

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT BOARD AGENDA
REGULAR MEETING
January 25, 2006
District Board Room
3401 CSM Drive, San Mateo, California

NOTICE ABOUT PUBLIC PARTICIPATION AT BOARD MEETINGS

The Board welcomes public discussion.

- * *The public's comments on agenda items will be taken at the time the item is discussed by the Board.*
- * *To comment on items not on the agenda, a member of the public may address the Board under "Statements from the Public on Non-Agenda Items"; at this time, there can be discussion on any matter related to the Colleges or the District, except for personnel items. No more than 20 minutes will be allocated for this section of the agenda. No Board response will be made nor is Board action permitted on matters presented under this agenda topic.*
- * *If a member of the public wishes to present a proposal to be included on a future Board agenda, arrangements need to be made through the Chancellor's Office at least seven days in advance of the meeting. These matters will be heard under the agenda item "Presentations to the Board by Persons or Delegations." A member of the public may also write to the Board regarding District business; letters can be addressed to 3401 CSM Drive, San Mateo CA 94402.*
- * *Persons with disabilities who require auxiliary aids or services will be provided such aids with a three-day notice. For further information, contact the Executive Assistant to the Board at (650) 574-6550.*
- * *Regular Board meetings are taped; tapes are kept for one month.*

6:00 p.m. ROLL CALL

Pledge of Allegiance

DISCUSSION OF THE ORDER OF THE AGENDA

MINUTES 06-1-1 Minutes of Regular Meeting of the Board of Trustees of December 14, 2005

PRESENTATIONS TO THE BOARD BY PERSONS OR DELEGATIONS

STATEMENTS FROM EXECUTIVES AND STUDENT REPRESENTATIVES

STATEMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS

NEW BUSINESS

- 06-1-2A Approval of personnel actions: changes in assignment, compensation, placement, leaves, staff allocations and classification of academic and classified personnel
- 06-1-3A Hearing of the public of AFSCME's initial reopener proposal to the District for 2005-07, received November 30, 2005
- 06-1-4A Adoption of District's initial response to AFT proposal for contract reopeners, dated October 12, 2005

Approval of Consent Agenda

All items on the consent agenda may, by unanimous vote of the Board members present, be approved by one motion after allowing for Board member questions about a particular item. Prior to a motion for approval of the consent agenda, any Board member, interested student or citizen or member of the staff may request that an item be removed to be discussed in the order listed, after approval of remaining items on the consent agenda.

- 06-1-1CA Declaration of surplus equipment
- 06-1-2CA Approval of 2006-07 budget and planning calendar
- 06-1-3CA Approval of Trustees' Fund for Program Improvement projects for Cañada College and College of San Mateo
- 06-1-4CA Approval of nonresident tuition fee, 2006-07
- 06-1-5CA Approval of construction consultants

Other recommendations

- 06-1-100B Approval of expansion of health services offerings at Cañada College
- 06-1-101B Contract award for physical access controls Phase 1 project, Districtwide infrastructure
- 06-1-102B Approval of payment to PG&E for electrical service system upgrades – College of San Mateo
- 06-1-103B Contract award to Voorhees Group, LLC, for educational planning professional services – Skyline College
- 06-1-104B Receipt and acceptance of the 2004-05 District and KCSM audit reports

INFORMATION REPORTS

- 06-1-2C Update of Facilities Master Plan – Districtwide

STATEMENTS FROM BOARD MEMBERS

COMMUNICATIONS

RECESS TO CLOSED SESSION

1. Closed Session Personnel Items
 - A. Public Employment
Employment: **Cañada College** – Dean, Humanities Division, Office of the Vice President of Instruction; Division Assistant, University Center and Academic Support Services Division; **College of San Mateo** – Dean, Mathematics and Science Division, Office of the Vice President of Instruction; **Skyline College** – Counselor, Counseling/Student Services Division
 - B. Public Employee Discipline, Dismissal, Release
2. Conference with labor negotiator
Agency negotiator: Harry Joel
Employee organizations: AFSCME, AFT, CSEA

CLOSED SESSION ACTIONS TAKEN

ADJOURNMENT

December 14, 2005
San Mateo, California

The meeting was called to order at 6:10 p.m.

Board members present: President Miljanich, Vice President-Clerk Mandelkern, Trustees Hausman, Holober and Schwarz; and Student Trustee Burns

Others present: Chancellor Galatolo; CFO Blackwood (for Executive Vice Chancellor Keller); Vice Chancellor Joel; Cañada Interim President Mohr; CSM Vice President Griffin (for President Kelly); Skyline President Morrow

Pledge of Allegiance

SWEARING IN OF RE-ELECTED TRUSTEES

Judge Joseph Bergeron administered the oath of office to Trustees Hausman and Holober, who had been recently re-elected to four-year terms.

ORGANIZATION OF BOARD OF TRUSTEES

President Miljanich announced that tonight is the annual organizational meeting of the Board to elect officers for the coming year, as required by the Education Code.

Trustee Mandelkern was nominated by Trustee Holober for the office of President. It was moved by Trustee Holober and seconded by Trustee Hausman to elect Trustee Mandelkern to serve as President. The motion carried by a vote of 4-0, with Trustee Mandelkern abstaining.

President Mandelkern called for nominations for Vice President Clerk; Trustee Miljanich nominated Trustee Hausman for the position. It was moved by Trustee Miljanich and seconded by Trustee Schwarz to elect Trustee Hausman to serve as Vice President-Clerk. The motion carried by a vote of 4-0, with Trustee Hausman abstaining.

President Mandelkern called for nominations for the position of Representative of the Board to elect members to the County Committee on School District Organization. Trustee Schwarz nominated Trustee Hausman. It was moved by Trustee Schwarz and seconded by Trustee Miljanich to select Trustee Hausman to serve as Board Representative. The motion carried by a vote of 4-0, with Trustee Hausman abstaining.

Finally, regarding the position of Secretary for the Board, it was moved by Trustee Schwarz and seconded by Trustee Hausman to continue the appointment of Chancellor Galatolo as Secretary for the Board. The motion carried, all members voting "Aye."

RECESS

The Board and guests took a brief recess to enjoy coffee and conversation.

DISCUSSION OF THE ORDER OF THE AGENDA

None

MINUTES

It was moved by Trustee Hausman and seconded by Trustee Schwarz to approve the minutes of the Regular Meeting of November 9, 2005. The motion carried, all members voting "Aye."

PRESENTATIONS TO THE BOARD BY PERSONS OR DELEGATIONS

None

STATEMENTS FROM EXECUTIVES AND STUDENT REPRESENTATIVES

Executive Statements/Reports covering recent activities, events and staff honors at the Colleges and Chancellor's Office were presented by Chancellor Galatolo, Cañada Interim President Mohr, CSM Vice President Griffin (for President Kelly), Skyline President Morrow, and CSM Associated Students President Mario Medina.

Copies of the Executive Statements/Reports were available for distribution at the meeting and are attached to the official minutes of record.

STATEMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS

None

APPROVAL OF PERSONNEL ACTIONS: CHANGES IN ASSIGNMENT, COMPENSATION, PLACEMENT, LEAVES, STAFF ALLOCATIONS AND CLASSIFICATION OF ACADEMIC AND CLASSIFIED PERSONNEL (05-12-1A)

It was moved by Trustee Holoher and seconded by Trustee Hausman to approve the actions in Board Report No. 05-12-1A. The motion carried, all members voting "Aye."

HEARING OF THE PUBLIC ON THE INITIAL PROPOSAL FOR INCREASE IN COMPENSATION, EFFECTIVE JULY 1, 2005, BETWEEN THE DISTRICT AND THE AMERICAN FEDERATION OF TEACHERS (AFT), LOCAL 1493, SUBMITTED TO THE DISTRICT BY AFT, DATED OCTOBER 12, 2005 (05-12-2A)

At 7:35 p.m., President Mandelkern announced that the public hearing was now open for questions and comments. Hearing none, President Mandelkern declared the hearing closed at 7:36 p.m.

APPROVAL OF CONSENT AGENDA (05-12-1CA – 05-12-6CA)

The Consent Agenda consists of the following Board reports:

- 05-12-1CA Declaration of surplus property
- 05-12-2CA Adoption of Resolution No. 05-20 confirming need and updating signature authorization for District bank accounts
- 05-12-3CA Approval of Trustees' Fund for Program Improvement projects – Skyline College
- 05-12-4CA Contract extension for multi-year asbestos abatement projects – Districtwide
- 05-12-5CA Approval to renew electricity agreement with Constellation NewEnergy, Inc.
- 05-12-6CA Appointment of Bond Oversight Committee member

It was moved by Trustee Holoher and seconded by Trustee Hausman to approve the Consent Agenda. The motion carried, all members voting "Aye."

ADOPTION OF DISTRICT ACADEMIC CALENDAR FOR 2006-07 (05-12-1B)

Vice Chancellor Joel noted a minor change to the report. It was then moved by Trustee Holoher and seconded by Trustee Miljanich to adopt the academic calendar for 2006-07 as amended. The motion carried, all members voting "Aye."

APPROVAL OF COMMUNITY SERVICES CLASSES, WINTER/SPRING 2006 - CAÑADA COLLEGE, COLLEGE OF SAN MATEO AND SKYLINE COLLEGE (05-12-2B)

It was moved by Trustee Schwarz and seconded by Trustee Miljanich to approve the Community Services classes to be offered for Winter/Spring 2006, as detailed in the report. The motion carried, all members voting "Aye."

APPROVAL OF CREATION OF 3D ANIMATION & VIDEO GAME ART CERTIFICATE AND AA DEGREE – CAÑADA COLLEGE (05-12-3B)

It was moved by Trustee Holoher and seconded by Trustee Hausman to approved the proposed 3D Animation & Video Game Art program at Cañada College, effective Fall 2006.

In discussion, Cañada Vice President McBride and Dean of Workforce Development Hayes explained that the new program is a natural extension of existing multimedia art and technology programs. They reported that the new certificate and AA degree will allow students to enter the growing field of entertainment/video gaming. They also presented labor market information and described the process by which the need for the program was determined. Board members expressed their interest in the program and in opportunities for partnerships.

Following discussion, the motion passed, all members voting "Aye."

ADOPTION OF RESOLUTION NO. 05-21 OF THE BOARD OF TRUSTEES OF SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT CERTIFYING TO THE BOARD OF SUPERVISORS OF SAN MATEO COUNTY ALL PROCEEDINGS IN THE NOVEMBER 8, 2005 GENERAL OBLIGATION BOND ELECTION (05-12-100B)

It was moved by Student Trustee Burns and seconded by Trustee Holoher to adopt Resolution No. 05-21, certifying to the Board of Supervisors of San Mateo County all proceedings in the November 8, 2005 General Obligation Bond election. The motion carried, all members voting "Aye."

ADOPTION OF RESOLUTION NO. 05-22 DECLARING INTENTION TO REIMBURSE EXPENDITURES FROM THE PROCEEDS OF THE BONDS TO BE ISSUED BY THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT (05-12-101B)

It was moved by Trustee Schwarz and seconded by Trustee Hausman to adopt Resolution No. 05-22, declaring intention to reimburse expenditures from the proceeds of bonds to be issued by the San Mateo County Community College District. The motion carried, all members voting "Aye."

ACCEPTANCE OF GIFTS BY THE DISTRICT (05-12-1C)

The Board received the report, which covered the period from late June 2005 through mid-December 2005.

STATEMENTS FROM BOARD MEMBERS

Board members extended congratulations and appreciation to newly sworn-in Trustees Hausman and Holoher and to the new and outgoing Board officers.

Trustee Schwarz reported on a number of events she had attended, including: the ribbon-cutting ceremony for *College Vista*; retirement functions for Paula Anderson (District) and Jerry Peel (Skyline); Skyline's Automotive Department luncheon; and the ribbon-cutting ceremony at the Mary Meta Lazarus Child Development Center.

Trustee Miljanich reported that she attended the CCLC conference at the end of November, part of which was public honoring of Clair Mack.

Student Trustee Burns reported that he also attended the CCLC conference and was impressed with the interest that was shown about the Bookstore text rental program.

COMMUNICATIONS

Initial proposal for 2005-07 contract between the American Federation of State, County and Municipal Employees, Local 829, and the District, received by the District November 30, 2005

**MEETING OF THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
FINANCING CORPORATION**

CALL TO ORDER

The meeting was called to order at 8:30 p.m.

ROLL CALL

Members present: Dave Mandelkern, Ron Galatolo, Helen Hausman, Kathy Blackwood (for Jim Keller)

Others present: Harry Joel, Shirley Kelly, Tom Mohr, Victoria Morrow, Karen Schwarz

APPROVAL OF MINUTES OF DECEMBER 15, 2004 MEETING

It was moved by Karen Schwarz and seconded by Dave Mandelkern to approve the minutes of the December 15, 2004 meeting of the Corporation. The motion carried, all members voting "Aye."

NAMING OF OFFICERS FOR 2006

Per Article 3, Section 1 of the Financing Corporation By-Laws, the officers of the corporation are described as a President, a Vice President, a Secretary and a Treasurer. Accordingly, the officers of the Corporation are Board of Trustees President Dave Mandelkern (Corporation Board President); Secretary for the Board of Trustees Ron Galatolo (Corporation Board Vice President); Board of Trustees Vice President-Clerk Helen Hausman (Corporation Board Secretary); and Executive Vice Chancellor Jim Keller (Corporation Board Treasurer).

DISCUSSION OF POSSIBLE COP REFINANCE

According to Chief Financial Officer Blackwood, the COP refinance would take place when it makes sense to do so. Such action would be brought to the Financing Corporation Board.

ADJOURNMENT

It was moved by Trustee Schwarz and seconded by Trustee Hausman to adjourn the meeting of the SMCCCD Financing Corporation. The motion carried, all members voting "Aye. The meeting of the Corporation adjourned at 8:40.

BOARD OF TRUSTEES RECESS TO CLOSED SESSION

1. Closed Session Personnel Items
 - A. Public Employment
 1. Employment: Cañada College – Faculty Coordinator, University Center and Academic Support Services Division; **College of San Mateo** –Financial Aid Technician, Admissions and Records Division; Office Assistant II, Student Services/Counseling Division; **Skyline College** – Project Director, Planning, Research and Student Success Division; **District** – Staff Assistant, Executive Vice Chancellor’s Office; Custodian, Facilities Planning and Operations Department
 2. Post-Retirement Contract Cañada College - (2) Business and Workforce Development Division
 - B. Public Employee Discipline, Dismissal, Release

2. Conference with labor negotiator
Agency negotiators: Harry Joel
Employee organizations: AFSCME, AFT, CSEA

RECONVENE TO PUBLIC SESSION

CLOSED SESSION ACTIONS TAKEN

President Mandelkern reported that, during the Closed Session just concluded, the Board considered the personnel items listed on the printed agenda and voted 5-0 to approve the actions in Board Report 1-A and 1-B. He also stated that the Board discussed collective bargaining matters with Chief Negotiator Joel; no action was taken.

ADJOURNMENT

It was moved by Trustee Schwarz and seconded by Trustee Hausman to adjourn the meeting. The motion carried, all members voting "Aye." The meeting adjourned at 9:35 p.m.

The next meeting of the Board will be a Study Session on January 11, 2006 beginning at 6:00 p.m. in the District Board Room.

The next Regular Meeting of the Board will be on January 25, 2006 beginning at 6:00 p.m. in the District Board Room.

Submitted by

Ron Galatolo
Secretary

Approved and entered into the proceedings of the January 25, 2006 meeting.

Helen Hausman
Vice President-Clerk

BOARD REPORT NO. 06-01-2A

TO: Members of the Board of Trustees
 FROM: Ron Galatolo, Chancellor-Superintendent
 PREPARED BY: Harry W. Joel, Vice-Chancellor,
 Human Resources and Employee Relations, (650) 358-6767

APPROVAL OF PERSONNEL ACTIONS

Changes in assignment, compensation, placement, leaves, staff allocations and classification of academic and classified personnel:

A. Reassignment

Cañada College

- 1. Jeanne Gross** Dean, Academic Support Services University Center and Academic Support Services Division

Reassignment from Interim Dean, Academic Support Services, effective January 3, 2006, replacing Phyllis Lucas-Woods who was promoted to Vice President of Student Services.

B. Changes in Staff Allocation

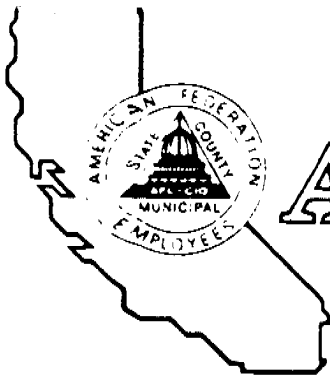
College of San Mateo

1. Recommend approval of the change in staff allocation to increase one Program Services Coordinator position (4C0348 – last incumbent Beverley Madden) at the Office of the Vice President of Student Services from 65% of full-time to 100% of full-time, effective February 1, 2006. The increase will meet the additional work load required.

C. Short-Term, Non-Continuing Assignments

The following is a list of requested classified short-term, non-continuing services that require Board approval prior to the employment of temporary individuals to perform these services, pursuant to Assembly Bill 500 and its revisions to Education Code 88003:

<i>Location</i>	<i>Division/ Department</i>	<i>No. of Pos.</i>	<i>Date Start</i>	<i>Date End</i>	<i>Services to be performed</i>
1. CSM	Math /Science	1	01/26/2006	05/30/2006	Instructional Aide I; to assist with student tutoring and to help students with their assignments.



District Council 57
AFSCME
AFL-CIO

Sacramento Office

555 Capitol Mall, Suite 1225
Sacramento, California 95814
(916) 441-0833
(800) 858-0442
(916) 441-0842 FAX

November 30, 2005

Confidential

TO: Ron Galatolo, Chancellor
San Mateo County Community College District

FR: Felix Mario Huerta Jr. *F M Huerta*
AFSCME Council 57, Local 146, AFL-CIO, Business Agent and Chief
Negotiator

RE: Contract Proposals for the 2005-2007 Collective Bargaining Agreement between
the American Federation of State, County and Municipal Employees Local 829
and The San Mateo County Community College District

Dear Mr. Ron Galatolo:

Enclosed you will find AFSCME's proposals for bargaining between the Union and the District. Please forward these proposals to the Board of Trustees to begin the process of contract negotiations.

BOARD REPORT NO: 06-1-4A

TO: Members of the Board of Trustees
FROM: Ron Galatolo, Chancellor-Superintendent
PREPARED BY: Harry Joel, Vice Chancellor Human Resources (358-6767)

**ADOPTION OF DISTRICT'S INITIAL RESPONSE TO AFT PROPOSAL FOR
CONTRACT REOPENERS, DATED OCTOBER 12, 2005**

The present contract between the District and AFT Local 1493 provides for reopening wage and benefits as well as additional non-monetary issues as identified.

Staff proposes no change to the current agreement. Staff also recommends that the Board hold a public hearing, as required by the Educational Employment Relations Act, at the next regularly scheduled Board meeting.

RECOMMENDATION

It is recommended that the Board of Trustees accept the District's initial proposal to AFT Local 1493 and hold a public hearing of the proposal at the next regularly scheduled Board meeting.

BOARD REPORT NO 06-1-1CA

TO: Members of the Board of Trustees
FROM: Ron Galatolo, Chancellor-Superintendent
PREPARED BY: Rick Bennett, Director of General Services & Bob Domenici, Senior Buyer

DECLARATION OF SURPLUS PROPERTY

In accordance with Education Code Sections 81450 and 81452, property that becomes surplus to the needs of the District will be declared as such by the Board with the method of disposal dictated by the value of this property. Board policy (Section 8.02, District Rules and Regulations) delegates the disposal, in compliance with State or local laws and regulations, to the Chancellor, Associate Chancellor, or designee.

As the Capital Improvement Program progresses, the volume and variety of surplus continues to grow the Colleges have identified miscellaneous equipment that is surplus to the District's needs:

- Computers, monitors, printers rack mounts, postal machine, cash registers, scanner, desktop bindery, protection guard, infrared camera and heat seal machine from San Mateo College
- Outdated computers and monitors from Skyline College

A complete listing of this equipment follows the board report. As always, the General Services Department is committed to handling this surplus in an efficient manner. The Department anticipates that local area educational institutions, non-profits, or agencies will be able to use the District's surplus equipment at the least cost to the District and the Colleges. The District is committed to handling electronic waste in a responsible manner and if we cannot sell or donate our old computers, a responsible recycler connected to the California Electronic Waste program will be employed to recycle our surplus.

