



California Community Colleges

ACBO Conference Fall 2021



Fiscal Resources and Data to Support Enrollment and Persistence

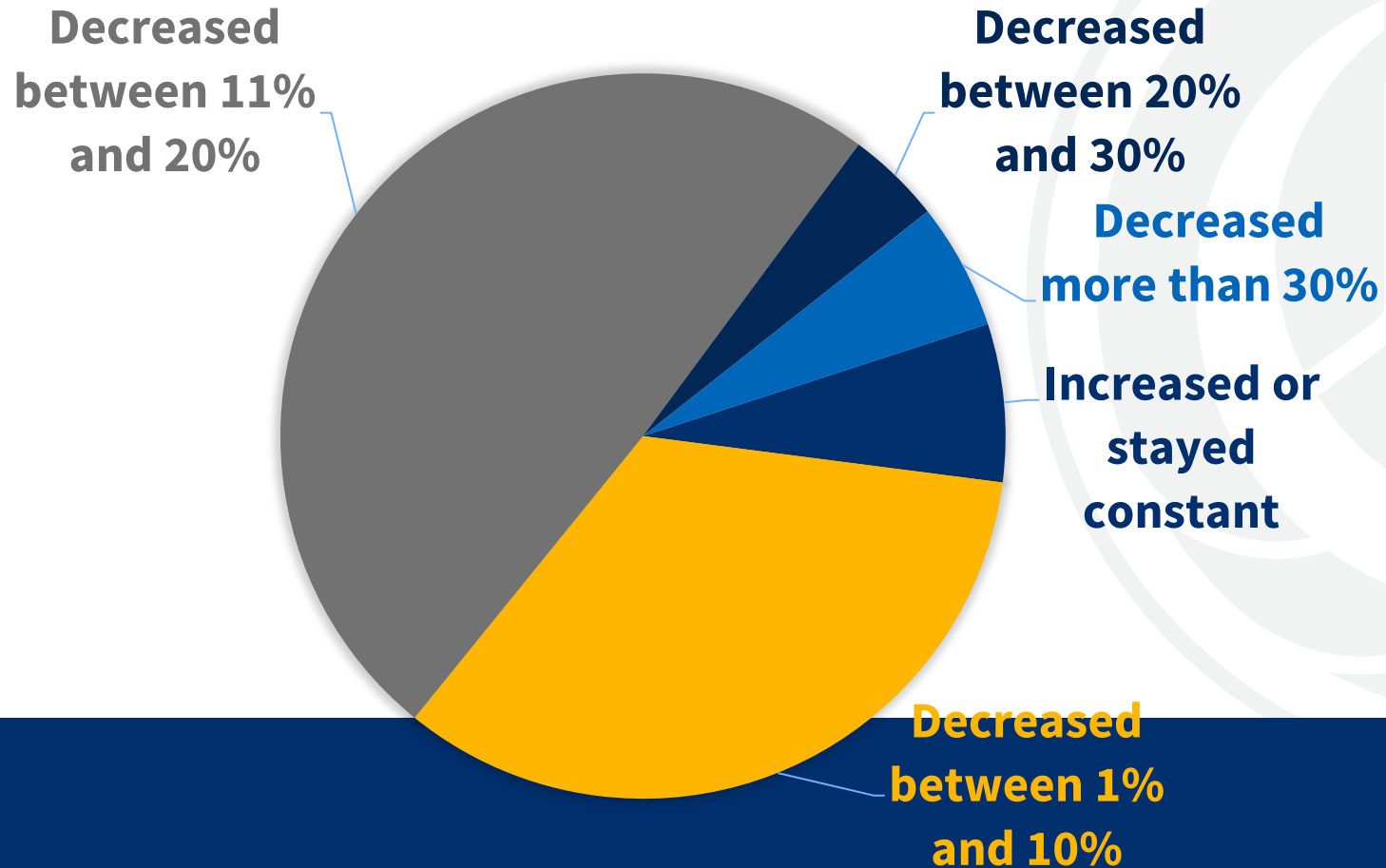
SB 129 Survey : Lecture and Lab Courses

Statewide Data			
	Lecture Courses	Lab Courses	Total Lecture and Lab
Fall 2019	98,068	56,035	155,274
Fall 2020	92,860	44,733	138,586
Fall 2021	89,383	47,038	137,398

