

**Fiscal Monitor Ken Stoppenbrink's Report to the Chancellor's Office
Communications, Correspondence, and Meetings
September 1, 2021 through September 30, 2021**

NOVEMBER 2019 FCMAT RECOMMENDATIONS

1. NEGOTIATIONS

Negotiations continue to focus on the impacts of COVID-19 and plans to return to campus. Some recent discussions with the Palomar Faculty Federation (PFF), include additional stipends due to the conversion of additional classes to an online structure. The District aims to complete all COVID-19 related negotiations by the Governing Board meeting on October 5, 2021. The District completed negotiations with PFF on Article 16 – Benefits, and will be proceeding with a focus on working conditions, compensation, and workload over the next several months. Benefits and compensation will also be discussed with the Council of Classified Employees (CCE).

While not labor negotiations per se, it's important to note that handbook revisions will be made with the non-union employee groups (AA, CAST). An initial meeting with AA and CAST Leadership will occur on Wednesday, September 29, 2021. These handbooks have not been updated for several years and this provides an opportunity for the District to work conjunctively, with these employee groups, to provide clarity and revise outdated provisions of the respective handbooks.

2. INTERNAL AUDIT & PROCESS EVALUATION

NO ACTIVITY

3. MANAGEMENT STRUCTURE

NO ACTIVITY

4. BUDGET DEVELOPMENT

Please refer to the board action taken on September 7, 2021 for the budget adoption and the details of those current and future fiscal years.

5. ENROLLMENT MANAGEMENT

The Curriculum Committee at Palomar College is beginning a completion campaign this year. Institutional Research and Planning has provided data on programs that have less than 10 completions over a 5-year period (pre-COVID-19). The deans will be working with department chairs in multiple areas to examine revitalization efforts and/or discontinuation of programs per the discontinuation policy.

6. DATA INTEGRITY

MIS annual submission of awards was prepared and a review of data was performed

prior to submission. The data integrity team continues to review and address MIS data elements. Preparation of the annual student financial aid, student placement, and student assessment files are also in process and will be fully reviewed and validated before submission.

7. POSITION CONTROL

District continues to practice position control with a manual database process. Every position that becomes vacant is reviewed and approved by the Executive Cabinet, confirming sufficient budget to support the position, prior to recruitment of the position. Categorically funded positions also are approved by the Executive Cabinet in the same manner, ensuring the categorical funds can support the cost of salaries and benefits.

8. PROFESSIONAL DEVELOPMENT

NO ACTIVITY

9. BOARD

The board held their regularly scheduled meeting on September 7, 2021. Due to a sound issue, I was unable to hear any report as to action taken in closed session. The board received an overview from Helix Environmental regarding the Athletics project and respective changes to the original CEQA documents that were filed. Due to this review, there was only a need for an addendum to the original CEQA filing vs. having to have a comprehensive report filed.

The Governing Board heard reports from each of the college groups and from the board members themselves.

There were MOU's approved with the Palomar Faculty Federation and Council of Classified Employees.

The board acted to rescind a previous resolution that laid off classified employees as there was funding received and the need to layoff these employees was no longer necessary.

The proposed budget for the fiscal year 2021-22 was presented by Assistant Superintendent/Vice President Borth. The budget shows about \$881,000 less in expenses for wages/benefits that what was originally proposed at the tentative budget. Overall, the expenses are down by \$685,000 from the tentative budget. The ending fund balance increased by about \$285,000. The revenue decreased by about \$400,000. The ending fund balance is about \$30 million, which is about a 22% fund balance. This budget does not include the 17 new faculty members that must be hired by the Fall of 2022, so the District has work to do in order to fund these positions. The fiscal years from 2022 to 2025 will have deficits ranging from \$3.1 million to \$1.5 million, which requires that the fund balances will be decreasing because of the deficit spending;

however, the fund balances are above the Governing Board policy requirements. The budget was approved by the Governing Board.

The quarterly report for the investments was presented and approved. There were a variety of contracts as well as the districts 5-year construction plan that were approved. Three grants from the U.S. Department of Education, were accepted.

The Governing Board finalized their goal and objectives for the current fiscal year.

At a Special Governing Board meeting on September 21, 2021, Dr. Stephanie Droker, President of ACCJC, presented Governing Board member roles and responsibilities as per ACCJC standards. The session provided awareness of valuable information, especially given the fact that new board members have been elected.

After the presentation, the trustees began the process of interviewing four applicants for the Governing Board seat in area 4 that was vacated by Trustee Olson effective September 10. All the applicants were asked the same nine questions and were provided with 25 minutes to answer those questions. The Governing Board had a vigorous and comprehensive discussion on the applicants and the voting produced a final outcome with the selection of Kartik Raju. All the applicants were told that they may all run for the open seat in November 2022 as this appointment was only to fill the balance of the term of the Area 4 Trustee.

10. OTHER

NO ACTIVITY

JANUARY 2021 FCMAT RECOMMENDATIONS

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

Work is in progress to address this recommendation.

2. ESTABLISH AND REVIEW ANNUAL REPORT DESCRIBING DISTRICTS FISCAL RESILIENCE

Work is in progress to address this recommendation.

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

NO ACTIVITY

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

NO ACTIVITY

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

Work is in progress to address this recommendation.

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

The budget development process includes the annual review of priorities included in the Program Review and Planning (PRP) process. Additionally, the multi-year budget includes annual funding for these priorities.

7. DEVELOP REALISTIC REVENUE AND EXPENDITURE ASSUMPTIONS THAT AREN'T RELIED UPON FROM FUNDING OF PROPOSED CENTERS

Assumptions continue to include funding from one center only; funding from proposed centers has been removed from budget assumptions.