RECOMMENDATION

The District recommends that the Board of Trustees declare the items specified on the attached list surplus to the mission of the District and the Colleges.

Surplus Items

Quantity	Campus	ITEM DESCRIPTION	ESTIMATED VALUE	Disposition Plan
24	CSM	Apple Computer	900	To be sold
15	CSM	Monitors	\$0	To be recycled
8	CSM	Printers	\$0	To be recycled
5	CSM	Audio rack mount	\$0	To be recycled
1	CSM	Postal machine	\$0	To be recycled
4	CSM	Bookstore cash registers	0	To be recycled
1	CSM	Apple scanner	\$0	To be recycled
1	CSM	Desktop bindery	\$0	To be recycled
1	CSM	Protection guard	\$0	To be recycled
1	CSM	Heat seal machine	\$0	To be recycled
1	CSM	Flir Infrared Camera	\$6000	To be sold
4	Skyline	USM computers	\$0	To be recycled
4	Skyline	Monitors	\$0	To be recycled

BOARD REPORT NO. 06-1-2CA

TO: Members of the Board of Trustees
FROM: Ron Galatolo, Chancellor-Superintendent
PREPARED BY: Kathy Blackwood, Chief Financial Officer, 358-6869

APPROVAL OF 2006-07 BUDGET AND PLANNING CALENDAR

The budget development process for 2006-07 requires formulation of a budget calendar. The 2006-07 calendar, which was developed in consultation with the Committee for Budget and Finance (a subcommittee of the District Shared Governance Council in matters relating to finance), is attached.

The calendar provides timelines for planning, discussions and decisions by the Board, and concludes with adoption of the Final Budget for 2006-07 on September 13, 2006.

RECOMMENDATION

It is recommended that the Board of Trustees approve the attached 2006-07 Budget and Planning Calendar.

Budget and Planning Calendar, 2006-07

Date	Campus & District Review/Action	Committee for Budget and Finance Consultation	Board Review/Action
September	Campuses Finalize Spring 2006 Schedule of Classes		
November – December		Review of Budget and Planning Calendar, discussion of budget strategies and resource allocation, and budget development process	
January 10 January	Chancellor's Council review/revise draft of Budget and Planning Calendar and budget development process; discussion of Governor's Budget; District revenue/expenditure implications.	Governor's Budget Proposal	Approval of 2006-07 Budget and Planning Calendar, review of Governor's Budget, review of State and District revenue and expenditure implications, and discussion of program and operational priorities.
January/ February	Chancellor's Council discussions of budget strategies and allocations. Approve resource allocation and incentive recommendations.	Continuing discussion of State budget and District revenue/expenditure options.	Board policy discussions/decision regarding budget adjustments which impact existing positions.
February February	Campuses Finalize Summer Session 2006 Schedule of Classes	Legislative Analyst's Office Review of Governor's Proposed Budget	Review of preliminary District revenue assumptions and expenditure plans.
February/ March	Discussion of budget priorities at Colleges and with Chancellor's Cabinet.	Review of 2005-06 Mid-Year Budget Report	Review of 2005-06 Mid-Year Budget Report
March	Campuses Finalize Fall 2006 Schedule of Classes	Review of Board budget priorities and Districtwide allocations (inform DSGC at its next meeting).	Review/approval of 2006-07 budget priorities and Districtwide allocations.
April			Budget workshop with Board; review budget assumptions for Tentative budget.
May 12	Site Tentative Budgets completed. Work resumes to develop final budget after tentative budget is loaded.		
Mid-May May	Review of Governor's May Revise	Governor's May Revise Review of Governor's May Revise (inform DSGC at its next meeting).	Governor's May Revise; budget priorities, goals and objectives.

<u>Date</u>	Campus & District Review/Action	Committee for Budget and Finance Consultation	Board Review/Action
June	District Office completes budget input and prepares Tentative Budget document	Review of 2006-07 Tentative Budget	Adoption of 2006-07 Tentative Budget and 2006-07 Gann Limit.
June 28			
June-August	Final adjustments to budget are made.	Enactment of 2006-07 State Budget Legislative Trailer Bills	
July			
August			
August	2005-06 books are closed. District Office completes budget input and prepares Final Budget document.		
Sept. 13			Public Hearing/Adoption of 2006-07 Final Budget.

BOARD REPORT NO. 06-1-3CA

TO: Members of the Board of Trustees

FROM: Ron Galatolo, Chancellor-Superintendent

PREPARED BY: James W. Keller, Executive Vice Chancellor, 358-6790

**APPROVAL OF TRUSTEES' FUND FOR PROGRAM IMPROVEMENT PROJECTS
FOR CAÑADA COLLEGE AND COLLEGE OF SAN MATEO**

On September 14, 2005, the Board of Trustees approved a special appropriation for the Trustees' Fund for Program Improvement, set at the same level as in prior years, or \$50,000 (Board Report No. 05-9-101B). Additionally, \$43,996 was carried over to continue programs committed in prior years but not completed by June 30, 2005. The total 2005-06 allocation and 2004-05 carryover has been allocated as follows:

	05-06	04-05	Total Funds
	Allocation	Carryover	Available
Cañada College	11,652	11,937	23,589
College of San Mateo	22,628	13,652	36,280
Skyline College	<u>15,720</u>	<u>18,407</u>	<u>34,127</u>
Total	\$50,000	\$43,996	\$93,996

The total funding available for ongoing and new proposals in 2005-06 is \$93,996.

Attached as Exhibit A are descriptions of new proposals submitted for 2005-2006 by College of San Mateo totaling \$10,075.99 and by Cañada College totaling \$6,945.

RECOMMENDATION

It is recommended that the Board of Trustees approve the projects submitted by College of San Mateo in the amount of \$10,075.99 and Cañada College in the amount of \$6,945, as described in the attached exhibit, for Trustees' Fund for Program Improvement support.

**College of San Mateo
Trustees Fund for Program Improvement**

Project Title: Media Enhanced Presentation for High School Outreach
Contact Person: Steve Morehouse
Budget Total: \$ 3,119.28
Abstract:

The High School Relations Program is a part of the College's comprehensive counseling outreach and recruitment program that is designed to provide information to high school students, their parents and high school counselors/teachers/support staff about the opportunities at College of San Mateo. This project will fund the purchase of a projector, portable viewing screen, and presentation software and supplies to effectively present quality information at college fairs, high school campus college nights, college application workshops, and other forums. The High School Outreach program reaches 6,000 students each year. This project will greatly enhance the ability of the College to attract new students.

Project Title: Digitizing the CSM Photography Department's Slide Library
Contact Person: Richard Lohmann
Budget Total: \$ 3,456.71
Abstract:

This project will fund the work needed to scan and digitize the collection of outstanding student images. The images have been shot since 1981. The images help clarify assignments and encourage students to create their own powerful images. The CSM photo library is one of our most important teaching assets and as such it needs to be digitized for more effective use as a teaching tool. The images will be used in PowerPoint presentations in the classroom and viewed on the web. Student access to these wonderful images will be increased and student learning is expected to increase.

Project Title: Design and Develop Basic Chinese Course Online
Contact Person: Jing Wu
Budget Total: \$ 3,500
Abstract:

The demand for Chinese language learning is increasing both from CSM students and from our community. The Chinese language courses offered at CSM have drawn attention from traditional students and non-traditional students. Students request that Elementary Chinese I be offered on line to accommodate busy schedules. This project will begin the development of Chinese language courses for online instruction. The flexibility of the online course will help more students to acquire Chinese language.

Cañada College
Trustees Fund for Program Improvement

Project title: Multimedia Industry partnership
Project Director: Jean Mecorney
Project Amount: \$3446.00

The Multimedia Art and Technology Program at Cañada College began in fall 1998. The current program meets the needs of students interested in both Graphic and Web Design with the granting of certificates and an AA degree.

Our current need is to build and equip a new lab with a higher level of computer and additional software. We are proposing the development of a partnership with local video gaming and film animation companies. We want to develop this relationship to the benefit of the campus, students, the community, and local industry. This new lab and program expansion will assist our additional goal of creating internships and potential part time and full time employment for our students enrolled in the Multimedia Department.

Project title: Student Learning Outcomes Task Force, Stage 1
Project Director: Raymond M. Lapuz
Project Amount: \$3499.00

The Student Learning Outcome and Assessment Cycle at Cañada College needs faculty leaders to identify Student Learning Outcomes (SLO's) in their courses and programs so that the students will be clear in identifying what they need to know when they finish a course or program. In addition, our College needs to be prepared for the upcoming Accreditation visit. The new standards explicitly state progress toward articulating Student Learning Outcome and Assessments. Although Cañada has begun conversations about Student Learning Outcomes, we have only touched on the surface. We need to extend Student Learning Outcome on the institutional level. A task force of committee faculty members will lead this endeavor and be compensated for taking responsibility in developing and articulating Student Learning Outcomes in their disciplines. By participating in this project, faculty can become leaders, train other colleagues, and become advocates of the Student Learning Outcome and Assessment Cycle.

BOARD REPORT NO. 06-1 4CA

TO: Members of the Board of Trustees
 FROM: Ron Galatolo, Chancellor- Superintendent
 PREPARED BY: James W. Keller, Executive Vice Chancellor, 358-6790

APPROVAL OF NONRESIDENT TUITION FEE, 2006-07

Education Code Section 76140 requires community college districts to establish the nonresident tuition fee for the forthcoming fiscal year no later than February 1st and also prescribes the basis for determining the fee. San Mateo County Community College District's fee for the 2005-06 fiscal year was \$169 per semester unit (Board Report No. 05-1-CA). For 2006-07, the Administration recommends a fee of \$175 per semester unit, based on the "contiguous district" method prescribed by the Education Code.

Additionally, Education Code Section 76141(a) allows a district to levy a capital outlay recovery fee on students who are residents as well as citizens of a foreign country. The maximum fee is determined by dividing the amount actually expended for capital outlay in the prior year by the total FTES (full-time equivalent students). The maximum 2006-07 District capital outlay fee is calculated at \$85 per semester unit. District Administration recommends that a \$7.00 fee be imposed for 2006-07. The recommended base fee of \$175 plus the recommended capital outlay fee of \$7.00 are in line with the 2005-06 4.23% State COLA.

For comparison purposes, the tentative 2006-07 rates for other local community college districts are shown below:

<u>District</u>	Tentative Non-Resident Tuition Fee Per Unit	Additional Capital Outlay Charge
Cabrillo CCD	174	4
Foothill-DeAnza CCD	160	11
San Jose / Evergreen CCD	177	0
West Valley-Mission CCD	160	5

RECOMMENDATION

It is recommended that the Board set the 2006-07 nonresident student tuition fee at \$175 per semester unit. It is recommended further that the Board levy a capital outlay recovery fee of \$7 per semester unit and that no exemptions be made for foreign students or for students enrolled in six units or less, bringing the total nonresident fee to \$182 per semester unit for 2006-07.

BOARD REPORT NO. 06-1-5CA

TO: Members of the Board of Trustees
 FROM: Ron Galatolo, Chancellor-Superintendent
 PREPARED BY: José D. Nuñez, Executive Director, Facilities Planning & Operations, 358-6836

APPROVAL OF CONSTRUCTION CONSULTANTS

During the course of each year, the District retains various construction consulting services, including engineers, architects and other specialists. The professional services required by the District are temporary or specialized in nature and are not provided by District employees. Services provided include architectural, engineering, construction testing and inspection, environmental, documentation for construction planning as required by the State Chancellor's office, and construction-related legal services.

A total for the proposed firm is shown adjacent to the firm's name, and the expected cost and funding source is indicated for each type of service. Monetary sources for construction consultant services include general obligation bond funds, State scheduled maintenance funds, State hazardous materials program funds, State funds approved for capital outlay projects, and a small portion of District funds.

FF&E Procurement and Relocation Management Services

RMA	\$	1,000,000	(Bond/State)
Project Programming, and Furniture, Fixtures and Equipment Procurement and Planning			
Transitions	\$	200,000	(Bond/State)
Relocation Management Services			

Environmental Consulting Services

Signet Testing	\$	400,000	(Bond/State/Local)
Environmental Testing and Hazardous Abatement Design			
The Denali Group	\$	200,000	(Bond/State/Local)
Environmental Testing and Hazardous Abatement Design			

Geotechnical Consultant Services

Lowney Associates Geotechnical Testing	\$	250,000	(Bond/State/Local)
American Soil Technologies Geotechnical Testing	\$	250,000	(Bond/State/Local)
Ninyo & Moore Geotechnical Testing	\$	250,000	(Bond/State/Local)

TeleData Consulting Services

TeeCom Design Group Teledata, Security and Access Controls Consulting Services	\$	500,000	(Bond/State/Local)
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Acoustic Consulting Services

Charles M. Salter Acoustic Consulting Services	\$	35,000	(Bond/Local)
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Architectural Services

Noll & Tam Architectural Services	\$	1,000,000	(Bond/State/Local)
The Steinberg Group Architectural Services for Skyline College's Building 7 Allied Health Renovation and Districtwide Master Planning Architectural Services (see Board Report 06-1-2C)	\$	1,500,000	(Bond/State/Local)
Kate Keating & Associates Wayfinding Signage Design Services	\$	50,000	(Bond/State/Local)

Roofing and Waterproofing Consulting Services

Allana, Buick & Bers, Inc. Roofing and Waterproofing Consulting Services	\$	100,000	(Bond/State)
Applied Materials (Hirsch) Roofing and Waterproofing Consulting Services	\$	100,000	(Bond/State)

Structural Engineering Services

Rinne & Peterson Structural Engineering Consulting & Peer Review Services	\$	20,000	(Bond/State)
Degenkolb Engineers Structural Engineering Consulting & Peer Review Services	\$	50,000	(Bond/State)
Forell/Elsesser Engineers, Inc Structural Engineering Consulting & Peer Review Services	\$	50,000	(Bond/State)

Civil Engineering Services

Sandis Civil Engineering Services	\$	1,000,000	(Bond/State/Local)
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Mechanical, Electrical and Plumbing Engineering Services

Alfa Tech, Inc. Mechanical, Electrical and Plumbing Consulting Services	\$	150,000	(Bond/State/Local)
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Food Service Consulting Services

Patrick Stein & Associates Food Service Consulting Services	\$	35,000	(Bond/Local)
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Risk Management Consulting Services

Neil Butterbaugh Risk Management and Insurance Claim Consulting Services	\$	50,000	(Bond)
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Sustainability Consulting Services

Simon & Associates Green Building Sustainability Consulting Services	\$	50,000	(Bond)
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RECOMMENDATION

It is recommended that the Board of Trustees approve construction consultant services for 2005-06, as detailed above, in an amount not to exceed \$ 7,240,000.

BOARD REPORT NO. 06-1-100B

TO: Members of the Board of Trustees
FROM: Ron Galatolo, Chancellor-Superintendent
PREPARED BY: Phyllis Lucas-Woods, Vice President Student Services, 306-3234

**APPROVAL OF EXPANSION OF HEALTH SERVICES OFFERINGS
AT CAÑADA COLLEGE**

Cañada College has an opportunity to augment services in its Health Services Program by entering into a partnership with Planned Parenthood Golden Gate (PPGG) whereby PPGG will provide individual sexual and family planning education to Cañada students, at no cost, using the Cañada Health Center facility. For a minimum of two (2) hours per week, PPGG employees, including a Clinician, a Medical Assistant/Community Outreach Worker, a registered Nurse or Midlevel Practitioner (i.e. Nurse Practitioner, Physician's Assistant) will provide the following specific services: individual or small group reproductive health education which includes medically accurate sexuality information, contraceptive methods, prevention of sexually transmitted diseases including HIV testing and counseling, birth control method counseling, screening, and dispensing of contraceptive supplies, pregnancy testing and options counseling, and testing and treatment for sexually transmitted infections (STIs).

PPGG will provide all medical and administrative supplies necessary including contraceptive supplies, medical instruments, medical forms, charts, etc.

Students determined to need reproductive services beyond the scope of what is offered in the Health Center may be seamlessly referred to the local PPGG in Redwood City in a timely manner and followed up accordingly. Within the scope of her practice, Cañada Nurse Lesli Sachs will conduct follow-up on the Cañada Health Center students as necessary and appropriate.

RECOMMENDATION

It is recommended that the Board of Trustees approve the partnership of the Memorandum of Understanding between Planned Parenthood Golden Gate and San Mateo County Community College District for a one year period beginning January 26, 2006 through January 25, 2007 with four one-year renewal options.

BOARD REPORT NO. 06-1-101B

TO: Members of the Board of Trustees

FROM: Ron Galatolo, Chancellor-Superintendent

PREPARED BY: José D. Nuñez, Executive Director, Facilities Planning & Operations, 358-6836

**CONTRACT AWARD FOR PHYSICAL ACCESS CONTROLS PHASE ONE–
DISTRICTWIDE INFRASTRUCTURE**

In order to improve safety and security at our Colleges and the District Office, a new hybrid physical access controls system has been designed. The hybrid system incorporates a state of the art electronic access control and monitoring system, a new proprietary master keying system, and our existing and compatible classic keying system -- retooled on a project by project basis. By incorporating these three elements into a new hybrid system, we are able to most economically achieve improved security with a less complicated system which tracks access at the doors most critical to the safety and security of personnel and assets.

This project will furnish the state of the art electronic access control and monitoring system (ACAMS). This system utilizes electronic keys (e-keys) which are individually programmable to provide access privileges to only those areas -- and at appropriate times -- to which an individual should have access. These privileges can be easily changed with programming as an individual's employment or contractual status changes. When an e-key is lost or stolen, access privileges can be easily deleted. The ACAMS system can be programmed to automatically lock and unlock specific doors at designated times, eliminating the labor-intensive need to dispatch staff to perform these functions every morning and night. At times when the building has been programmed to be closed to the general public, e-key holders with programmed privileges can use their e-key to gain access, and the ACAMS system tracks who and when the user gained access to the facility, providing the District with an audit trail in the event that investigation of criminal activity is required. When a locked facility has been breached, the ACAMS system will activate alarms, allowing Security and local law enforcement personnel to respond immediately to an intrusion. The system has been designed for redundancy and expandability, with plenty of capability for future growth as we convert new and existing facilities to the system. In addition to door locks, the system can also operate surveillance cameras, which are an important crime deterrent and post-incident investigation tool. Once on-line, this system will provide enhanced security and significantly decrease District operating costs associated with the current key and lock management system.

The scope of work under this contract includes provision of a variety of servers and software that operates across the District's existing wide area network. It includes regional servers at Cañada College, College of San Mateo and Skyline College which control system doors and e-key privileges at each of those sites, a global server at the District Office to communicate across regions and provide one of the many levels of redundancy, and web servers at each site to allow transregional operation. New card readers, electrified locks and wiring between doors and control panels at critical doors at the District Office will be connected to the system, as the first major test site to ensure system functionality and to provide enhanced physical control of the District's sensitive records and data center. In order to test and confirm regional functionality, the doors to the main IT rooms at Cañada College, College of San Mateo and Skyline College will also be connected to the system. The card reader at one of these doors will be a biometric reader, as opposed to the more standard e-key reader, in order to provide enhanced physical access control and field-test the most sophisticated of readers.

Fundamentally, this project is intended to build the "brain" or "front end" of this electronic access controls and monitoring system, and connect the District Office and a door at each College to confirm connectivity. Concurrently, new buildings and existing buildings undergoing major renovations are undergoing "back end" scope elements that will allow those facilities to connect to this project's "brain" to achieve electronic access controls at all perimeter access points and at critical interior doors such as labs, cash handling areas, areas with sensitive records, etc. Looking to the future, there are some relatively new buildings, as well as older buildings, for which ACAMS is desired. In order to connect those buildings to the system, this project includes unit prices for individual door connectivity for a variety of field conditions. On an as-needed basis, District Staff can identify doors to be connected to the ACAMS system, ascertain with the contractor which unit price(s) are applicable for the identified field conditions, and connect those doors to the system via the competitively bid unit price aspect of this contract.

As an infrastructure project, this project is subject to the terms of the Program Stabilization Agreement (PLA) executed with the San Mateo County Buildings and Trades Council.