Lecture Courses		Lab Courses		Total Lecture and Lab				
Percent Change	Percent Change	Percent Change	Percent Change	Percent Change	Percent Change	Percent Change	Percent Change	Percent Change
2019-2020	2020-2021	2019-2021	2019-2020	2020-2021	2019-2021	2019-2020	2020-2021	2019-2021
-5%	-4%	-9%	-20%	5%	-16%	-11%	-1%	-12%

SB 129 Survey : Change from 2019 to 2021

Lecture and Lab Courses



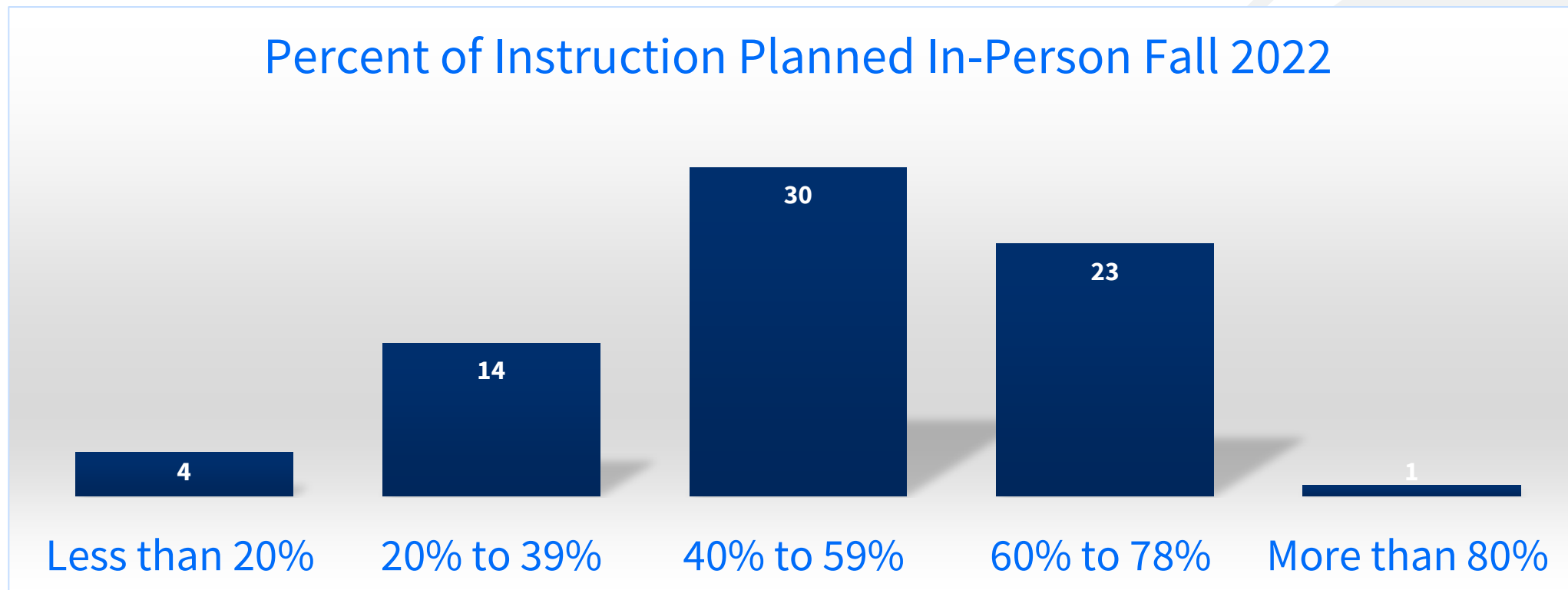
SB 129 Survey : Course Delivery

Statewide Data on Course Delivery			
	Percent In -Person	Percent Online	Percent Hybrid
2019	80%	15%	5%
2020	11%	84%	6%
2021	25%	65%	10%

SB 129 Survey : Course Delivery Plans

- Majority of the community college districts are planning to offer approximately 50 to 75 percent of classes in-person in Spring 2022.
- Large variance across the system with some districts planning to offer 85 percent of classes in-person in Spring 2022, while others plan to offer as low as 10 percent of classes in-person in spring 2022.
- Many districts also implementing a combination of online, hybrid, and HyFlex courses and adjusting instructional modalities based on student needs and enrollment.

