensure that the 50% regulations are met.
4. Over the next three years achieving the classroom efficiency standard for a district using a condensed calendar identified by the California community college classroom produced the CCCCCO. If not met, then a reduction on overall compensation would be necessary.
5. Perform a five-year trend analysis that compares revenues, classroom efficiency, full-time equivalent personnel, and compensation year to year.
6. Institutional priorities need to be reviewed annually. This provides credibility and transparency to the budget development.
7. Development of realistic revenue and expenditure assumptions that don't rely on funding of the proposed centers if critical. These centers may not reach the state enrollment thresholds needed for funding these should not be placed into the District budget as anticipated revenue.

Additionally, the Governing Board received a report from the Assistant Superintendent/Vice President of Human Resource Services on the diversity of applicants and hires over the past couple of years. A report on the Diversity, Equity and Inclusion work was also provided to the Board. The Board recognized the demonstrated excellent progress towards this awareness.

The Trustees took action to finalize the job announcement for the Superintendent/President position.

The only action item left, which will occur at the special board meeting in two weeks, is whether or not to use an outside agency for some of the recruitment process.

10. OTHER

The FCMAT team presented an update to the trustees during their February board meeting that outlines an additional six areas of concentration for the district to work on. These are listed below and will be reported on as progress is made.

The executive cabinet met on February 16, and I was introduced to the two new Assistant Superintendent/Vice Presidents for Finance and Administrative Services and Human Resource Services.

NEW FCMAT RECOMMENDATIONS

1. ESTABLISH A THREE-YEAR GOAL TO REDUCE TOTAL COMPENSATION TO LESS THAN 85% OF REVENUES

Discussion has been initiated within the College, regarding the difference between tracking total compensation as a percentage of revenues versus tracking total compensation as a percentage of expenditures. As referenced above, when total compensation is compared as a percentage of revenues, the District is currently at 90%, with that number increasing to 93.8% when the hold harmless funding expires. When comparing total compensation as compared to a percentage of expenditures, the District is currently at 89%

2. ESTABLISH AND REVIEW ANNUAL REPORT DESCRIBING DISTRICTS FISCAL RESILIENCE

NO REPORT

3. MAINTAIN FULL-TIME FACULTY OBLIGATION TO NO MORE THAN 2% ABOVE PUBLISHED MINIMUM BY THE CCCC

NO REPORT

4. ESTABLISH THREE-YEAR GOAL TO ACHIEVE CLASSROOM EFFICIENCY STANDARD FOR CONDENSED CALENDAR

NO REPORT

5. ESTABLISH PROCESS TO PERFORM A FIVE-YEAR TREND ANALYSIS COMPARING ONGOING REVENUE, CLASSROOM EFFICIENCY, F.T.E, AND COMPENSATION YEAR TO YEAR

NO REPORT

6. REVIEW ANNUAL LIST OF INSTITUTIONAL PRIORITIES THAT BRING CREDIBILITY AND TRANSPARENCY TO BUDGET DEVELOPMENT

NO REPORT

7. DEVELOP REALISTIC REVENUE AND EXPENDITURE ASSUMPTIONS THAT ARENT RELIED UPON FROM FUNDING OF PROPOSED CENTERS

NO REPORT