On November 19 and November 22, 2005, the District published a legal Notice inviting pre-qualified electrical contractors to bid on this project. Four pre-qualified electrical contractors and eight security system integrator firms – the major subcontractor - attended one of the three mandatory pre-bid conferences held on November 29, December 1, and December 15, 2005. On the day prior to bid day, three of the four pre-qualified firms indicated they would submit bids. On bid day, two firms submitted bids as follows:

<u>Firm Name</u>	<u>Bid Amount</u>
Cupertino Electric	\$795,022
Atlas-Pellizzari Electric Co.	\$826,500

Although only two bids were submitted on bid day, the bids were competitive due to strong participation from the security system integrators, whose work comprises approximately 70% of the total cost of the bid. Three pre-qualified security system integrators submitted bids to the prime, C10-licensed bidders. Pricing was further improved by the system manufacturer applying a significant discount to the equipment pricing quoted to the security system integrators.

District staff and Swinerton Management & Consulting, together with TeeCom Design Group (the system engineer), conducted a due diligence review of the submitted bids. Cupertino Electric failed to submit a total of five key documents required as part of the submitted sealed bid per the published project specifications and Public Contract Code (e.g. non-collusion affidavit). The Cupertino Electric bid was therefore deemed non-responsive to the contract requirements. The bid submitted by Atlas-Pellizzari is responsible and responsive to the contract requirements.

This project will be funded using Measure C general obligation bond funds. Upon installation of the ACAMS system, there are a number of facilities for which the unit price aspect of this bid would be utilized to connect specific critical doors to the system. This unit price work would be funded using Measure A general obligation bond funds.

RECOMMENDATION

It is recommended that the Board of Trustees award the contract for Physical Access Controls Phase One, Districtwide Infrastructure to Atlas-Pellizzari Electric Co., in an amount not to exceed \$826,500 for the base installation, and an additional amount not to exceed \$500,000 for award under the unit pricing, for a total contract award of \$1,326,500.

BOARD REPORT NO. 06-1-102B

TO: Members of the Board of Trustees
FROM: Ron Galatolo, Chancellor-Superintendent
PREPARED BY: José D. Nuñez, Executive Director, Facilities Planning & Operations, 358-6836

APPROVAL OF PAYMENT TO PACIFIC GAS & ELECTRIC (PG&E) FOR ELECTRICAL SERVICE SYSTEM SAFETY UPGRADES—COLLEGE OF SAN MATEO

The existing electrical service to the College of San Mateo was installed when the campus was built in 1963. In order to accommodate the increase in electrical load associated with new facilities that are coming online, such as the Science Building, the Walter H. Moore Regional Public Safety Center, and the ancillary buildings at the athletic facilities, along with the increased load of upgrade instructional technology at modernized existing buildings, PG&E must upgrade the overload protection to their primary electrical service to the campus. PG&E's stated position is that the District is financially responsible for the approximately \$150,000 to perform this work.

District Staff have been working diligently with PG&E to confirm that the District is in fact responsible for the costs associated with these upgrades, under the original service agreement. At this writing the issue has not been definitively resolved to the satisfaction of District Staff and legal counsel. However, in order to occupy the new buildings per the current construction schedules, PG&E must perform this work over Spring Break, 2006. PG&E typically requires payment in full in advance of scheduling such work. Once fees are paid, PG&E needs 60 days to engineer and schedule the construction of the work.

RECOMMENDATION

It is recommended that the Board of Trustees authorize the Executive Vice Chancellor to approve payment to PG&E in an amount not to exceed \$150,000, in the event that such payment is required for safety upgrade to the electrical service system to allow occupancy of new buildings at College of San Mateo.

BOARD REPORT NO. 06-01-103B

TO: Members of the Board of Trustees

FROM: Ron Galatolo, Chancellor-Superintendent

PREPARED BY: Rick Bennett, Director of General Services, 358-6752

**CONTRACT AWARD TO VOORHEES GROUP, LLC. FOR EDUCATIONAL PLANNING
PROFESSIONAL SERVICES-SKYLINE COLLEGE**

On December 19, 2005, the General Services Department, working with Skyline College, released RFP 86522 to six higher education planning firms. The intent of the RFP was to obtain qualified proposals for Skyline's 2006 Educational Planning Project. The outcome of the project includes a plan that will assist the college in making strategic planning decisions in both the short and long-term. Deliverables include:

- A comprehensive environmental scan;
- Needs assessment programming, detailing instructional programs and support services requirements;
- Projections for student enrollment, instructional space, existing programs, support services, technology and modes of delivery;
- A plan detailing recommendations on technology, organizational development, staffing, marketing and facilities, and
- A report describing the data gathered, analyses, planning assumptions and recommendations for college implementation.

Skyline will use this information as a basis for its 2006 Facilities Master Plan.

Three firms submitted responses to RFP 86522 on January 16, 2006. The Skyline educational planning committee worked diligently to evaluate the proposals. The chart below summarizes the consultant's pricing proposals:

Higher Educational Firm	Quote
Voorhees Group, LLC	\$69,500
Computer-Aided Planning (CAPP)	\$75,500
Maas Companies, Inc.	\$141,500

Skyline College identified the Voorhees Group as the top choice for the following reasons:

1. The proposed process is achievable and the approach cohesive with Skyline's operational environment.
2. The level of relevant expertise is outstanding.
3. The proposal is clear, concise and fully detailed.
4. The deliverables are precisely on target with what Skyline expects to gain from such a project.
5. The price is within range of anticipated cost.

The college expects a completion date of April 2006.

RECOMMENDATION

The District recommends that the Board of Trustees award a contract based on RFP 86522 to Voorhees Group of Littleton, Colorado in the amount not to exceed \$69,500 funded from the Skyline General Fund.

BOARD REPORT NO. 06-1-104B

TO: Members of the Board of Trustees
FROM: Ron Galatolo, Chancellor-Superintendent
PREPARED BY: James W. Keller, Executive Vice Chancellor, 358-6790

**RECEIPT AND ACCEPTANCE OF THE 2004-05
DISTRICT AND KCSM AUDIT REPORTS**

Attached are copies of the audit of the San Mateo County Community College District funds and the audit of KCSM-TV and KCSM-FM financial records, prepared by the Board-approved firm of Vavrinek, Trine, Day & Company. The audits were based upon the fiscal year ending June 30, 2005. A representative of the auditing firm will be present at this meeting to respond to questions about the audits in general and about the firm's findings and recommendations for the District.

RECOMMENDATION

It is recommended that the Board of Trustees receive and accept the 2004-05 audit report for the District, which was filed by Vavrinek, Trine, Day & Company with the State Department of Education, the State Controller, and the State Chancellor's Office prior to the January 15, 2006 due date. It is recommended further that the Board of Trustees receive and accept the 2004-05 audit reports for KCSM-TV and KCSM-FM, which were filed with the Corporation for Public Broadcasting prior to the January 31, 2006 due date.

KCSM-FM
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

JUNE 30, 2005

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Vavrinek, Trine, Day & Co., LLP

Certified Public Accountants & Consultants

VALUE THE DIFFERENCE

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
KCSM-FM

We have audited the accompanying financial statements of KCSM-FM (a public telecommunications entity operated by the San Mateo County Community College District) as of June 30, 2005, as listed in the table of contents. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the financial statements present only the KCSM-FM resource of the general fund of San Mateo County Community College District and do not purport to, and do not, present fairly the financial position of the San Mateo County Community College District as of June 30, 2005 and the changes in its financial position and cash flows, where applicable, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of KCSM-FM as of June 30, 2005, and the changes in financial position and cash flows thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2005 on our consideration of KCSM-FM's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be read in conjunction with this report in assessing the results of our audit.

Vavrinek, Trine, Day & Co LLP

Pleasanton, California
November 23, 2005

**KCSM-FM
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT**

**STATEMENT OF NET ASSETS
JUNE 30, 2005**

ASSETS

Current assets

Cash	\$ 485,860
Accounts receivable	12,760
Total current assets	498,620

Noncurrent assets

Capital assets	309,819
Accumulated depreciation	(104,895)
Total noncurrent assets	204,924

TOTAL ASSETS	703,544
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LIABILITIES

Current Liabilities

Accounts payable	21,983
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NET ASSETS

Investment in capital assets	204,924
Unrestricted	476,637
TOTAL NET ASSETS	\$ 681,561

The accompanying notes are an integral part of these financial statements.

KCSM-FM

**A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2005**

OPERATING REVENUES

Direct Income	
CPB community service grants	\$ 176,352
CPB other income	18,643
Business and industry	127,283
Subscription and membership	1,262,320
Other income	2,213
Facilities use	77,678
Indirect support	
San Mateo County Community College District	353,544
Total Operating Revenues	2,018,033

OPERATING EXPENSES

Programming and production	539,308
Broadcasting	241,789
Program information and promotion	81,212
Management and general	211,950
Fundraising support	375,456
Underwriting and grant solicitation	72,714
Total Operating Expenses	1,522,429
Total Operating Income	495,604

495,604

CHANGE IN NET ASSETS

NET ASSETS AT BEGINNING OF YEAR

NET ASSETS AT END OF YEAR

185,957

\$ 681,561

The accompanying notes are an integral part of these financial statements.

**KCSM-FM
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2005**

CASH FLOWS FROM OPERATING ACTIVITIES	
CPB community service grants	\$ 176,352
National Public Radio income	18,643
Business and industry	127,283
Subscription and membership	1,269,242
San Mateo County Community College District	353,544
Other income	79,891
Payments to suppliers	(1,489,685)
Payment to /(on behalf of) employees	(46,340)
Net Cash Provided By Operating Activities	488,930
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of fixed assets	(185,956)
NET INCREASE IN CASH	302,974
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	182,886
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 485,860
RECONCILIATION OF NET OPERATING REVENUES TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Income	\$ 495,604
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation	17,423
Changes in assets and liabilities	
Decrease in accounts receivable	6,922
Increase in accounts payable	(31,019)
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 488,930
NONCASH TRANSACTIONS	
Indirect support - San Mateo Community College District	\$ 353,544

The accompanying notes are an integral part of these financial statements.

**KCSM-FM
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005**

NOTE #1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

KCSM-FM is a public telecommunications radio station operated by San Mateo County Community College District. KCSM-FM is a program of San Mateo County Community College District general fund, and all activities are also reported within the financial statements of the District.

These financial statements are not intended to, and do not purport to, present fairly the financial position and changes in the financial position of the San Mateo County Community College District in compliance with accounting principles generally accepted in the United States of America.

Basis of Accounting

The KCSM-FM financial statements are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (GASB). In addition, the District applies all applicable Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

KCSM-FM operates as a proprietary resource within the general fund; it uses an enterprise fund format to report its activities for financial statement purposes. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the cost and expenses, including depreciation, of providing goods or services to its customers be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. KCSM-FM is not an entity separate from the College District and therefore does not present a Management Discussion and Analysis section.

Enterprise format accounts for activities similar to those in the private sector, where the proper matching of revenues and costs is important and the full accrual basis of accounting is required. With this measurement focus, all assets and all liabilities of the enterprise are recorded on its statement of net assets, all revenues are recognized when earned and all expenses, including depreciation, are recognized when incurred.

For internal operating purposes, the District's Board of Trustees has established separate sub-funds, each of which includes a separate self-balancing set of accounts and a separate Board approved budget for the activities of KCSM-FM. These sub-funds are combined into the single enterprise fund format presented in the accompanying financial statements.

The District's Board of Trustees adopts annual budgets on a basis consistent with accounting principles generally accepted in the United States of America.

**KCSM-FM
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005**

Land, Buildings and Improvements

KCSM-FM records assets purchased at cost. The value of donated goods is recorded when there is an objective basis available to measure their value. Donated materials and equipment are reflected as contributions in the accompanying statements at their estimated values at date of receipt. KCSM-FM depreciates all equipment using the straight-line method of depreciation over the estimated useful life of the related assets, ranging from 5 to 20 years.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the reporting date and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Flows

For the purposes of the statement of cash flows, KCSM-FM considers all investments with a maturity of six months or less to be cash equivalents.

Income Taxes

KCSM-FM is a program of San Mateo County Community College District. San Mateo County Community College District is a public educational institution and is considered to be a political subdivision of the State of California and is therefore tax exempt and not subject to filing information returns.

NOTE 2 -- DEPOSITS AND INVESTMENTS

Summary of Deposits and Investments

Deposits and investments as of June 30, 2005, are classified in the accompanying financial statements as a governmental fund investment in the amount of \$485,860. Cash accounts maintained by KCSM-FM are held by San Mateo County Community College District in pooled amounts at the County Treasury.

**KCSM-FM
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005**

Policies and Practices

KCSM - FM is authorized through the District under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations.

Investment in County Treasury – KCSM – FM and the District are considered to be involuntary participants in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (Education Code Section 41001). The fair value of the District's investment in the pool is reported in the accounting financial statements at amounts based upon the entity's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

**KCSM-FM
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005**

General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. KCSM-FM and the District manages exposure to interest rate risk by depositing funds with the San Mateo County Treasury. KCSM-FM's share of deposits with the County Treasury was a \$485,860. The weighted average maturity of the San Mateo pooled investments at June 30, 2005 was less than one year.

**KCSM-FM
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005**

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. KCSM - FM only invests in the District San Mateo County Pool which is unrated and is not required to be rated.

Concentration of Credit Risk

The investment policy of KCSM-FM and the District contain no limitations on the amount that can be invested in any one issuer beyond the amount stipulated by the California Government code. There were no investments in any one issuer that represent five percent (5%) or more of the total investments that are required to be disclosed at June 30, 2005.

Custodial Credit Risk - Investments

This is the risk that, in the event of the failure of the counterparty, KCSM-FM and the District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The District's custodial credit risk is limited as all funds were invested in the county investment pool.

NOTE #3 - EQUIPMENT

Changes in equipment are summarized as follows:

	July 1, 2004	Additions	Deletions	June 30, 2005
Equipment	\$ 123,863	\$ 185,956	\$ -	\$ 309,819
Less - Accumulated Depreciation	87,472	17,423	-	104,895
Net Equipment	\$ 36,391	\$ 168,533	\$ -	\$ 204,924

Current year depreciation expense was \$17,423.

NOTE #4 - DONATED SERVICES

During the year, many KCSM-FM individuals donate significant amounts of time and services in an effort to advance the programs and objectives of the station. These services have not been recorded in the financial statements because no objective basis is available to measure the value of such services.

**KCSM-FM
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005**

NOTE #5 – RELATED PARTY TRANSACTIONS

During the year, KCSM-FM received indirect administrative support from San Mateo Community College District, the entity that operates the station, in the amount of \$353,544.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Governing Board
KCSM-FM
San Mateo San Mateo, California

We have audited the financial statements of KCSM - FM resource of the general fund of San Mateo County Community College District as of and for the year ended June 30, 2005, which comprises the KCSM - FM basic financial statements and have issued our report thereon dated November 23, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered KCSM-FM's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether KCSM-FM's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Governing Board, management, the California Department of Education, the State Chancellor's Office, Federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Vavrinek, Trine, Day & Co LLP

Pleasanton, California

November 23, 2005



INDEPENDENT ACCOUNTANTS' REPORT

To the Board of Trustees
KCSM – FM

We have examined management's assertion included in the accompanying Corporation for Public Broadcasting (CPB) Schedule of Non-Federal Financial Support that KCSM – FM complied with CPB's Fiscal Year 2005, Financial Reporting Guidelines governing the amounts reported as Non-Federal Financial Support (NFFS) during the fiscal year ended June 30, 2005. Management is responsible for KCSM – FM's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about KCSM – FM's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about KCSM – FM's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on KCSM – FM compliance with specified requirements.

In our opinion, management's assertion that KCSM – FM complied, in all material respects, with the aforementioned requirements for the fiscal year ended June 30, 2005 is fairly stated.

This report is intended solely for the information and use of management of KCSM-FM, the District, and the Corporation for Public Broadcasting and is not intended to be and should not be used by anyone other than the specified parties.

Vavrinek, Trine, Day & Co LLP

Pleasanton, California
November 23, 2005



Directory | Station Grants Management | Financial Activity | Grant Form


Financial Activities Help

AFR Main Menu

Note: Click on the links on the left to access Schedules A - F.

AFR

- Schedule A
- Schedule B
- Schedule E
- Schedule F
- AFR Menu
- Financial Activities Menu

Grantee ID	Grantee Name	City	State	Licensee Type
1314	KCSM-FM	San Mateo	CA	University
AFR Schedule Status: Submitted-Not Reviewed				
1) Additional AFR Forms				
2) Grantee Functions				
3) Form				
AFR Signature Page			Comments	Status
Upload Audited Financial Statement				Attested to by Independent Accountant
Accountant's Qualification Statement (if applicable)				Document Uploaded - Not Reviewed
				Not Submitted
Archived Forms				
Audited Financial Statement -Rev. 1				
				
(To view Archived PDFs, you must have Adobe Acrobat Reader installed, download it FREE)				
Summary of Non-federal Financial Support				
	<u>2005</u>	<u>2004</u>	<u>\$ Change</u>	<u>% Change</u>
1. Schedule A	\$1,391,816	\$1,417,541	-\$25,725	-1.8
2. Schedule B	\$353,544	\$552,915	-\$199,371	-36.1
3. Schedule C	\$0	\$0	\$0	N/A
4. Schedule D	\$0	\$0	\$0	N/A
5. Total NFFS	\$1,745,360	\$1,970,456	-\$225,096	-11.4



Directory | Station Grants Management | Financial Activity | Grant Form

Financial Activities Help

AFR Schedule A

AFR

Grantee Information

ID	Grantee	City	State	Licensee Type
1314	KCSM-FM	San Mateo	CA	University

- Schedule A
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- AFR Menu
- Financial Activities Menu

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 - navigational buttons in the left-hand margin of each screen, or
 - where appropriate, navigational buttons or hyperlinks that may appear either in middle or bottom of a screen.

Enter negative values preceded by a minus sign (e.g. "-200547"), NOT in parenthesis

IMPORTANT! When entering values on Schedule A-1 you must return to Schedule A and select the SAVE DATA button again before moving to the next Schedule.