SB 129 Survey : Course Delivery Plans





Fiscal Resilience

Sound Fiscal Management Supports the Vision for Success

At the heart of the Board of Governors' fiscal monitoring authority is legislative concern for “efficient and effective use of public funds for the education of community college students.” (Ed. Code § 84040, subd. (a).)

It is for this purpose that the Legislature requires community colleges to adopt “sound fiscal management practices” and “fiscal accountability.” (Ibid.)

Fiscal Forward

Financial Health. The evaluation of fiscal health should not be limited to times of crisis. Training made available for recently appointed chief executive officers and chief business officers.

Governance. While short-term fiscal issues might be attributed to non-governance reasons, the same cannot be said of long-term fiscal issues. Board members have the ultimate responsibility for district solvency.

Accreditation. The accreditation process includes a review of leadership and fiscal management.

Responsibilities of Community College Districts

- Provide for annual audits.
- Report information regarding fiscal condition.
- Maintain compliance with the Principles of Sound Fiscal Management.

Principles of Sound Fiscal Management

Title 5, section 58311

1. Fiscal stability through responsible stewardship of resources
2. Asset management
3. Personnel management
4. Auxiliary activities
5. Org structure establishes responsibility and accountability
6. Governing Board kept informed on fiscal condition
7. Develop and communicate fiscal policies, objectives, procedures, and constraints to the board, staff, and students
8. **Accurate and reliable management information system**
9. Appropriate policies & procedures; Adequate controls
10. Process to evaluate fiscal changes and adjust
11. Short and long-term financial planning, coordinated with educational planning
12. Capital outlay budget consistent with five-year plan

Data Integrity is Critical

The Chancellor's Office relies on district data for statewide reports and to support ongoing advocacy for the system.

Title 5, section 58311:

#8. “Each district will have an adequate management information system that provides

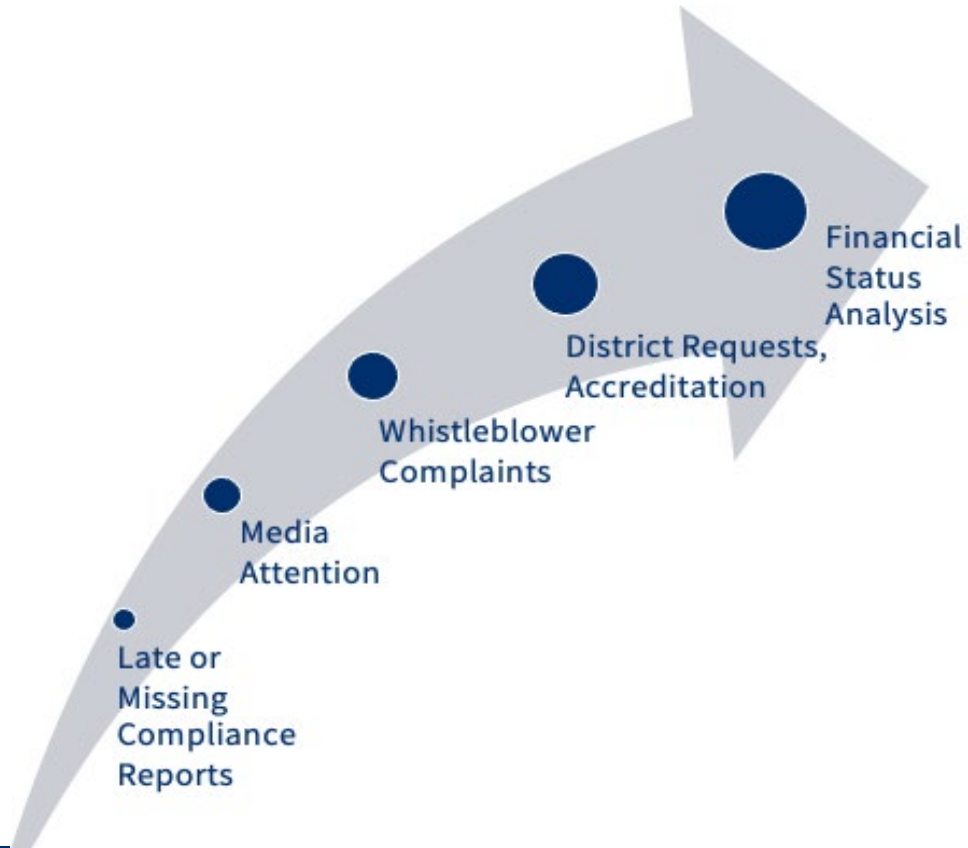
timely,

accurate, and

reliable fiscal information

to appropriate staff for planning, decision making, and budgetary control.”