AFR SCHEDULE A - DIRECT REVENUE			
Questions	FY 2004	FY 2005	Fiscal Year 2005 Revision
AFR SCHEDULE A - DIRECT REVENUE			
1. Amounts provided directly by federal government agencies			
A. PTFP (NTIA) Facilities Grants	\$0	\$0	\$0 <u>comments</u>
B. Department of Education	\$0	\$0	\$0 <u>comments</u>
C. Department of Health and Human Services	\$0	\$0	\$0 <u>comments</u>
D. National Endowment for the Arts and Humanities	\$0	\$0	\$0 <u>comments</u>
E. National Science Foundation	\$0	\$0	\$0 <u>comments</u>
F. Other Federal Funds (specify)	\$0	\$0 Other	\$0 Other

				comments
Total federal government (forwards to line 22)	\$0	\$0	\$0	comments
2. Amounts provided by Public Broadcasting Entities (e.g. CPB, PBS, NPR, etc., including other stations and regional networks. See Guidelines for complete list.)				
A. CPB - Community Service Grants (Unrestricted)	\$187,653	\$176,352	\$176,352	comments
B. Annenberg/CPB Project Grants	\$0	\$0	\$0	comments
C. CPB - Community Service Grant (Restricted-formerly NPPAG)	\$0	\$0	\$0	comments
D. CPB - Interconnection grants	\$0	\$0	\$0	comments
E. CPB - all other funds	\$64,357	\$18,643	\$18,643	comments
F. PBS - all payments except copyright royalties and other pass-through payments. See Guidelines for details.	\$0	\$0	\$0	comments
G. NPR - all payments except pass-through payments. See Guidelines for details.	\$0	\$0	\$0	comments
H. Public broadcasting stations - all payments	\$0	\$0	\$0	comments
I. Other PBE funds (specify)	\$0	\$0	\$0	Other comments
Total public broadcasting entities (forwards to line 23)	\$252,010	\$194,995	\$194,995	comments
3. Local boards and departments of education or other local government or agency sources	\$0	\$0	\$0	comments
4. State boards and departments of education or other state government or agency sources	\$21,006	\$0	\$0	comments
5. State colleges and universities	\$0	\$0	\$0	comments
6. Other state-supported colleges and universities	\$0	\$0	\$0	comments
7. Private colleges and	\$0	\$0	\$0	comments

universities				
8. Foundations and nonprofit associations	\$0	\$0	\$0	<u>comments</u>
9. Business and Industry	\$176,212	\$204,961	\$204,961	<u>comments</u>
10. Memberships and subscriptions (net of write-offs)	\$1,287,086	\$1,262,320	\$1,262,320	<u>comments</u>
10a. Total number of contributors.	13,299	18,370	18,370	<u>comments</u>
11. Revenue from Friends groups less any revenue included on line 10	\$0	\$0	\$0	<u>comments</u>
11a. Total number of Friends contributors.	0	0	0	<u>comments</u>
12. Revenue from subsidiary enterprises and related organizations (See instructions)	\$0	\$0	\$0	<u>comments</u>
13. Net auction revenue (net of direct expenses of)	\$0 0	\$0 0	\$0	<u>comments</u> 0
14. Net revenue from special fund raising activities (net of direct expenses of)	\$0 0	\$0 0	\$0	<u>comments</u> 0
15. Passive income				
15a. Interest and dividends	\$0	\$0	\$0	<u>comments</u>
15b. Royalties	\$0	\$0	\$0	<u>comments</u>
15c. PBS or NPR pass-through copyright royalties	\$25	\$0	\$0	<u>comments</u>
Subtotal - passive income	\$25	\$0	\$0	<u>comments</u>
Gains and losses on investments, charitable trusts and gift annuities and sale of other assets. (Must also be reported on Schedule A-1, line 9)				
16a. Property and Equipment – gains from sales only.	\$0	\$0	\$0	<u>comments</u>
16b. Realized gains (losses) on investments.	\$0	\$0	\$0	<u>comments</u>
16c. Unrealized gains/losses on investments and actuarial gains/losses on charitable trusts and gift annuities	\$0	\$0	\$0	<u>comments</u>
Subtotal - gains (losses)	\$0	\$0	\$0	<u>comments</u>

17. Endowment revenue (contributions plus interest and dividends) Do not include realized or unrealized gains (losses) on investments – see line 16.	\$0		\$0	\$0	comments
18. Capital fund contributions					
18a. Facilities and Equipment	\$0		\$0	\$0	comments
18b. Other – See Guidelines for instructions and specific examples.	\$0	\$0	Other	\$0	Other comments
Subtotal - capital fund contributions	\$0		\$0	\$0	comments
19. Gifts and bequests from major individual donors	\$0		\$0	\$0	comments
20. Other See Guidelines for instructions and specific examples.	\$782	\$2,213	Other	\$2,213	Other comments
21. Total Revenue (Sum of lines 1 through 20).	\$1,737,121		\$1,664,489	\$1,664,489	comments
ADJUSTMENTS TO REVENUE					
22. Federal revenue from line 1.	\$0		\$0	\$0	comments
23. Public broadcasting revenue from line 2.	\$252,010		\$194,995	\$194,995	comments
24. Capital funds exclusion (from line 18a) - TV only	\$0		\$0	\$0	comments
25. Other revenue on line 21 not meeting the source, form, purpose, or recipient criteria (Schedule A-1, line 19)	\$67,570		\$77,678	\$77,678	comments
26. Revenue on line 21 that has been previously claimed as NFFS	\$0		\$0	\$0	comments
27. Total Direct Nonfederal Financial Support (Line 21 less Lines 22 through 26). (Forwards to line 1 of the Summary of Nonfederal Financial Report)	\$1,417,541		\$1,391,816	\$1,391,816	comments
ADDITIONAL INFORMATION REQUIRED					
1. How much of revenue	\$0		\$0	\$0	comments

reported on line 8 (from foundation and non-profits) was received as underwriting?

2. How much of revenue reported on line 9 (from business and industry) was received as underwriting?	\$109,424	\$127,283	\$127,283	comments
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AFR SCHEDULE A-1 REVENUE NOT MEETING CRITERIA FOR INCLUSION AS NFFS

Schedule A-1



Directory | Station Grants Management | Financial Activity | Grant Form

**Financial
Activities
Help**

- AFR**
- Sched. B Intro
 - Sched. B Main
 - Worksheet II
 - Schedule E
 - AFR Menu
 - Financial Activities Menu

AFR SCHEDULE B - Main Screen

Grantee Information	ID	Grantee City	State	Licensee Type
	1314	KCSM-FM San Mateo	CA	University


Round all figures to the nearest dollar.

INDIRECT ADMINISTRATIVE SUPPORT

When entering data in this screen (and all other SGMS screens), DO NOT USE the ENTER key to move the cursor from field to field. Use your mouse or the TAB key to do so.

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AFR SCHEDULE B			
Questions	FY 2004	FY 2005	Fiscal Year 2005 Revision
Schedule B Main			
1. Total support activity benefiting station	\$549,072	\$353,544	\$353,544*comments
2. Occupancy			
All grantees claiming occupancy value as indirect administrative support must complete the occupancy forms, which can be accessed by clicking the Occupancy button.			
NOTE: If the cost pools used in determining the licensee's OSA rate include a rate for building use, DO NOT ALSO claim a value for occupancy here in item 2 of the Schedule B Main Screen.			
Occupancy Value	\$3,843	\$3,843	\$3,843comments
3. Deductions: (a) fees paid to the licensee for overhead recovery, assessment, etc. and/or (b) support shown on lines (1) or (2) in excess of revenue reported in financial statements.	\$0	\$3,843	\$3,843comments
4. Total Indirect Administrative Support (Forwards to Line 2 of the Summary of Nonfederal Financial Support)	\$552,915	\$353,544	\$353,544comments

5. Please enter an institutional type code for your licensee. | OU | OU | OU

Donor Codes - You Must Select One:

- SU - State University
- SG - State Government
- PU - Private University
- LG - Local Government
- OU - Other University



Directory | Station Grants Management | Financial Activity | Grant Form

**Financial
Activities
Help**

AFR SCHEDULE E - EXPENDITURES

AFR	Grantee Information	ID	Grantee	City	State	Licensee Type
		1314	KCSM-FM	San Mateo	CA	University

• Schedule A

• Schedule B

• Schedule E

• Schedule F

• AFR Menu

• Financial Activities Menu

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- where appropriate, navigational buttons or hyperlinks that may appear either in middle or bottom of a screen.

Include both cash and non-cash expenses

AFR SCHEDULE E - EXPENSES & INVESTMENT IN CAPITAL			
Questions	FY 2004	FY 2005	Fiscal Year 2005 Revision
EXPENSES (Operating and non-operating) — Do not adjust for any reason. Total expenses must agree with financial statements.			
PROGRAM SERVICES			
1. Programming and production	\$534,180	\$539,308	\$539,308 <u>comments</u>
2. Broadcasting and engineering	\$292,261	\$241,789	\$241,789 <u>comments</u>
3. Program information and promotion	\$85,422	\$81,212	\$81,212 <u>comments</u>
SUPPORT SERVICES			
4. Management and general	\$1,181,583	\$194,527	\$194,527 <u>comments</u>
5. Fund raising and membership development	\$456,621	\$375,456	\$375,456 <u>comments</u>
6. Underwriting and grant solicitation	\$63,232	\$72,714	\$72,714 <u>comments</u>
7. Depreciation and amortization (if not allocated to functional categories in lines 1 through 6)	\$11,862	\$17,423	\$17,423 <u>comments</u>
8. Total expenses (sum of lines 1 to 7) — must agree with audited financial statements	\$2,625,161	\$1,522,429	\$1,522,429 <u>comments</u>
INVESTMENT IN CAPITAL ASSETS			

Cost of capital assets purchased or donated				
9a. Land and buildings	\$0	\$0	\$0	comments
9b. Equipment	\$95,629	\$19,741	\$19,741	comments
9c. All other	\$0	\$0	\$0	comments
9. Total capital assets purchased or donated (sum of lines 9a. to 9c.)	\$95,629	\$19,741	\$19,741	comments
10. TOTAL EXPENSES AND INVESTMENT IN CAPITAL ASSETS (sum of lines 8 and 9)	\$2,720,790	\$1,542,170	\$1,542,170	comments
Additional Information (Lines 11 + 12 must equal line 8 and Lines 13 + 14 must equal line 9)				
11. Total expenses (direct only)	\$2,625,161	\$1,522,429	\$1,522,429	comments
12. Total expenses (indirect and in-kind)	\$0	\$0	\$0	comments
13. Investment in capital assets (direct only)	\$95,629	\$19,741	\$19,741	comments
14. Investment in capital assets (indirect and in-kind)	\$0	\$0	\$0	comments



Directory | Station Grants Management | Financial Activity | Grant Form

Financial Activities Help

AFR SCHEDULE F - RECONCILIATION FORM

AFR	Grantee Information	ID	Grantee City	State	Licensee Type
		1314	KCSM-FM San Mateo	CA	University

• Schedule A

Round all figures to the nearest dollar.

• Schedule B

As stated in the FY 2005 Financial Reporting Guidelines, a station's AFR must be reconciled with its audited financial statements. This form must be used in reconciling the two reports. Remember that all NFFS reported for any given year by a station must be recognized as support and revenue in the station's audited financial statements for the year.

• Schedule E

• Schedule F

• AFR Menu

• Financial Activities Menu

SCHEDULE F - RECONCILIATION FORM	
From CPB Annual Financial Report(s)	Fiscal Year 2005
1a. Schedule A, Line 21	\$1664489 <u>comments</u>
1b. Schedule B, Line 4	\$353544 <u>comments</u>
1c. Schedule C, Line 4	\$0 <u>comments</u>
1d. Schedule D, Line 6	\$0 <u>comments</u>
1. Total per CPB Annual Financial Report(s) (Sum of lines 1a. to 1d.)	\$2018033<u>comments</u>
From Audited Financial Statements – Use only one of line items 2, 3 or 4 to enter values from the AFS	
FASB REPORTING MODEL	
2a. Total support and revenue - unrestricted	\$1823038 <u>comments</u>
2b. Total support and revenue - temporarily restricted	\$0 <u>comments</u>
2c. Total support and revenue - permanently restricted	\$194995 <u>comments</u>
2. Total per Audited Financial Statements – FASB reporting model (Sum of lines 2a. to 2c.)	\$2018033<u>comments</u>
GASB REPORTING MODEL A (proprietary enterprise-fund financial statements with business-type activities only)	
3a. Operating revenues	\$0 <u>comments</u>
3b. Non-operating revenues	\$0 <u>comments</u>
3c. Other revenue	\$0 <u>comments</u>
3d. Capital grants, gifts and appropriations (if not included above)	\$0 <u>comments</u>
3. Total per Audited Financial Statements – GASB reporting model A (Sum of lines 3a. to 3d.)	\$0<u>comments</u>
GASB REPORTING MODEL B (public broadcasting entity-wide statements with mixed governmental and business-type activities)	
4a. Charges for services	\$0 <u>comments</u>
4b. Operating grants and contributions	\$0 <u>comments</u>
4c. Capital grants and contributions	\$0 <u>comments</u>
4d. Other revenues (if not included above)	\$0 <u>comments</u>
4. Total per Audited Financial Statements –	

GASB reporting model B (Sum of lines 4a. to 4d.)	\$0	comments
5. Total per Audited Financial Statements – Item 2 Total + Item 3 Total + Item 4 Total	\$2018033	comments
RECONCILIATION		Fiscal Year 2005
6. Difference – Total per CPB AFR (Line 1 Total) less total per AFS (Line 5 Total) – explain in detail using Line	\$0	comments
7 Other button		
7. Total of detailed reconciling items in Other button detail – must agree with difference shown on line 6	\$0	comments Other

KCSM-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

JUNE 30, 2005

TABLE OF CONTENTS

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INDEPENDENT AUDITORS' REPORT	1
Statement of Net Assets	2
Statement of Revenues, Expenses and Changes in Net Assets.....	3
Statement of Cash Flows.....	4
NOTES TO FINANCIAL STATEMENTS	5
INDEPENDENT AUDITORS' REPORT	11



INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
KCSM-TV

We have audited the accompanying financial statements of KCSM-TV (a public telecommunications entity operated by the San Mateo County Community College District) as of June 30, 2005, as listed in the table of contents. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the financial statements present only the KCSM-TV resource of the general fund of the San Mateo County Community College District and do not purport to, and do not, present fairly the financial position of the San Mateo County Community College District as of June 30, 2005 and the changes in its financial position and cash flows, where applicable, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of KCSM-TV as of June 30, 2005, and the changes in financial position and cash flows thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2005 on our consideration of KCSM-TV's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be read in conjunction with this report in assessing the results of our audit.

Vavrinek, Trine, Day & Co LLP
Pleasanton, California
November 23, 2005

**KCSM-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT**

**STATEMENT OF NET ASSETS
JUNE 30, 2005**

ASSETS

Current Assets

Accounts receivable	\$ 177,098
Due from district	870,494
Total current assets	1,047,592

Noncurrent assets

Capital assets	4,259,187
Accumulated depreciation	(1,152,676)
Total noncurrent assets	3,106,511
TOTAL ASSETS	4,154,103

LIABILITIES

Current Liabilities

Cash overdraft	1,334,372
Due to district	1,963,578
Accounts payable	49,461
Total liabilities	3,347,411

NET ASSETS

Investment in capital assets	3,106,511
Unrestricted	(2,299,819)
TOTAL NET ASSETS	\$ 806,692

The accompanying notes are an integral part of these financial statements.

KCSM-TV

**A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2005**

OPERATING REVENUES

Direct Income

CPB community service grants	\$ 642,093
CPB television interconnection grants	12,944
CPB other income	366,535
Foundations and nonprofit associations	40,000
Business and industry	2,675
Subscription and membership	1,079,668
Local donation - digital conversion	8,031
Royalties	95,796
Other income	64,365
San Mateo County Community College District	1,030,184

Indirect Support

San Mateo County Community College District	1,016,660
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Total Operating Revenues 4,358,951

OPERATING EXPENSES

Programming and production	1,520,570
Broadcasting	1,406,985
Program information and promotion	166,061
Management and general	1,982,209
Fundraising support	397,982
Underwriting and grant solicitation	217,852

Total Operating Expenses 5,691,659

Operating Loss (1,332,708)

OTHER INCOME

Transfer from district	234,000
------------------------	---------

CHANGE IN NET ASSETS (1,098,708)

NET ASSETS AT BEGINNING OF YEAR 1,905,400

NET ASSETS AT END OF YEAR \$ 806,692

The accompanying notes are an integral part of these financial statements.

KCSM-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2005

CASH FLOWS FROM OPERATING ACTIVITIES

CPB community service grants	\$ 642,093
CPB television interconnection grants	7,361
CPB other income	366,535
Foundations and nonprofit associations	40,000
Business and industry	2,675
Subscription and membership	1,071,668
Local donation - digital conversion	8,031
Royalties	95,796
Other income	64,365
Payments to suppliers	(3,660,866)
Payment to /(on behalf of) employees	(633,531)
Net Cash Used By Operating Activities	(1,995,873)

CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES

Purchase of equipment	(390,152)
Transfer from District	2,343,744
Net Cash Provided By Capital Financing Activities	1,953,592

NET DECREASE IN CASH	(42,281)
CASH AND CASH EQUIVALENTS (OVER DRAFT) AT BEGINNING OF YEAR	(1,292,091)
CASH AND CASH EQUIVALENTS (OVER DRAFT) AT END OF YEAR	\$ (1,334,372)

**RECONCILIATION OF NET OPERATING REVENUES TO NET CASH
USED BY OPERATING ACTIVITIES**

Operating loss	\$ (1,332,708)
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation	401,071
Changes in assets and liabilities	
Decrease in accounts receivable	(5,583)
Increase in due to/from district	(146,166)
Decrease in accounts payable	(33,993)
Decrease in deferred income	(8,000)
NET CASH USED BY OPERATING ACTIVITIES	\$ (1,995,873)

NONCASH TRANSACTIONS

Indirect support - San Mateo Community College District	\$ 1,016,660
---	--------------

The accompanying notes are an integral part of these financial statements.

**KCSM-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE SAN MATEO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005**

NOTE #1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

KCSM-TV is a public telecommunications radio station operated by San Mateo County Community College District. KCSM-TV is a program of San Mateo County Community College District general fund, and all activities are also reported within the financial statements of the District.

These financial statements are not intended to, and do not purport to, present fairly the financial position and changes in the financial position of the San Mateo County Community College District in compliance with accounting principles generally accepted in the United States of America.

Basis of Accounting

The KCSM-TV financial statements are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (GASB). In addition, the District applies all applicable Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

KCSM-TV operates as a proprietary resource within the general fund; it uses an enterprise fund format to report its activities for financial statement purposes. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the cost and expenses, including depreciation, of providing goods or services to its customers be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. KCSM-TV is not an entity separate from the College District and therefore does not present a Management Discussion and Analysis section.

Enterprise format accounts for activities similar to those in the private sector, where the proper matching of revenues and costs is important and the full accrual basis of accounting is required. With this measurement focus, all assets and all liabilities of the enterprise are recorded on its statement of net assets, all revenues are recognized when earned and all expenses, including depreciation, are recognized when incurred.

For internal operating purposes, the District's Board of Trustees has established separate sub-funds, each of which includes a separate self-balancing set of accounts and a separate Board approved budget for the activities of KCSM-TV. These sub-funds are combined into the single enterprise fund format when presented in the accompanying financial statements.

The District's Board of Trustees adopts annual budgets on a basis consistent with accounting principles generally accepted in the United States of America.

**KCSM-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE SAN MATEO COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005**

Land, Buildings and Improvements

KCSM-TV records assets purchased at cost. The value of donated goods is recorded when there is an objective basis available to measure their value. Donated materials and equipment are reflected as contributions in the accompanying statements at their estimated values at date of receipt. KCSM-TV depreciates all equipment using the straight-line method of depreciation over the estimated useful life of the related assets, ranging from 5 to 20 years.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the reporting date and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Flows

For purposes of the statement of cash flows, KCSM-TV considers all investments with a maturity of six months or less to be cash equivalents.

Income Taxes

KCSM-TV is a program of San Mateo County Community College District. San Mateo County Community College District is a public educational institution and is considered to be a political subdivision of the State of California and is therefore tax exempt and not subject to filing information returns.

NOTE 2 – DEPOSITS AND INVESTMENTS

Summary of Deposits and Investments

Deposits and investments as of June 30, 2005, are classified in the accompanying financial statements as an overdraft in governmental fund investments in the amount of \$(1,334,372). Cash accounts maintained by KCSM-TV are held by San Mateo County Community College District in pooled amounts at the San Mateo County Treasury. For cash flow purposes, San Mateo County Community College District allows KCSM-TV to have negative cash balances in anticipation of accounts receivable being collected and the District contributing funds necessary to operate KCSM-TV. At June 30, 2005, cash overdraft amounted to \$1,334,372 for this purpose.

KCSM-TV

A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY THE SAN MATEO COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005

Policies and Practices

KCSM - TV is authorized through the District under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations.

Investment in County Treasury – KCSM – TV and the District are considered to be involuntary participants in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (Education Code Section 41001). The fair value of the District's investment in the pool is reported in the accounting financial statements at amounts based upon the entity's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

KCSM-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE SAN MATEO COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. KCSM-TV and the District manages exposure to interest rate risk by depositing funds with the San Mateo County Treasury. KCSM-TV's share of deposits with the County Treasury was a negative (\$1,334,372). The weighted average maturity of the San Mateo pooled investments at June 30, 2005 was less than one year.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. KCSM-TV only invests in the District San Mateo County Pool which is unrated and is not required to be rated.

Concentration of Credit Risk

The investment policy of KCSM-TV and the District contain no limitations on the amount that can be invested in any one issuer beyond the amount stipulated by the California Government code. There were no investments in any one issuer that represent five percent (5%) or more of the total investments that are required to be disclosed at June 30, 2005.

Custodial Credit Risk - Investments

This is the risk that, in the event of the failure of the counterparty, KCSM-TV and the District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The District's custodial credit risk is limited as all funds were invested in the county investment pool.

NOTE #3 - EQUIPMENT

Changes in equipment are summarized as follows:

	Beginning of Year	Additions	Deletions	End of Year
Equipment	\$ 3,869,035	\$ 390,152	\$ -	\$ 4,259,187
Less - Accumulated Depreciation	751,605	401,071	-	1,152,676
Net Equipment	\$ 3,117,430	\$ (10,919)	\$ -	\$ 3,106,511

Current year depreciation expense was \$401,071.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Governing Board
KCSM-TV
San Mateo, California

We have audited the financial statements of KCSM - TV resource of the general fund of San Mateo County Community College District as of and for the year ended June 30, 2005, which comprises the KCSM - TV basic financial statements and have issued our report thereon dated November 23, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered KCSM-TV's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether KCSM-TV's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Governing Board, management, the California Department of Education, the State Chancellor's Office, Federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Vavinek, Trune, Day & Co LLP

Pleasanton, California
November 23, 2005



INDEPENDENT ACCOUNTANTS' REPORT

To the Board of Trustees
KCSM – TV

We have examined management's assertion included in the accompanying Corporation for Public Broadcasting (CPB) Schedule of Non-Federal Financial Support that KCSM – TV complied with CPB's Fiscal Year 2005 Financial Reporting Guidelines governing the amounts reported as Non-Federal Financial Support (NFFS) during the fiscal year ended June 30, 2005. Management is responsible for KCSM – TV's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about KCSM – TV's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about KCSM – TV's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on KCSM – TV compliance with specified requirements.

In our opinion, management's assertion that KCSM – TV complied, in all material respects, with the aforementioned requirements for the fiscal year ended June 30, 2005 is fairly stated.

This report is intended solely for the information and use of management of KCSM-TV, the District, and of the Corporation for Public Broadcasting and is not intended to be and should not be used by anyone other than the specified parties.

Vavrinek, Trine, Day & Co LLP

Pleasanton, California
November 23, 2005



Directory | Station Grants Management | Financial Activity | Grant Form

Financial Activities Help

AFR Schedule A

AFR

Grantee Information

ID	Grantee City	State	Licensee Type
1722	KCSM-TV San Mateo	CA	University

- Schedule A
- Schedule B
- Schedule E
- Schedule F
- AFR Menu
- Financial Activities Menu

When entering data in this screen (and all other SGMS screens), DO NOT USE the ENTER key to move the cursor from field to field. Use your mouse or the TAB key do so.

To move from one task to another within SGMS, NEVER USE THE BACK BUTTON YOUR BROWSER, use:
 - tabs at the top of the screen to move from one major section of SGMS to another
 - navigational buttons in the left-hand margin of each screen, or
 - where appropriate, navigational buttons or hyperlinks that may appear either in middle or bottom of a screen.

Enter negative values preceded by a minus sign (e.g. "-200547"), NOT in parenthesis

IMPORTANT! When entering values on Schedule A-1 you must return to Schedule A and select the SAVE DATA button again before moving to the next Schedule.

AFR SCHEDULE A - DIRECT REVENUE			
Questions	FY 2004	FY 2005	Fiscal Year 2005 Revision
AFR SCHEDULE A - DIRECT REVENUE			
1. Amounts provided directly by federal government agencies			
A. PTFP (NTIA) Facilities Grants	\$0	\$0	\$0comments
B. Department of Education	\$0	\$0	\$0comments
C. Department of Health and Human Services	\$0	\$0	\$0comments
D. National Endowment for the Arts and Humanities	\$0	\$0	\$0comments
E. National Science Foundation	\$0	\$0	\$0comments
F. Other Federal Funds (specify)	\$0	\$0 Other	\$0 Other comments
Total federal government	\$0	\$0	\$0comments

(forwards to line 22)

2. Amounts provided by Public Broadcasting Entities (e.g. CPB, PBS, NPR, etc., including other stations and regional networks. See Guidelines for complete list.)

A. CPB - Community Service Grants (Unrestricted)	\$619,699	\$642,093	\$642,093	comments
B. Annenberg/CPB Project Grants	\$0	\$0	\$0	comments
C. CPB - Community Service Grant (Restricted-formerly NPPAG)	\$0	\$0	\$0	comments
D. CPB - Interconnection grants	\$13,605	\$12,944	\$12,944	comments
E. CPB - all other funds	\$0	\$366,535	\$366,535	comments
F. PBS - all payments except copyright royalties and other pass-through payments. See Guidelines for details.	\$0	\$0	\$0	comments
G. NPR - all payments except pass-through payments. See Guidelines for details.	\$0	\$0	\$0	comments
H. Public broadcasting stations - all payments	\$0	\$0	\$0	comments
I. Other PBE funds (specify)	\$0	\$0 Other	\$0 Other	comments
Total public broadcasting entities (forwards to line 23)	\$633,304	\$1,021,572	\$1,021,572	comments

3. Local boards and departments of education or other local government or agency sources	\$0	\$0	\$0	comments
4. State boards and departments of education or other state government or agency sources	\$7,500	\$0	\$0	comments
5. State colleges and universities	\$0	\$0	\$0	comments
6. Other state-supported colleges and universities	\$1,006,522	\$1,030,184	\$1,030,184	comments
7. Private colleges and universities	\$0	\$0	\$0	comments
8. Foundations and nonprofit associations	\$57,398	\$40,000	\$40,000	comments
9. Business and Industry	\$182,205	\$67,040	\$67,040	comments
10. Memberships and subscriptions (net of write-offs)	\$1,199,383	\$1,079,668	\$1,079,668	comments
10a. Total number of	12,630	13,208	13,208	comments

<i>contributors.</i>			
11. Revenue from Friends groups less any revenue included on line 10	\$0	\$0	\$0 <u>comments</u>
11a. Total number of Friends contributors.	0	0	0 <u>comments</u>
12. Revenue from subsidiary enterprises and related organizations (See instructions)	\$0	\$0	\$0 <u>comments</u>
13. Net auction revenue (net of direct expenses of)	\$0 0	\$0 0	\$0 <u>comments</u> 0
14. Net revenue from special fund raising activities (net of direct expenses of)	\$0 0	\$0 0	\$0 <u>comments</u> 0
15. Passive income			
15a. Interest and dividends	\$0	\$0	\$0 <u>comments</u>
15b. Royalties	\$13,057	\$18,614	\$18,614 <u>comments</u>
15c. PBS or NPR pass-through copyright royalties	\$42,709	\$77,182	\$77,182 <u>comments</u>
Subtotal - passive income	\$55,766	\$95,796	\$95,796 <u>comments</u>
Gains and losses on investments, charitable trusts and gift annuities and sale of other assets. (Must also be reported on Schedule A-1, line 9)			
16a. Property and Equipment – gains from sales only.	\$0	\$0	\$0 <u>comments</u>
16b. Realized gains (losses) on investments.	\$0	\$0	\$0 <u>comments</u>
16c. Unrealized gains/losses on investments and actuarial gains/losses on charitable trusts and gift annuities	\$0	\$0	\$0 <u>comments</u>
Subtotal - gains (losses)	\$0	\$0	\$0 <u>comments</u>
17. Endowment revenue (contributions plus interest and dividends) Do not include realized or unrealized gains (losses) on investments – see line 16.	\$0	\$0	\$0 <u>comments</u>
18. Capital fund contributions			
18a. Facilities and Equipment	\$104,622	\$8,031	\$8,031 <u>comments</u>
18b. Other – See Guidelines for instructions and specific examples.	\$0	\$0 <u>Other</u>	\$0 <u>Other</u> <u>comments</u>
Subtotal - capital fund contributions	\$104,622	\$8,031	\$8,031 <u>comments</u>

19. Gifts and bequests from major individual donors	\$0	\$0	\$0	comments
20. Other See Guidelines for instructions and specific examples.	\$1,368	\$0	Other	\$0 Other comments

21. Total Revenue (Sum of lines 1 through 20). \$3,248,068 \$3,342,291 \$3,342,291 comments

ADJUSTMENTS TO REVENUE

22. Federal revenue from line 1. \$0 \$0 \$0 comments

23. Public broadcasting revenue from line 2. \$633,304 \$1,021,572 \$1,021,572 comments

24. Capital funds exclusion (from line 18a) - TV only \$104,622 \$0 \$0 comments

25. Other revenue on line 21 not meeting the source, form, purpose, or recipient criteria (Schedule A-1, line 19) \$175,418 \$64,365 \$64,365 comments

26. Revenue on line 21 that has been previously claimed as NFFS \$0 \$0 \$0 comments

27. Total Direct Nonfederal Financial Support (Line 21 less Lines 22 through 26). (Forwards to line 1 of the Summary of Nonfederal Financial Report) \$2,334,724 \$2,248,323 \$2,248,323 comments

ADDITIONAL INFORMATION REQUIRED

1. How much of revenue reported on line 8 (from foundation and non-profits) was received as underwriting? \$0 \$0 \$0 comments

2. How much of revenue reported on line 9 (from business and industry) was received as underwriting? \$6,787 \$2,675 \$2,675 comments

AFR SCHEDULE A-1 REVENUE NOT MEETING CRITERIA FOR INCLUSION AS NFFS

Schedule A-1



Directory | Station Grants Management | Financial Activity | Grant Form

**Financial
Activities
Help**

- AFR**
- Sched. B Intro
 - Sched. B Main
 - Worksheet II
 - Schedule E
 - AFR Menu
 - Financial Activities Menu

AFR SCHEDULE B - Main Screen

Grantee Information	ID	Grantee City	State	Licensee Type
	1722	KCSM-TV San Mateo	CA	University

Round all figures to the nearest dollar.


INDIRECT ADMINISTRATIVE SUPPORT

When entering data in this screen (and all other SGMS screens), DO NOT USE the ENTER key to move the cursor from field to field. Use your mouse or the TAB key to do so.

To move from one task to another within SGMS, DO NOT USE THE BACK BUTTON ON YOUR BROWSER, use:

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AFR SCHEDULE B

Questions	FY 2004	FY 2005	Fiscal Year 2005 Revision
Schedule B Main			
1. Total support activity benefiting station	\$1,509,444	\$1,016,660	\$1,016,660*comments
2. Occupancy All grantees claiming occupancy value as indirect administrative support must complete the occupancy forms, which can be accessed by clicking the Occupancy button. NOTE: If the cost pools used in determining the licensee's OSA rate include a rate for building use, DO NOT ALSO claim a value for occupancy here in item 2 of the Schedule B Main Screen.			
Occupancy Value	\$14,155	\$14,155	\$14,155comments
3. Deductions: (a) fees paid to the licensee for overhead recovery, assessment, etc. and/or (b) support shown on lines (1) or (2) in excess of revenue reported in financial statements.	\$14,042	\$14,155	\$14,155comments
4. Total Indirect Administrative Support (Forwards to Line 2 of	\$1,509,557	\$1,016,660	\$1,016,660comments

**the Summary of Nonfederal
Financial Support)**

5. Please enter an institutional type code for your licensee. OU OU OU

Donor Codes - You Must Select One:

SU - State University

SG - State Government

PU - Private University

LG - Local Government

OU - Other University



Directory | Station Grants Management | Financial Activity | Grant Form

**Financial
Activities
Help**

AFR SCHEDULE E - EXPENDITURES

AFR

**Grantee
Information**

ID	Grantee	City	State	Licensee Type
1722	KCSM-TV	San Mateo	CA	University

• Schedule A

• Schedule B

• Schedule E

• Schedule F

• AFR Menu

• Financial
Activities Menu

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- where appropriate, navigational buttons or hyperlinks that may appear either in middle or bottom of a screen.

Include both cash and non-cash expenses

AFR SCHEDULE E - EXPENSES & INVESTMENT IN CAPITAL

Questions	FY 2004	FY 2005	Fiscal Year 2005 Revision
EXPENSES (Operating and non-operating) — Do not adjust for any reason. Total expenses must agree with financial statements.			
PROGRAM SERVICES			
1. Programming and production	\$1,561,446	\$1,520,570	\$1,520,570 <u>comments</u>
2. Broadcasting and engineering	\$1,403,280	\$1,406,985	\$1,406,985 <u>comments</u>
3. Program information and promotion	\$174,496	\$166,061	\$166,061 <u>comments</u>
SUPPORT SERVICES			
4. Management and general	\$2,001,918	\$1,581,138	\$1,581,138 <u>comments</u>
5. Fund raising and membership development	\$408,365	\$397,982	\$397,982 <u>comments</u>
6. Underwriting and grant solicitation	\$233,273	\$217,852	\$217,852 <u>comments</u>
7. Depreciation and amortization (if not allocated to functional categories in lines 1 through 6)	\$274,504	\$401,071	\$401,071 <u>comments</u>
8. Total expenses (sum of lines 1 to 7) — must agree with audited financial statements	\$6,057,282	\$5,691,659	\$5,691,659 <u>comments</u>
INVESTMENT IN CAPITAL ASSETS			

Cost of capital assets purchased or donated			
9a. Land and buildings	\$0	\$0	\$0comments
9b. Equipment	\$87,181	\$396,880	\$396,880comments
9c. All other	\$0	\$0	\$0comments
9. Total capital assets purchased or donated (sum of lines 9a. to 9c.)	\$87,181	\$396,880	\$396,880comments
10. TOTAL EXPENSES AND INVESTMENT IN CAPITAL ASSETS (sum of lines 8 and 9)	\$6,144,463	\$6,088,539	\$6,088,539comments
Additional Information (Lines 11 + 12 must equal line 8 and Lines 13 + 14 must equal line 9)			
11. Total expenses (direct only)	\$6,057,282	\$5,691,659	\$5,691,659comments
12. Total expenses (indirect and in-kind)	\$0	\$0	\$0comments
13. Investment in capital assets (direct only)	\$87,181	\$396,880	\$396,880comments
14. Investment in capital assets (indirect and in-kind)	\$0	\$0	\$0comments



**Financial
Activities
Help**

AFR SCHEDULE F - RECONCILIATION FORM

AFR

**Grantee
Information**

ID	Grantee	City	State	Licensee Type
1722	KCSM-TV	San Mateo	CA	University

- Schedule A
- Schedule B
- Schedule E
- Schedule F
- AFR Menu
- Financial Activities Menu

Round all figures to the nearest dollar.

As stated in the FY 2005 Financial Reporting Guidelines, a station's AFR must be reconciled with its audited financial statements. This form must be used in reconciling the two reports. Remember that all NFFS reported for any given year by a station must be recognized as support and revenue in the station's audited financial statements for the year.

SCHEDULE F - RECONCILIATION FORM	
From CPB Annual Financial Report(s)	Fiscal Year 2005
1a. Schedule A, Line 21	\$3342291 comments
1b. Schedule B, Line 4	\$1016660 comments
1c. Schedule C, Line 4	\$0 comments
1d. Schedule D, Line 6	\$0 comments
1. Total per CPB Annual Financial Report(s) (Sum of lines 1a. to 1d.)	\$4358951 comments
From Audited Financial Statements — Use only one of line items 2, 3 or 4 to enter values from the AFS	Fiscal Year 2005
FASB REPORTING MODEL	-
2a. Total support and revenue - unrestricted	\$3337379 comments
2b. Total support and revenue - temporarily restricted	\$0 comments
2c. Total support and revenue - permanently restricted	\$1021572 comments
2. Total per Audited Financial Statements — FASB reporting model (Sum of lines 2a. to 2c.)	\$4358951 comments
GASB REPORTING MODEL A (proprietary enterprise-fund financial statements with business-type activities only)	
3a. Operating revenues	\$0 comments
3b. Non-operating revenues	\$0 comments
3c. Other revenue	\$0 comments
3d. Capital grants, gifts and appropriations (if not included above)	\$0 comments
3. Total per Audited Financial Statements — GASB reporting model A (Sum of lines 3a. to 3d.)	\$0 comments
GASB REPORTING MODEL B (public broadcasting entity-wide statements with mixed governmental and business-type activities)	
4a. Charges for services	\$0 comments
4b. Operating grants and contributions	\$0 comments
4c. Capital grants and contributions	\$0 comments
4d. Other revenues (if not included above)	\$0 comments
4. Total per Audited Financial Statements —	

GASB reporting model B (Sum of lines 4a. to 4d.)	\$0	<u>comments</u>
5. Total per Audited Financial Statements – Item 2 Total + Item 3 Total + Item 4 Total	\$4358951	<u>comments</u>
RECONCILIATION		Fiscal Year 2005
6. Difference – Total per CPB AFR (Line 1 Total) less total per AFS (Line 5 Total) – explain in detail using Line 7 Other button	\$0	<u>comments</u>
7. Total of detailed reconciling items in Other button detail – must agree with difference shown on line 6	\$0	<u>comments</u> Other

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
San Mateo County Community College District
San Mateo, California

We have audited the accompanying basic financial statements of the San Mateo County Community College District, as of and for the years ended June 30, 2005 and 2004. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the San Mateo County Community College District as of June 30, 2005 and 2004, and the respective changes in financial position and cash flows, for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 4 through 14 is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board (GASB). We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2005, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of the report is to describe the scope of or testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in considering in conjunction with this report the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The supplementary information and the additional supplementary information listed in the table of contents, including the Schedule of Expenditures of Federal awards which is required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Vavinek, Trine, Day, & Co LLP

Pleasanton, California
September 30, 2005

**San Mateo County Community College District
Management's Discussion and Analysis
June 30, 2005**

Introduction

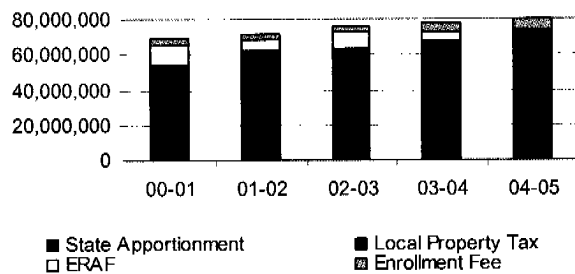
The San Mateo County Community College District's (the District) Annual Financial Report presents management's discussion and analysis of the District's financial activities during the fiscal years ended June 30, 2005 and June 30, 2004. The discussion has been prepared by management and is best read in conjunction with the financial statements and the notes following this section.

There are three basic financial statements that provide information on the District's financial activities as a whole. These statements are:

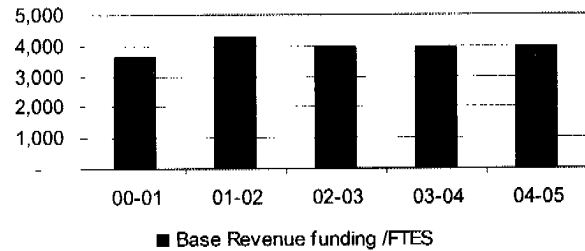
- Statement of Net Assets
- Statement of Revenues, Expenses and Changes in Net Assets
- Statement of Cash Flows

Financial Highlights of 2004-05

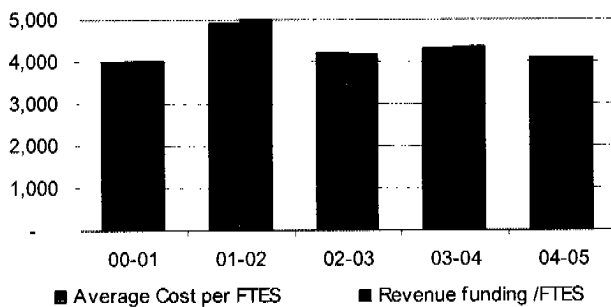
Components of Base Revenue



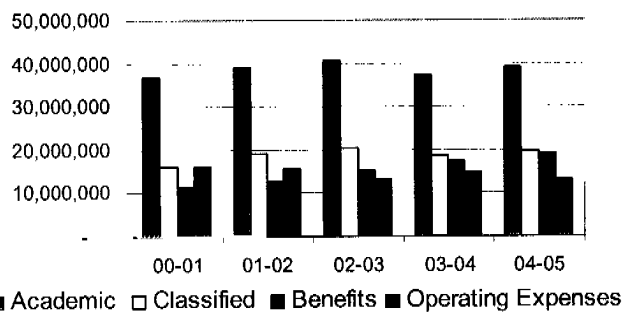
Base Revenue Funding Per FTES



Cost Vs Revenue per FTES



Expenditures by Types



Financial Overview

- Assets exceeded liabilities for the fiscal year ended June 30, 2005 by \$146 million, and net assets decreased \$4 million over last year.
- Net noncurrent capital assets increased \$37 million.
- Operating revenues increased by \$4 million over June 30, 2004.
- Operating expenses increased by \$40 million over the same period in fiscal year 2004.