District Monitoring Triggers and Intervention



Interventions

CFFP Monitoring

District placed on internal monitoring list to evaluate the severity of fiscal risks and options for intervention

Technical Assistance Offered

CFFP reaches out to the District CEO and CBO to discuss identified fiscal risks and offer technical assistance

Fiscal Monitor Assigned

Regular reports on a District's progress toward resolving an identified set of fiscal risks and deficiencies.

Additional Technical Assistance

Additional technical assistance tailored to address defined fiscal risks

District Required Actions

Following minimal progress, the Board of Governors may require explicit actions by in a specific timeline

Special Trustee or Special Trustee Team

Special Trustee(s) appointed to manage a district under defined terms

FCMAT's Fiscal Health Risk Analysis

18 Fiscal Health Indicators

1. Annual Audit Report
2. Budget Development and Adoption
3. Budget Monitoring and Updates
4. Cash Management
5. Collective Bargaining Agreements
6. Intrafund and Interfund Transfers
7. Deficit Spending
8. Employee Benefits
9. Enrollment and Attendance
10. Facilities
11. Fund Balance/Reserves
12. Current Year General Fund
13. Information System/Data Management
14. Internal Control/Fraud Preventions
15. Leadership/Stability
16. Multi-year projections
17. Non-Voter Approved Debt and Risk Management
18. Position Control

Budget Architecture and Development

The Chancellor's Office recommends that districts follow the [Budgeting Best Practices](#) developed by the Government Financial Officers Association (GFOA)

Achieving a Structurally Balanced Budget

- Adopt rigorous policies
- Recurring revenues \geq recurring expenditures
- Transparent budget presentations - identify how revenues are aligned/not aligned with expenditures
- Consider budget projections over time
(Chancellor's Office recommends 5 year projections)

Achieving a Structurally Balanced Budget

	Recurring	Non-Recurring
Revenues	Conservative estimates of portion of revenue that can be relied on for an extended period: <ul style="list-style-type: none">• Property taxes• Local fees• State general apportionment• Other federal/state allocations	<ul style="list-style-type: none">• HEERF and other stimulus revenue• COVID-19 Emergency Conditions Allowance• SCFF One-year stability• SCFF Hold Harmless• Windfall in local revenue
Expenditures	Salaries, benefits, supplies/materials	Capital asset acquisition or projects

GFOA Fund Balance Guidelines

- Establish a formal policy for unrestricted reserves
- Maintain **at least two months** of general fund revenues or expenditures