San Mateo County Community College District
Management's Discussion and Analysis
June 30, 2005

Reporting for the District as a Whole

- *Economic position of the District with the State*

Fiscal year 2004-05 brought a major change to funding for the District. A state deficit bond was passed in spring of 2004, bringing with it a draw upon local sales taxes to fund it. In order for the cities and counties to be held harmless from the loss of those sales taxes, school ERAF funds and property taxes were shifted from schools to cities and counties. The state was then to make up the lost funding in state apportionment to schools. For the District, this meant that after not receiving any state general apportionment for 5 years, the District received almost \$13 million in general apportionment in 2004-05. In addition, the Partnership for Excellence program was folded into the District's general apportionment. This means that the District is unlikely to reach "Basic Aid" status in the near future. Nonetheless, the District received a statutory COLA of 2.41% and additional Equalization funds for 2004-05. Enrollment will have the biggest effect on the District's future revenue.

- *Salaries and Benefits*

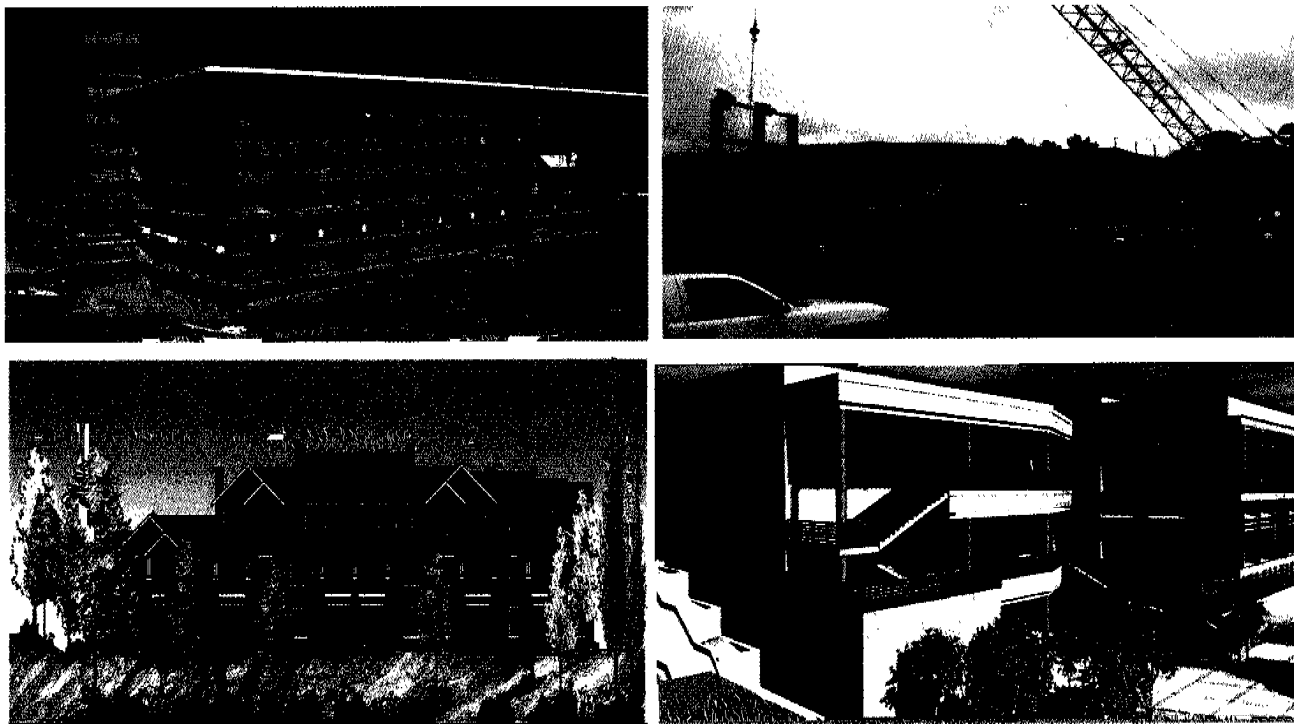
In 2004-05, the San Mateo County Community College District approved one-year collective bargaining agreements for employees including a 2.5% compensation improvement for all groups except adjunct faculty who received 2.75%. The contracts will expire in June, 2005. Health care premiums increased by an average of 22% in January, 2003, 18% in January, 2004, 18% in January, 2005, and will again increase by an average of 9.5% in January, 2006. These increases have substantially increased District expenditures, as well as employee out-of-pocket expenses above the District's medical cap. The collective bargaining agreements approved for 2004-05 included increases in the employee medical caps on a tiered basis. The employer contribution rate for STRS has not changed in several years. The PERS employer contribution rate declined from 9.952% in 2004-05 to 9.116% in 2005-06. Dental insurance premiums will increase by 2% in January, 2006. In addition, unemployment insurance decreased from 0.65% in 2004-05 to 0.45% in 2005-06, and Workers' Compensation decreased slightly from 2.34% in 2004-05 to 2.257% in 2005-06.

- *Bond construction*

As of June 30, 2005 a total of \$104 million of the total \$207 million was spent. As of that date, another \$50 million was committed via contracts and/or materials purchase orders. All of the major projects scheduled are now in construction. Three Design Build (DB) contracts have been awarded – the first ever in the California Community College system. Work is well underway on these projects. Under the DB delivery method, new synthetic turf fields have been installed at all three campuses and the entire Athletics Facility Upgrades Project will be complete by Spring 2006. DB contracts were awarded for the new CSM Building 36 Science Building and Skyline's Student Support & Community Center/Science Annex Buildings 6/7A. Work is well under way on both projects. The primary structure of the CSM Science Building is scheduled for occupancy over the Summer of 2006. The Planetarium structure associated with this project has been delayed at the Division of State Architect and approval is expected by year end 2005. This will allow construction to commence on the Planetarium in the first quarter of 2006. The Skyline 6/7A Buildings are scheduled for occupancy Fall 2006. Canada's new Building 9 Library & Learning Resources Center construction contract was awarded and work is well underway. Occupancy is scheduled for Spring 2007. CSM's Building 18 Seismic & Modernization project was completed one semester ahead of schedule, allowing phased occupancy over the Fall 2005 semester, and came in over \$1 million under budget. CSM's new Building 35 Regional Public Safety Center (RPSC) is scheduled for completion in Spring 2006, although at this writing the building is expected to be complete ahead of schedule. The entire Bond program is on track for scheduled completion in December 2007. In addition, College Vista, a 44 unit apartment building for faculty and

**San Mateo County Community College District
Management's Discussion and Analysis
June 30, 2005**

staff housing has its ribbon cutting in December 9, 2005, and will be ready for occupancy soon thereafter.



College of San Mateo, Science Building under Construction (Top Left).

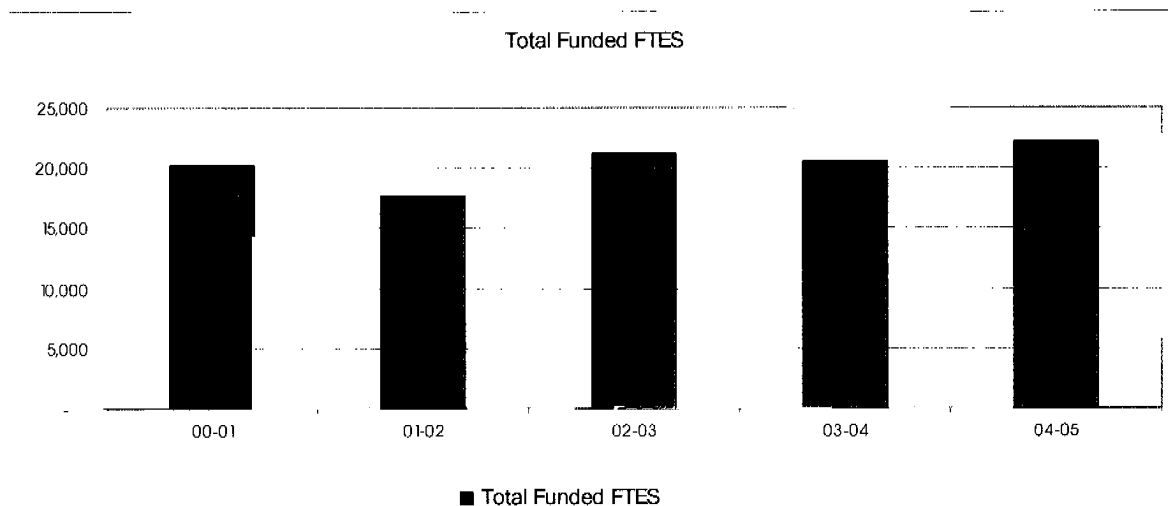
Skyline College, Student Union & Science Annex (Top Right)

Staff and Faculty Housing (Bottom Left)

Canada College, Library Learning Center (Bottom Right)

- *Enrollments*

In 2004-05, the District's enrollment declined about 2.5%. In order to maximize revenue, the District shifted 2,100 FTES from Summer 2005. This allows the District to benefit from additional growth funding available at the state level for 2004-05. The following chart shows comparative FTES data for the past five fiscal years.



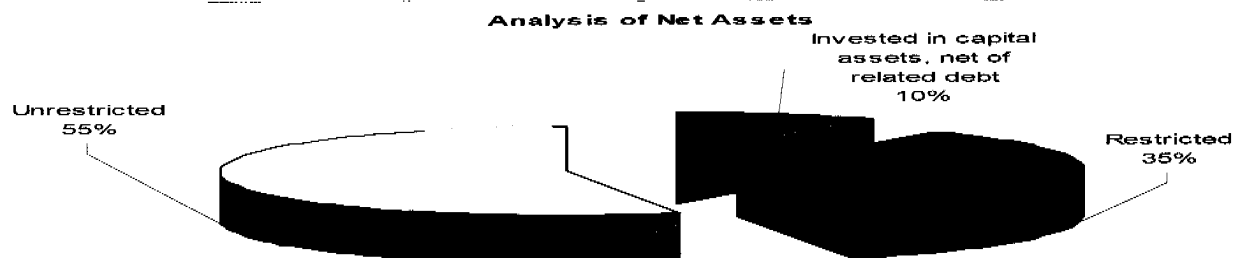
**San Mateo County Community College District
Management's Discussion and Analysis
June 30, 2005**

Net Assets

The Statement of Net Assets below includes all assets and liabilities of the District using the accrual basis of accounting, which is similar to the accounting basis used by private companies. Net Assets, the difference between total assets and total liabilities, is one way to measure the financial condition of the District. Following are explanatory remarks for the statement:

- *Cash and cash equivalents* consist of cash in the Treasury, Local Agency Investment Fund (LAIF) of the State Treasurer's Office, San Mateo County Pool Investment, a Special Deposit Bond with Wells Fargo Bank, proceeds from the District's general obligation construction bond and certificates of deposit with various banks.
- *Accounts receivable* primarily consists of revenues from local, state, and federal sources from which the District had earnings but which were not received as of the fiscal year's closing date.
- *Inventories and other assets* include prepaid expenses and bookstore inventories.
- *Capital assets, net of depreciation*, are the net historical value of land, buildings, construction in progress and equipment less accumulated depreciation.
- Accounts payable and accrued liabilities consist of payables to the state, federal grants, benefits, salaries and local vendors which the District incurred but for which payments were not issued as of the end of the fiscal year.
- *Deferred revenues* represent cash received during the fiscal year from state, federal grants, general tax apportionment and student fees; however, the funds were not earned as the end of the fiscal year.
- Long-term liabilities include obligations to be paid over a period longer than 1 year. The current portion represents payments due within the next 12 months. The District has compensated absences payable, a construction bond, and Certificate of Participation (C.O.P.).
- According to GASB Statements, equity is reported as "Net Assets" rather than "Fund Balance." The District's net assets are classified as follows:
 - Invested in capital assets, net of related debt, represents the District's total investment in capital assets and net of outstanding debt obligations related to those capital assets.
 - Restricted net assets consist of expendable and nonexpendable portions. Restricted expendable net assets include resources which the District is contractually obligated to expend in accordance with restrictions imposed by external third parties.
 - Unrestricted net assets represent resources used for transactions relating to the educational and general operations of the District.

Analysis of Net Assets – June 30, 2005



**San Mateo County Community College District
Management's Discussion and Analysis
June 30, 2005**

**STATEMENT OF NET ASSETS
JUNE 30, 2005 and 2004**

	2005	2004	2003
	in thousands	in thousands	in thousands
ASSETS			
Current Assets:			
Cash and cash equivalents	\$215,148	\$194,199	\$152,503
Accounts receivable	12,498	12,499	10,352
Inventories and other assets	4,353	4,214	3,596
	231,999	210,912	166,451
Noncurrent Assets:			
Capital assets, net of depreciation	167,717	130,349	71,888
	167,717	130,349	71,888
	399,716	341,261	238,338
LIABILITIES			
Current Liabilities:			
Accounts payable and accrued liabilities	33,725	50,771	22,814
Deferred revenue	10,075	8,788	7,440
Amount held in trust on behalf of others	8,541	1,079	0,935
Current portion of long-term liabilities	7,046	5,279	4,334
	59,386	65,916	35,522
Noncurrent Liabilities			
Long-term liabilities - noncurrent portion	194,449	125,070	97,045
	194,449	125,070	97,045
	253,836	190,986	132,567
NET ASSETS			
Invested in capital assets, net of related debt	14,292	73,309	58,508
Restricted	51,674	40,418	16,900
Unrestricted	79,914	36,549	30,363
	\$145,880	\$150,275	\$105,771

Total net assets at June 30, 2005, decreased \$4 million over the prior fiscal year. The decrease was primarily due to the following:

- The increase of net capital assets from Bond and C.O.P. construction in the District.
- Long-term debt increased due to proceeds from Construction bonds.

**San Mateo County Community College District
Management's Discussion and Analysis
June 30, 2005**

Statement of Revenues, Expenses and Changes in Net Assets

The Statement of Revenues, Expenses and Changes in Net Assets shown below consists of operating and non-operating results of the District. Operating revenues represent all revenues from programmatic sources. Non-operating revenues include State apportionments, Local property tax revenues, investment earnings and gifts.

Operating revenues include activities characterized by exchange transactions, such as student fees, sales and services of Bookstore and Cafeteria operations, services provided and contracted to grants agencies, and interest from institutional student loans. Non-operating revenue, on the other hand, is characterized by non-exchange transactions, such as donations, gifts, State appropriations and regular investment income.

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2005 AND 2004**

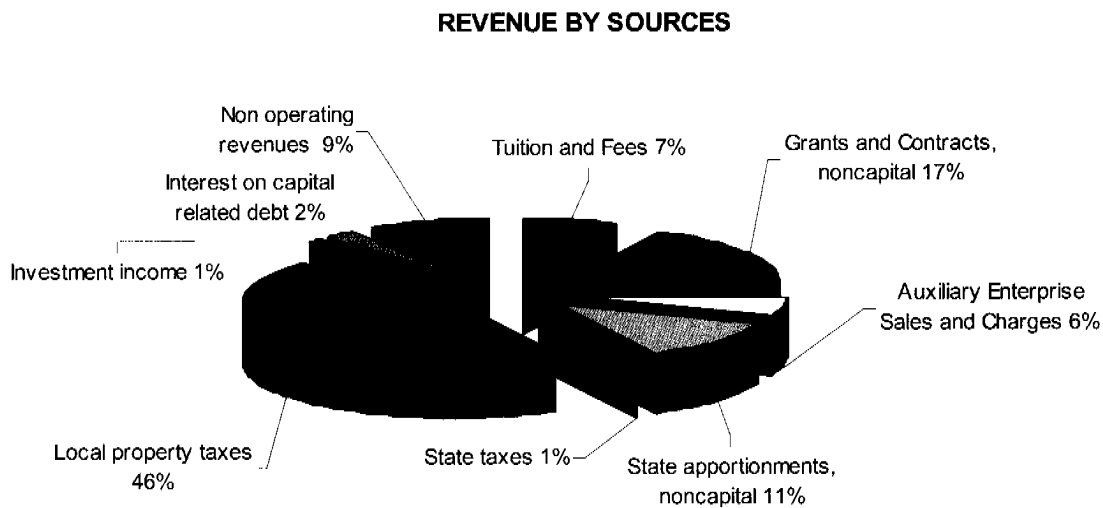
	2005	2004	2003
	in thousands	in thousands	in thousands
OPERATING REVENUES			
Tuition and Fees	\$10,580	\$9,165	\$7,749
Grants and Contracts, noncapital	27,229	25,305	24,396
Auxiliary Enterprise Sales and Charges	8,279	7,484	8,044
TOTAL OPERATING REVENUES	46,087	41,954	40,189
OPERATING EXPENSES	149,410	107,931	122,945
OPERATING LOSS	(103,323)	(65,977)	(82,757)
NON-OPERATING REVENUES (EXPENSES)			
State apportionments, noncapital	16,970	5,110	5,402
Local property taxes	66,570	76,963	78,357
State taxes	001	001	000
Investment income/(expense), net	2,095	2,605	2,157
Interest income/(expense) on capital related debt, net	(6,482)	(5,551)	(3,829)
Other non-operating revenues	13,763	23,208	7,251
TOTAL NON-OPERATING REVENUES (EXPENSES)	92,918	102,337	89,338
INCOME BEFORE OTHER REVENUES AND EXPENSES	(10,405)	36,360	6,582
OTHER REVENUES AND EXPENSES	6,010	8,145	9,393
NET CHANGE IN NET ASSETS	(4,395)	44,505	15,975
NET ASSETS, BEGINNING OF YEAR	150,275	105,771	89,796
NET ASSETS, END OF YEAR	\$145,880	\$150,275	\$105,771

**San Mateo County Community College District
 Management's Discussion and Analysis
 June 30, 2005**

Explanatory information for the statement is as follows:

- *Tuition and Fees* are net of enrollment, health, non-resident tuition, other student fees and less scholarship discount and allowance as defined by GASB statement No. 35.
- *Federal, and state grants and contract services* are "exchange" transactions for which the District files applications, complies with individual spending restrictions, files expenditure reports, and/or signs contracts.
- *Auxiliary Enterprise Sales and Charges* consist of bookstore and cafeteria sales less discount allowances.
- *State apportionments, non-capital* includes state apportionment, apprenticeship, Partnership for Excellence and child care development apportionment.
- *Local property taxes and other non-operating revenues* consist primarily of secured and unsecured taxes which are payable to the District in December and March of each year. The County of San Mateo collects the taxes on behalf of the District. Other non-operating revenues are State Lottery revenue and miscellaneous local income.
- *Net investment income* includes interest from the San Mateo County Investment Pool managed by the County Treasurer, certificates of deposit, bond proceeds, and Local Agency Investment Fund (LAIF), less interest expense on capital related debt.
- *State and Local Revenues, capital* includes State scheduled maintenances funding and issuance of the General Bond. These revenues relate mainly to construction activities.

Below is an illustration of District revenues by source:



Revenues and expenses changed mainly due to the following:

- Operating Revenues increased as a result of a tuition increase per unit from \$18 to \$26 and an increase in grants and contracts.
- Non-Operating Revenues decreased mainly due to the State budget reduction in categorical programs, and scheduled maintenance.
- Operating Expenses increased primarily due to salaries, health care premiums, depreciation for capital assets and other operating expenses and services.

**San Mateo County Community College District
Management's Discussion and Analysis
June 30, 2005**

Operating Expenses

The District's operating expenses are shown below (with explanatory remarks) by account and by activity. Following are explanatory comments for the Statement of Operating Expenses by Account:

- Salaries and benefits expenses, which represent the largest percentage of the District's operating expense, increased due to salary and health care benefit improvements in addition to price increases.
- Supplies, materials, other operating expenses, services and utilities are the normal cost of operating expenses for "exchange" transactions.
- Depreciation of capital assets is computed and recorded by the straight-line method. The District maintains a capitalization threshold of \$5,000 for equipment and \$100,000 for building improvements. Useful lives of the assets are estimated as follows:
 - 5 to 10 years for equipment
 - 25 to 50 years for improvements
 - 25 to 50 years for buildings

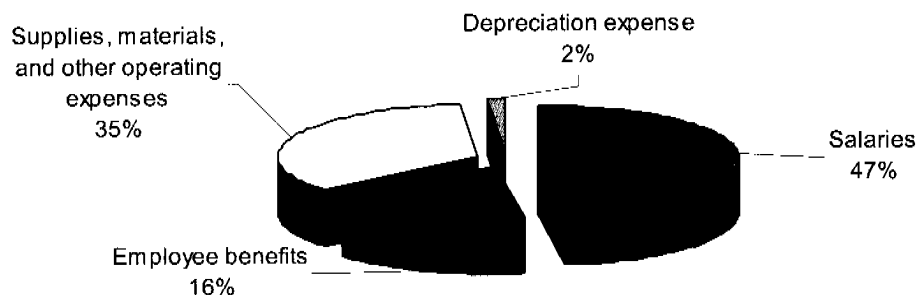
	<u>2005</u>	<u>2004</u>	<u>2003</u>
Statement of Operation Expenses by Account	in thousands	in thousands	in thousands
Salaries	\$71,407	\$66,743	\$71,907
Employee benefits	23,873	20,980	19,779
Supplies, materials, and other operating expenses	51,865	18,307	29,108
Depreciation expense	2,265	1,901	2,151
TOTAL OPERATING EXPENSES	\$149,410	\$107,931	\$122,945

	<u>2005</u>	<u>2004</u>	<u>2003</u>
Statement of Operating Expenses by Activity	in thousands	in thousands	in thousands
Instructional activities	\$53,618	\$52,922	\$60,204
Academic support	6,130	5,901	3,132
Student services	13,334	17,658	18,166
Plant operations and maintenance	45,716	11,669	10,147
Instructional support services	16,368	2,933	14,981
Community svcs and economic development	959	1,151	1,144
Ancillary svcs and auxiliary operations	11,019	13,995	13,019
Depreciation expense	2,266	1,702	2,152
TOTAL OPERATING EXPENSES	\$149,410	\$107,931	\$122,945

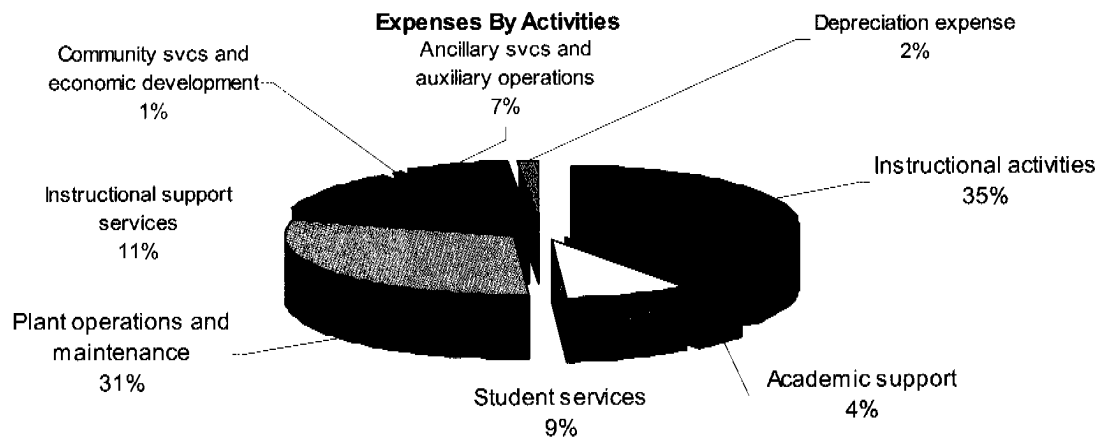
**San Mateo County Community College District
Management's Discussion and Analysis
June 30, 2005**

Below are illustrations of District expenditures by accounts and by activities.

Expenses By Accounts



Expenses By Activities



Cash Flows

The Statement of Cash Flows shown below provides information about cash receipts and cash payments during the fiscal year. The statement also assists readers in understanding the District's ability to generate net cash flows, and its ability to meet obligations as they come due, or the District's need for assistance via external financing. The District has adopted the direct method, and under this method, data for cash flow present operating activities by major categories of gross receipts and gross payments as well as the resulting net amount. Additional explanatory information for the statement is as follows:

- The main cash receipts from operating activities consist of tuition, student fees, auxiliary enterprise sales, Federal and State grants and contracts. Cash outlays include payment of salaries, benefits, supplies and operating expenses.
- State apportionments and property taxes are the primary source of non-capital financing.

**San Mateo County Community College District
Management's Discussion and Analysis
June 30, 2005**

- For capital financing activities, the main sources are from special State Apportionments and General Obligation Bond and C.O.P. proceeds.
- Cash from investing activities consists of Interest from County Investment Pool, Certifications of Deposits, Bond and Local Agency Investment Fund (LAIF). For 2004-2005, the County Pool Investment performance has been considerably better than that of LAIF.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2005 AND 2004**

	2005	2004	2003
		in	in
CASH FLOWS PROVIDED BY (USED IN):	in thousands	thousands	thousands
Operating Activities	(\$106,644)	(\$54,828)	(\$74,534)
Noncapital financing activities	99,142	98,271	90,562
Capital financing activities	26,893	(3,416)	(10,886)
Investing activities	1,558	1,669	2,157
 NET INCREASE IN CASH AND CASH EQUIVALENTS	 20,949	 41,696	 7,299
 CASH & CASH EQUIVALENTS, BEGINNING OF YEAR	 194,199	 152,503	 145,203
 CASH AND CASH EQUIVALENTS, END OF YEAR	 \$215,148	 \$194,199	 \$152,503

Economic Factors and the 2004-05 Budget

While the 2005-06 State budget does not fully address the Governor's promise to reimburse education for the suspension of Proposition 98 in 2004-05, it does include a 4.23% COLA on general apportionment and 3% growth statewide and the restoration of \$31.4 million in Partnership for Excellence funds that had been vetoed out of the 2004-05 budget. Because the District shifted FTES from 2005-06, the District will not achieve any funded growth available in 2005-06. Whether the District will achieve actual growth remains to be seen. All three colleges have enrollment growth plans in place and funding has been provided for this purpose.

The District negotiated a one year agreement with its unions in 2004-05, so the District must again return to the bargaining table for 2005-06 and beyond. The 2005-06 budget does not provide for compensation settlements at this time.

The economic outlook of the state is improving but remains tenuous. Statewide revenues are exceeding those anticipated and the Legislative Analyst Office has projected sufficient additional revenues such that there will be no deficit for fiscal year 2005-06. These are one time revenues, however, this does not change the fact that the state budget is still unbalanced. This may have an effect on public education funding in general and upon community colleges specifically. Currently, the California Community College Board of Governors has submitted a budget change proposal amounting to \$500 million and representing a 10% increase in community

**San Mateo County Community College District
Management's Discussion and Analysis
June 30, 2005**

college funding. The proposal as submitted is within the limits of Proposition 98 guaranteed funding, but does not represent accommodations for the state's budget deficit.

The biggest challenges facing the community colleges in California and for San Mateo County Community College District is the continued constraint on funding per student which falls short of the funding provided for all other sectors of public education in California.

Bond & C.O.P. Construction 2004-05 and Beyond

In addition to the above-referenced projects underway, the following work is scheduled to be awarded and initiated in the coming year. Design documents for the renovation of Buildings 16, 17 & 18 at Cañada College, which house the various science lab and vocational programs are currently under review by the Division of State Architect (DSA). Approval is expected some time in the first quarter of 2006, in which case the project will bid in Spring 2006. State funding in the amount of approximately \$12 million dollars was recently approved for the conversion of Skyline College Building 7. The project will pilot a new DSA Rapid Review Process, which is expected to expedite the review process.

Voter approval of Measure A in November 2005 brought an additional \$468 million dollars in capital improvement funding to the District. At this writing, District Staff and the Board of Trustees are exploring various strategies for planning and implementation of work with these funds.

Contacting the District's Financial Management Office

This financial report is designed to provide our citizens, taxpayers, students, investors and creditors with a general overview of the District's finances and to show the District's accountability for funding received. Questions or concerns about this report or requests for additional financial information should be addressed to James W. Keller, Executive Vice Chancellor, by phone at 650-574-6500 or by e-mail at kellerj@smccd.net.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

STATEMENTS OF NET ASSETS JUNE 30, 2005 AND 2004

	June 30, 2005	June 30, 2004
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 2,354,503	\$ 2,154,051
Investments	212,793,453	192,045,062
Accounts receivable, net of allowance	12,113,989	12,119,799
Student loans receivable	384,190	378,896
Prepaid expenses	108,072	421,954
Stores inventories	1,395,011	1,697,771
Other current assets	372,725	363,842
Deferred charges	2,476,744	1,730,730
Total Current Assets	231,998,687	210,912,105
Noncurrent Assets:		
Land and construction in progress	93,388,551	75,973,502
Capital assets, depreciable	124,459,699	102,838,222
Less: Accumulated Depreciation	(50,131,013)	(48,462,605)
Total Noncurrent Assets	167,717,237	130,349,119
TOTAL ASSETS	399,715,924	341,261,224
LIABILITIES		
Current Liabilities:		
Accounts payable	19,159,460	27,329,558
Accrued interest payable	2,565,549	3,141,005
Current loans	12,000,000	20,300,000
Deferred revenue	10,074,575	8,787,895
Amounts held in trust on behalf of others	8,540,831	1,078,645
Compensated absences payable - current portion	1,830,686	1,785,426
Lease obligations - current portion	156,242	-
Current portion of general obligation bonds	4,945,000	3,455,000
Current portion of other long-term liabilities	114,078	38,588
Total Current Liabilities	59,386,421	65,916,117
Noncurrent Liabilities:		
Compensated absences payable - noncurrent portion	720,342	595,430
Noncurrent portion of general obligation bonds	160,168,823	92,843,613
Lease obligations - noncurrent portion	156,242	-
Noncurrent portion of certificates of participation	30,885,000	30,885,000
Noncurrent portion of other long-term liabilities	2,518,758	745,575
Total Noncurrent Liabilities	194,449,165	125,069,618
TOTAL LIABILITIES	253,835,586	190,985,735
NET ASSETS		
Invested in capital assets, net of related debt	14,291,712	73,308,502
Restricted for:		
Debt service	10,019,898	8,895,200
Capital projects	41,404,204	30,829,306
Educational programs	-	599,467
Other activities	250,125	93,854
Unrestricted	79,914,399	36,549,160
TOTAL NET ASSETS	\$ 145,880,338	\$ 150,275,489

The accompanying notes are an integral part of these financial statements.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED JUNE 30, 2005 AND 2004**

	June 30, 2005	June 30, 2004
OPERATING REVENUES		
Tuition and Fees	\$ 14,286,344	\$ 11,482,853
Less: fee waivers and allowances	(3,706,428)	(2,317,539)
Net tuition and fees	10,579,916	9,165,314
Grants and Contracts, noncapital:		
Federal	9,031,725	8,807,264
State	15,148,082	14,261,574
Local	3,049,068	2,235,845
Auxiliary Enterprise Sales and Charges		
Bookstore	8,125,966	7,314,666
Cafeteria	152,620	169,108
TOTAL OPERATING REVENUES	46,087,377	41,953,771
OPERATING EXPENSES		
Salaries	71,407,153	66,742,488
Employee benefits	23,872,691	20,980,061
Supplies, materials, and other operating expenses and services	51,865,121	18,306,920
Depreciation	2,265,503	1,901,321
TOTAL OPERATING EXPENSES	149,410,468	107,930,790
OPERATING LOSS	(103,323,091)	(65,977,019)
NON-OPERATING REVENUES (EXPENSES)		
State apportionments, noncapital	16,970,129	5,110,499
Local property taxes	66,570,360	76,962,511
State taxes and other revenues	1,008	1,308
Investment income, net	2,094,713	2,605,483
Interest expense on capital related debt	(9,574,949)	(5,852,431)
Interest income on capital asset-related debt, net	3,093,327	301,494
Other non-operating revenue	13,763,099	23,208,008
TOTAL NON-OPERATING REVENUES (EXPENSES)	92,917,687	102,336,872
INCOME (LOSS) BEFORE OTHER REVENUES AND EXPENSES	(10,405,404)	36,359,853
OTHER REVENUES AND EXPENSES		
State revenues, capital	4,602,094	1,824,517
Local revenues, capital	1,408,159	6,320,215
TOTAL OTHER REVENUES AND EXPENSES	6,010,253	8,144,732
NET CHANGE IN NET ASSETS	(4,395,151)	44,504,585
NET ASSETS, BEGINNING OF YEAR	150,275,489	105,770,904
NET ASSETS, END OF YEAR	\$ 145,880,338	\$ 150,275,489

The accompanying notes are an integral part of these financial statements.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2005 AND 2004**

CASH FLOWS FROM OPERATING ACTIVITIES	June 30, 2005	June 30, 2004
Tuition and fees	\$ 12,043,697	\$ 9,082,426
Federal grants and contracts	8,665,486	8,931,025
State grants and contracts	17,718,125	14,030,553
Local grants and contracts	1,958,387	2,235,845
Payments to suppliers	(61,758,497)	(7,341,622)
Payments to/(on behalf of) employees	(93,699,114)	(89,249,534)
Auxiliary enterprise sales and charges		
Bookstore	8,226,618	7,314,666
Cafeteria	152,620	169,108
Other Operating Receipts/Payments	48,356	-
Net Cash Used by Operating Activities	(106,644,322)	(54,827,533)
 CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State apportionments	9,330,910	3,554,642
Property taxes	66,570,360	76,962,511
State taxes and other apportionments	(722,530)	3,328,292
Other non-operating	11,845,253	(1,919,156)
Proceeds from TRANS	12,000,000	20,300,000
Student organization and other agency transactions	117,976	(3,955,672)
Net Cash Provided by Noncapital Financing Activities	99,141,969	98,270,617
 CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Proceeds from sale of general obligation bond	69,995,132	29,874,740
Purchase of capital assets	(41,668,325)	(64,789,978)
State revenue, capital projects	4,602,094	1,824,517
Local revenue, capital projects	1,408,159	28,599,881
Principal paid on capital debt	(3,455,000)	(2,596,517)
Interest paid on capital debt	(6,911,898)	3,370,196
Interest income on capital asset-related debt, net	2,923,275	301,494
Net Cash Provided (Used) by Capital Financing Activities	26,893,437	(3,415,667)
 CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received from investments	1,557,759	1,668,940
 NET INCREASE IN CASH AND CASH EQUIVALENTS	20,948,843	41,696,357
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	194,199,113	152,502,756
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 215,147,956	\$ 194,199,113

The accompanying notes are an integral part of these financial statements.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

STATEMENTS OF CASH FLOWS, (CONTINUED) FOR THE YEARS ENDED JUNE 30, 2005 AND 2004

RECONCILIATION OF NET OPERATING REVENUES TO NET CASH USED BY OPERATING ACTIVITIES

Operating loss	\$ (103,323,091)	\$ (65,977,019)
Adjustments to reconcile operating loss to net cash used by operating activities		
Depreciation	2,265,502	1,901,321
Changes in assets and liabilities		
Decrease (increase) in accounts receivable	5,810	(1,805,340)
Increase in student loans	(5,294)	(341,709)
Decrease (increase) in stores inventory	302,760	(366,213)
Decrease (increase) in prepaid expenditures	(432,132)	(687,754)
Decrease (increase) in other current assets	(8,883)	435,970
Increase (decrease) in accounts payable	(8,745,554)	9,677,897
Increase amount held in trust	117,976	143,941
Decrease in notes payable	-	(261,517)
Increase (decrease) in current portion of compensated absences	45,260	96,273
Increase in current portion of other long term debt	1,721,732	1,110,604
Increase in deferred revenue	1,286,680	1,347,766
Increase (decrease) in long term portion of compensated absences	124,912	(101,753)
NET CASH USED BY OPERATING ACTIVITIES	\$ (106,644,322)	\$ (54,827,533)
CASH AND CASH EQUIVALENTS		
Cash	\$ 2,354,503	\$ 2,154,051
Investments	212,793,453	192,045,062
Total cash and cash equivalents	\$ 215,147,956	\$ 194,199,113

The accompanying notes are an integral part of these financial statements.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005 AND 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The San Mateo County Community College District (The District) is a political subdivision of the State of California and provides educational services to the residents of San Mateo County and surrounding areas. The District consists of three community colleges located in the County of San Mateo, California. While the District is a political subdivision of the State, it is not a component unit of the State in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14. The District operates under a locally elected five-member Board of Trustees form of government and provides higher education in the County of San Mateo. The District currently operates three college campuses located in the cities of San Mateo, San Bruno, and Redwood City, California.

Financial Reporting Entity

As defined by generally accepted accounting principals established by the GASB, the financial reporting entity consist of the primary government (the District), as well as the following component units.

San Mateo County Community College District Financing Corporation
San Mateo County Community Colleges Educational Housing Corporation

The San Mateo County Community College District Financing Corporation (the Corporation) is a legally separate organization component unit of the District. The Corporation was formed to issue debt specifically for the acquisition and construction of capital assets for the District. The Board of Trustees of the Corporation is the same as the Board of Trustees of the District. The financial activity has been "blended" or consolidated within the financial statements as the District as if the activity was the District's. Within the supplementary information section of the report, the activity is included as the COP Payment Fund and COP Construction Fund. Certificates of participation issued by the Corporation are included as long-term liabilities in the governmental-wide financial statements. Individually-prepared financial statements are not prepared for the Corporation.

The San Mateo County Community Colleges Educational Housing Corporation (the Corporation) is a legally separate organization component unit of the District. The Corporation was formed to operate staff and faculty housing. The Board of Trustees of the Corporation is the same as the Board of Trustees of the District. There was no financial activity for the year ended June 30, 2005.

During the year ended June 30, 2004, the District implemented Governmental Accounting Standard Board (GASB) Statement No. 39, *Determining Whether Certain Organizations are Component Units*. This statement amends GASB Statement No. 14, *The Financial Reporting Entity*, to provide additional guidance to determine whether certain organizations, for which the District is not financially accountable, should reported as component units based on the nature and significance of their relationship with the District. The District has determined that the San Mateo College Community Foundation does not meet the criteria for inclusion under GASB 39.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities. Accordingly, the District's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005 AND 2004

recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency and intra-fund transactions have been eliminated.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within 90 days of fiscal year-end. Non-exchange transactions, in which the District receives value without directly giving equal value in return, include State apportionments, property taxes, certain grants, entitlements, and donations. Revenue from State apportionments is generally recognized in the fiscal year in which it is apportioned from the State. Revenue from property taxes is recognized in the fiscal year in which the taxes are received. Revenue from certain grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include time and purpose requirements.

The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to colleges and universities, as well as those prescribed by the California Community College's Chancellor's Office. The District reports are based on all applicable Governmental Accounting Standards Board (GASB) pronouncements. When applicable, certain prior year amounts have been reclassified to conform to current year presentation.

The financial statements are presented in accordance with the reporting model as prescribed in GASB Statement No. 34 and No. 35, *Basic Financial Statements and Management's Discussions and Analysis for Public Colleges and Universities*, as amended by GASB Statements No. 37 and 38. The Business type activities model followed by the District requires the following components of the District's financial statements:

- Management's Discussion and Analysis
- Basic Financial Statements for the District as a whole including:
 1. Statements of Net Assets
 2. Statements of Revenues, Expenses and Changes in Net Assets
 3. Statements of Cash Flows
- Notes to the Financial Statements

The following is a summary of the more significant policies:

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of one year or less from the date of acquisition. Cash equivalents also include cash with county treasury balances for purposes of the statement of cash flows.

Investments

Investments held at June 30, 2005, with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005 AND 2004

Restricted Assets

Restricted assets arise when restrictions on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. Restricted assets in the debt service fund represent cash and cash equivalents required by debt covenants to be set aside by the District for the purpose of satisfying certain requirements of the bonded debt issuance.

Accounts Receivable

Accounts receivable include amounts due from the Federal, State and /or local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the District's grants and contracts. Accounts receivable also consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty and staff, the majority of each residing in the State of California. The District provides for an allowance for uncollectible accounts as an estimation of amounts that may not be received. The allowance is based upon management's estimates and analysis. The allowance was estimated at \$846,706 and \$605,068 for the years ended June 30, 2005 and 2004, respectively.

Inventory

Inventory consists primarily of bookstore merchandise and cafeteria food and supplies held for resale to the students and faculty of the colleges. Inventories are stated at lower of cost or market, utilizing the first in, first out method. The cost is recorded as an expense as the inventory is consumed.