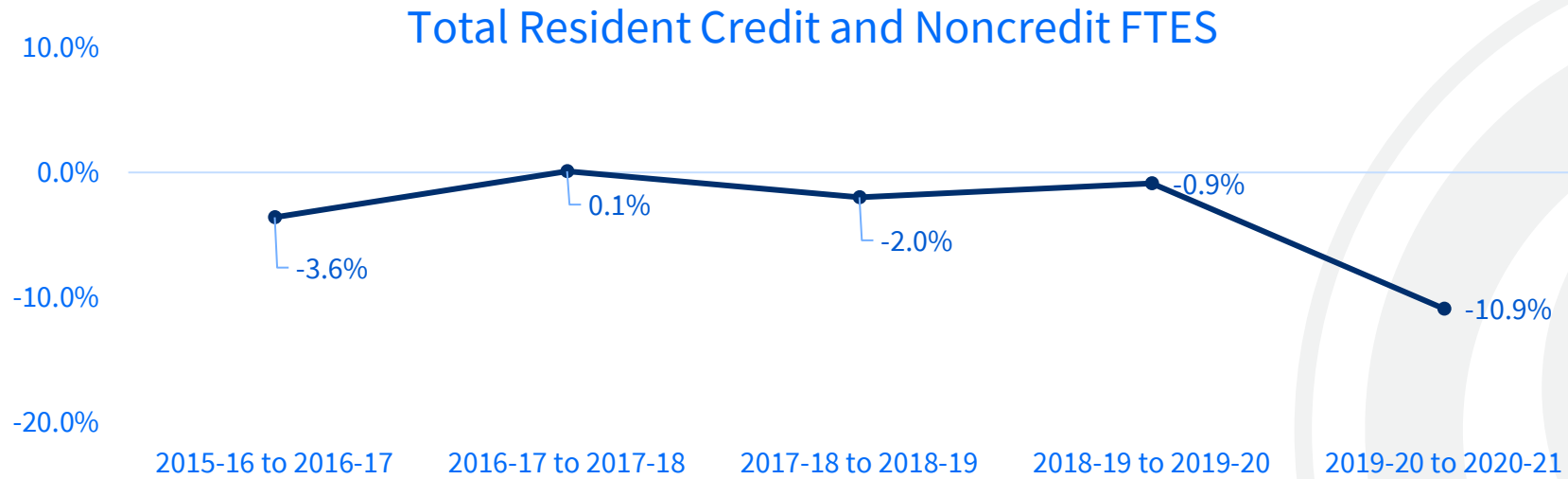
Unrestricted Reserves \geq

2 months of total GF operating expenditures

Fiscal Health Indicators

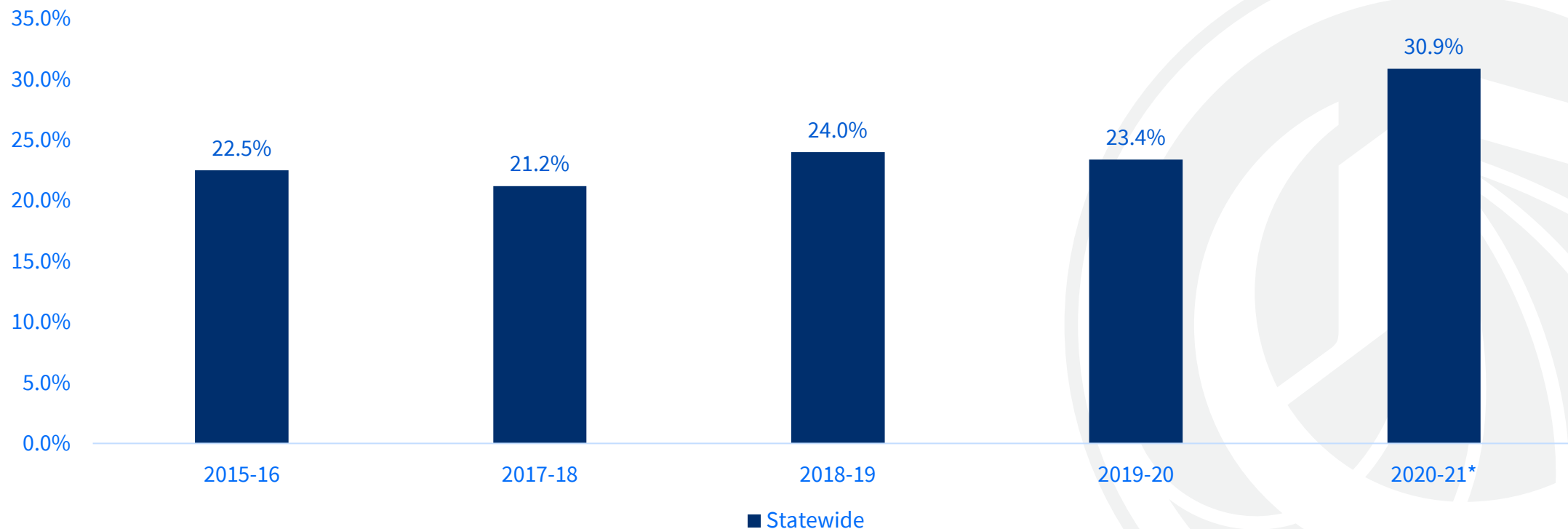


Statewide Enrollment Decline



2020-21 FTES is not yet finalized. CCFS-320 Recal Adjustments are due November 1.

Statewide Unrestricted Reserves



For 2020-21, 6 districts are not yet certified

Salaries and Benefits – Unrestricted General Funds