Capital Assets and Depreciation

Capital assets are long-lived assets of the District as a whole and include land, building, and equipment. The District maintains a capitalization threshold of \$5,000 for equipment and \$100,000 for land, buildings and improvements. The auxiliary funds (Cafeterias, Bookstores and Associated Student Body) maintain and capitalization threshold of \$500. Assets are recorded at historical cost, or estimated historical cost, when purchased or constructed. The District does not possess any infrastructure. Donated capital assets are recorded at estimated fair market value at the date of donation. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized, but are expensed as incurred. Major outlays for capital improvements are capitalized as Work in Process as the projects are constructed.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings 25 to 50 years; improvements, 25 to 50 years; equipment, 5 to 10 years.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the entity-wide financial statements.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005 AND 2004

Compensated Absences

The District accrues vacation and compensated time in lieu of overtime for employees. Both are paid out upon termination and, effective June 30, 2006, the compensated time in lieu of overtime will be paid out annually.

Accumulated unpaid employee vacation benefits are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the government-wide financial statements. For governmental funds, the current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignations and retirements that occur prior to year end that have not yet been paid with expendable available financial resources. These amounts are recorded in the fund from which the employees who have accumulated leave are paid.

Sick leave is accumulated without limit for each employee at the rate of one day for each month worked. Leave with pay is provided when employees are absent for health reasons; however, the employees do not gain a vested right to accumulated sick leave. Employees are never paid for any sick leave balance at termination of employment or any other time. Therefore, the value of accumulated sick leave is not recognized as a liability in the District's financial statements. However, credit for unused sick leave is applicable to all classified school members who retire after January 1, 1999. At retirement, each member will receive .004 year of service credit for each day of unused sick leave.

The District also participates in "load banking" with eligible academic employees whereby the employees may teach extra courses in one period in exchange for time off in another period. The full liability for this benefit is accrued in the appropriate fund.

Deferred Revenue

Deferred revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the District prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Deferred revenues include (1) amounts received for tuition and fees prior to the end of the fiscal year that are related to the subsequent fiscal year and (2) amounts received from Federal and State grants received before the eligibility requirements are met are recorded as deferred revenue.

Net Assets

GASB Statements No. 34 and No. 35 report equity as "Net Assets" rather than "Fund Balance." Net assets are classified according to external donor restrictions or availability of assets for satisfaction of District obligations according to the following net asset categories:

- **Invested in Capital Assets, Net of Related Debt:** Capital Assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.
- **Restricted – expendable:** Net assets whose use by the District is subject to externally imposed constraints that can be fulfilled by actions of the District pursuant to those constraints or by the passage of time.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005 AND 2004

- **Unrestricted net assets:** Net assets that are not subject to externally imposed constraints. Unrestricted net assets may be designed for specific purposes by action of the Board of Trustees or may otherwise be limited by contractual agreements with outside parties. Substantially all unrestricted net assets are designated for educational and general operations of the District.

The District first applies restricted resources when an expense is incurred for purpose for which both restricted and unrestricted net assets are available.

Operating Revenues and Expenses

Classification of Revenues – The District has classified its revenues as either operating or non-operating according to the following criteria:

Operating revenues – Operating revenues include activities that have the characteristics of exchange transactions, such as, (1) student tuition and fees, net of scholarship discounts and allowances, (2) sales and services of auxiliary enterprises, net of scholarship discounts and allowances, (3) most Federal, State and local grants and contracts and Federal appropriations.

Non-operating revenues – Non-operating revenues include activities that have the characteristics of nonexchange transactions, such as State apportionments, property taxes, investment income, gifts and contributions, and other revenue sources described in GASB Statement No. 34.

Classification of Expenses – Nearly all the District's expenses are from exchange transactions and are classified as either operating or non-operating according to the following criteria:

Operating expenses - Operating expenses are necessary costs to provide the services of the District and include employee salaries and benefits, supplies, operating expenses and student financial aid.

Non-operating expenses - Non-operating expenses include interest expense and other expenses not directly related to the services of the District such as interest expense.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Property Tax

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County of San Mateo bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when received.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2005 AND 2004

Federal Financial Assistance Programs

The District participates in federally funded Pell Grants, SEOG Grants, and Federal Work-Study programs, as well as other programs funded by the Federal government. Financial aid to students is either reported as operating expenses or fee waivers, which reduce revenues. The amount reported as operating expense represents the portion of aid that was provided to the student in the form of cash. Fee waivers and allowances represent the portion of aid provided to students in the form of reduced tuition. These programs are audited in accordance with the Single Audit Act Amendments of 1996, and the U.S. Office of Management and Budget's revised Circular A-133 "Audits of States, Local Governments and Non-Profit Organizations," and the related *Compliance Supplement*.

Reclassification

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Newly Issued Accounting Pronouncements

- **GASB Statement No. 40:** In March 2003, GASB issued Statement No. 40, *Deposit and Investment Risk Disclosures*, which amends Statement No. 3, *Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements*, and addresses additional risks to which governments are exposed. Under Statement No. 40, State and local governments are required to disclose information covering four principal areas:
 - Investment credit risk disclosures, including credit quality information issued by rating agencies;
 - Interest rate disclosures that include investment maturity information, such as weighted average maturities or specification identification of securities;
 - Interest rate sensitivity for investments that are highly sensitive to changes in interest rates (ex: inverse floaters, enhanced variable-rate investments, and certain asset-backed securities; and
 - Foreign exchange exposures that would indicate the foreign investment's denomination.

The GASB Statement No. 40 provisions are effective for financial statements for periods beginning after June 30, 2004, and are included Note 2 cash and investment.

- **GASB Statement No 42:** In November 2003, GASB issued Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*. This statement establishes accounting and financial reporting standards for impairment of capital assets. The provisions of this statement are effective for periods beginning after December 2004 and will be implemented by the District in fiscal year 2005-2006.
- **GASB Statement No. 43:** In April 2004, GASB issued Statement No. 43, *Financial Reporting for Postemployment Benefits Other than Pension Plans*. The standards in this statement apply for trust funds included in the financial reports of plan sponsors or employers, as well as for the stand-alone financial reports of OPEB plans or the public employee retirements systems, or other third parties that administer them. The provisions of this statement are effective for periods beginning after December 15, 2005. The San Mateo County Community College District is not a plan sponsor of an OPEB Plan.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005 AND 2004

- **GASB Statement No. 45:** In June 2004, GASB issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. This statement establishes standards for the measurement, recognition and display of OPEB expense, expenditures and related liabilities or assets, note disclosures and, if applicable, required supplementary information in the financial reports of State and local governmental employers. This statement generally provides for prospective implementation - that is, that employers set the beginning net OPEB obligation at zero as of the beginning of the initial year. The District is in the process of determining the impact the implementation of this statement will have on the government-wide statements of net assets and activities. This statement is effective for periods beginning after December 15, 2006, depending upon the size of the governmental entities' financial activity. The San Mateo County Community College District will be implementing the requirements of this standard in the 2007-08 fiscal year. The District will have a study of its postemployment benefit liability performed in 2007-08. The District expects that it will record the liability for postemployment benefits at this time. Since fiscal year 1992-93, the District has been setting aside funds for this liability and currently has almost \$22 million set aside.
- **GASB Statement No. 46:** In December 2004, GASB issued Statement No. 46, *Net Assets Restricted by Enabling Legislation*, an amendment of GASB No. 34. This statement clarifies that a legally enforceable enabling legislation restriction is one that a party external to a government can compel a government to honor. Accordingly, it clarifies the determination of restricted net assets within the statement of net assets. This statement is not effective until June 30, 2006. The District does not believe this statement will have an effect on its financial statements, however, the District will monitor new legislation and respond accordingly should any legislation require restrictions of net assets.
- **GASB Statement No. 47:** In June 2005, GASB issued Statement No. 47, *Accounting for Termination Benefits*. This statement establishes accounting standards for termination benefits. This statement is not effective until June 30, 2006. This statement is not expected to have a current impact on the District, however, the District will determine effects if it implements a termination benefit program in the future.

NOTE 2 - DEPOSITS AND INVESTMENTS

Policies and Practices

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations.

Investment in County Treasury - The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (Education Code Section 41001). The fair value of the District's investment in the pool is reported in the accounting financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005 AND 2004**

Investment in the State Investment Pool - The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California government code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in the pool is reported in the accompanying financial statement at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which is recorded on the amortized cost basis.

General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

Authorized Investment Type	Allowable Investments under Government Code		
	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	180 days	30%	10%
Negotiable Certificates of Deposit	5 years	30%	FDIC
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	20 million

Summary of Deposits and Investments

Deposits and investments as of June 30, 2005, consist of the following:

Cash on hand and in banks	\$ 2,342,889
Cash in revolving	11,614
Investments	212,793,453
Total Deposits and Investments	\$ 215,147,956

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005 AND 2004

Specific Identification

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuation is provided by the following schedule that shows the distribution of the District's investment by maturity:

Investment Type	Fair Value	Maturity Date
Commercial Paper	\$ 2,775,972	180 days
County Pool	208,867,751	None
State Investment Pool	1,147,440	None
Total	\$ 212,791,163	

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measure by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by the California Government Code, the Districts' investment policy, or debt agreements, and the actual rating as of the year-end for each investment type.

Investment Type	Fair Value	Minimum Legal Rating	Not Required To Be Rated	Rating as of Year End		
				AAA	Aa	Unrated
Commercial Paper	\$ 2,775,972	A3/A-long-term	\$ -	\$ 2,775,972	\$ -	\$ -
County Pool	208,867,751	None	-	-	-	208,867,751
State Investment Pool	1,147,440	None	-	-	-	1,147,440
Total	\$ 212,791,163		\$ -	\$ 2,775,972	\$ -	\$ 210,015,191

Custodial Credit Risk - Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2005, the \$2,748,477 of the District's bank balance of \$2,848,477 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the name of the District.

Custodial Credit Risk - Investments

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005 AND 2004

NOTE 3 – ACCOUNTS RECEIVABLES

Receivables at June 30, 2005 and 2004 consisted of intergovernmental grants, entitlements, interest, and other local sources. The District computes the allowance for doubtful accounts based on the age of the receivables.

	June 30, 2005	June 30, 2004
Federal Government		
Categorical aid	\$ 1,334,871	\$ 968,632
State Government		
Apportionment	442,860	-
Categorical aid	918,760	1,066,193
Lottery	1,791,843	1,306,862
Other state sources	1,152,891	914,334
Local Sources		
Interest	1,649,594	1,110,508
Student receivables	4,834,716	4,675,888
Other local sources	1,219,350	3,061,346
Total	13,344,885	13,103,763
Less: Allowance for doubtful accounts	(846,706)	(605,068)
Total Accounts Receivable, net	\$ 12,498,179	\$ 12,498,695

Receivables at June 30, 2005 and 2004 include \$350,000 for loans made to seven District employees to purchase houses. All full time employees who purchase a home and contribute at least 15 percent of the purchase price are eligible to receive loans of up to \$50,000 per employee. Repayment terms and interest rates are no payments due in years 1 through 5, payments of principal and interest in years 6-29, with final payment of any remaining balance in year 30. Selling the property, withdrawing cash from the equity, or leaving the District's employment accelerates the due date of the loan. Interest is charged at 4 percent per year.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005 AND 2004**

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2005, was as follows:

	Balance Beginning of Year	Additions and Adjustments	Deductions	Balance End of Year
Capital Assets Not Being Depreciated				
Land	\$ 20,628,292	\$ -	\$ -	\$ 20,628,292
Construction in progress	55,345,210	37,688,287	20,273,238	72,760,259
Total Capital Assets Not Being Depreciated	75,973,502	37,688,287	20,273,238	93,388,551
Capital Assets Being Depreciated				
Land improvements	9,834,246	-	-	9,834,246
Buildings and improvements	80,439,071	20,634,700	-	101,073,771
Furniture, equipment and vehicles	12,564,905	1,641,198	654,421	13,551,682
Total Capital Assets Being Depreciated	102,838,222	22,275,898	654,421	124,459,699
Total Capital Assets	178,811,724	59,964,185	20,927,659	217,848,250
Less Accumulated Depreciation				
Land improvements	7,167,345	120,141	-	7,287,486
Buildings and improvements	34,852,811	1,683,568	-	36,536,379
Furniture, equipment and vehicles	6,442,449	383,788	519,089	6,307,148
Total Accumulated Depreciation	48,462,605	2,187,497	519,089	50,131,013
Net Capital Assests	\$ 130,349,119	\$ 57,776,688	\$ 20,408,570	\$ 167,717,237

Depreciation expense for the year ended June 30, 2005 was \$2,187,497.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2005 AND 2004

Capital asset activity for the fiscal year ended June 30, 2004, was as follows:

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Capital Assets Not Being Depreciated				
Land	\$ 4,187,944	\$ 16,440,348	\$ -	\$ 20,628,292
Construction in progress	20,827,815	43,367,711	8,850,316	55,345,210
Total Capital Assets Not Being Depreciated	25,015,759	59,808,059	8,850,316	75,973,502
Capital Assets Being Depreciated				
Land improvements	8,256,136	1,578,110	-	9,834,246
Buildings and improvements	72,788,294	7,650,777	-	80,439,071
Furniture, equipment and vehicles	12,379,080	2,309,178	2,123,353	12,564,905
Total Capital Assets Being Depreciated	93,423,510	11,538,065	2,123,353	102,838,222
Total Capital Assets	118,439,269	71,346,124	10,973,669	178,811,724
Less Accumulated Depreciation				
Land improvements	7,094,110	73,235	-	7,167,345
Buildings and improvements	33,321,666	1,531,145	-	34,852,811
Furniture, equipment and vehicles	6,135,948	309,884	3,383	6,442,449
Total Accumulated Depreciation	46,551,724	1,914,264	3,383	48,462,605
Net Capital Assets	\$ 71,887,545	\$ 69,431,860	\$ 10,970,286	\$ 130,349,119

Depreciation expense for the year ended June 30, 2004 was \$1,914,264.

Land Purchase and Sale

In February 2001, the District approved a sales agreement with SummerHill Homes to sell 22 acres of vacant land at Skyline College for \$28 million dollars. At the same time, the District entered into a purchase agreement with the Laguna Salada Union School District (now the Pacifica School District) to purchase the Pacific Heights Middle School, which is on an approximate 14.75 acre parcel adjacent to Skyline College. The purchase price was \$16,440,338.

Because of the need to seek entitlements for the housing development it was planning, SummerHill made down payments on the property throughout 2001 and 2002 totaling \$1.5 million, which were shared with the Pacifica School District. In addition, SummerHill paid the District a total of \$11,516,521 in July 2003 and \$9,106,086 in April 2004, which was proportionally split with the Pacifica School District. The remainder of the funds owed was paid in September 2004.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2005 AND 2004

NOTE 5 - INTERFUND TRANSACTIONS

Operating Transfers

Operating transfers between District governmental funds are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. These operating transfers have been eliminated through consolidation within the entity-wide financial statements.

NOTE 6 - ACCOUNTS PAYABLE

Accounts payable at June 30, 2005 and 2004, consisted of the following:

	June 30, 2005	June 30, 2004
Accrued payroll and benefits	\$ 3,047,369	\$ 3,422,238
Apportionment/ERAF	-	7,196,359
Construction	9,590,980	6,244,699
Other	6,521,039	10,466,262
Total	\$ 19,159,388	\$ 27,329,558

NOTE 7 - DEFERRED REVENUE

Deferred revenue at June 30, 2005 and 2004, consisted of the following:

	June 30, 2005	June 30, 2004
Federal financial assistance	\$ -	\$ 53,254
State categorical aid	1,641,005	2,267,463
Enrollment fees - tuition, registration, materials	3,875,629	2,411,848
Other local	4,557,941	4,055,330
Total	\$ 10,074,575	\$ 8,787,895

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005 AND 2004**

NOTE 8 - LONG-TERM DEBT

Long-Term Debt Summary

The changes in the District's long-term obligations during 2005 consisted of the following:

	Balance Beginning of Year	Additions/ Accretions	Deductions	Balance End of Year	Due in One Year
Bonds and Notes Payable					
General obligation bonds	\$ 96,298,613	\$ 72,270,210	\$3,455,000	\$ 165,113,823	\$4,945,000
Certificates of participation	30,885,000	-	-	30,885,000	-
Capital leases	-	467,842	155,358	312,484	156,242
Total Bonds and Notes Payable	127,183,613	72,738,052	3,610,358	196,311,307	5,101,242
Other Liabilities					
Compensated absences	595,430	124,912	-	720,342	-
Total Other Liabilities	595,430	124,912	-	720,342	-
Total Long-Term Debt	127,779,043	72,862,964	3,610,358	197,031,649	5,101,242
Premiums, net of amortization	784,163	1,887,261	38,588	2,632,836	114,078
Total	\$ 128,563,206	\$ 74,750,225	\$ 3,648,946	\$ 199,664,485	\$ 5,215,320

The change in the District's long-term obligations during 2004 consisted of the following:

	Balance Beginning of Year	Additions/ Accretions	Deductions	Balance End of Year	Due in One Year
Bonds and Notes Payable					
General obligation bonds	\$ 97,579,417	\$ 1,054,196	\$2,335,000	\$ 96,298,613	\$3,455,000
Certificates of participation	-	30,885,000	-	30,885,000	-
Notes payable	261,517	-	261,517	-	-
Total Bonds and Notes Payable	97,840,934	31,939,196	2,596,517	127,183,613	3,455,000
Other Liabilities					
Compensated absences	697,183	-	101,753	595,430	-
Total Other Liabilities	697,183	-	101,753	595,430	-
Total Long-Term Debt	98,538,117	31,939,196	2,698,270	127,779,043	3,455,000
Premiums, net of amortization	1,151,622	(328,871)	38,588	784,163	38,588
Total	\$ 99,689,739	\$ 31,610,325	\$ 2,736,858	\$ 128,563,206	\$ 3,493,588

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005 AND 2004**

Description of Debt

General obligation bonds were approved by a local election in 2001. The total amount approved by the voters was \$207,000,000. At June 30, 2005, \$166,870,745 had been issued and \$165,113,823 was outstanding. Interest rates on the bonds are from 3.00 percent – 5.74 percent. Payments are made by the Bond Interest and Redemption Fund.

The certificates of participation were issued in 2004 in the amount of \$30,885,000 to finance and construct athletic facility improvements, faculty and staff housing units, college bookstores and other facilities for the District. The certificates mature through 2038 with interest rates not to exceed 5.25 percent. Payments are made by the COP Payment Fund.

Debt Maturity

General Obligation Bonds

Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds		Interest		Bonds	
				Outstanding July 1, 2004	Issued	Accretions	Redeemed	Outstanding June 30, 2005	
6/4/2002	9/1/2026	5.2-5.74%	\$96,875,613	\$96,298,613	\$ -	\$ 1,693,150	\$3,455,000	\$ 94,536,763	
2/9/2005	9/1/2029	3.00-5.00%	69,995,132	-	69,995,132	581,928	-	70,577,060	
				\$96,298,613	\$69,995,132	\$ 2,275,078	\$3,455,000	\$ 165,113,823	

Debt Maturity

Fiscal Year	Principal	Interest to Maturity	Total
2006	\$ 4,945,000	\$ 1,061,410	\$ 6,006,410
2007	1,835,000	5,391,889	7,226,889
2008	2,360,000	5,281,190	7,641,190
2009	2,835,000	5,223,664	8,058,664
2010	3,330,000	5,145,658	8,475,658
2011-2015	25,785,000	23,639,379	49,424,379
2016-2020	40,071,228	27,266,821	67,338,049
2021-2025	38,878,980	30,876,121	69,755,101
2026-2030	42,798,537	19,631,642	62,430,179
Total	162,838,745	\$ 123,517,774	\$ 286,356,519
Accretions to date	2,275,078		
	\$ 165,113,823		

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005 AND 2004**

Certificates of Participation

Year Ending June 30,	Principal	Interest	Total
2006	\$ -	\$ 748,728	\$ 748,728
2007	-	1,497,456	1,497,456
2008	385,000	1,485,906	1,870,906
2009	465,000	1,471,956	1,936,956
2010	525,000	1,456,206	1,981,206
2011-2015	1,930,000	7,043,699	8,973,699
2016-2020	3,335,000	6,499,564	9,834,564
2021-2025	5,920,000	5,284,852	11,204,852
2026-2030	9,625,000	3,273,690	12,898,690
2031-2035	3,940,000	1,654,095	5,594,095
2036-2039	4,760,000	599,625	5,359,625
Total	\$ 30,885,000	\$ 31,015,777	\$ 61,900,777

Capital Leases

The District's liability on lease agreement with options to purchase are paid by the General Fund-Unrestricted and summarized below:

Year Ending June 30,	Lease Payment
2006	\$ 164,867
2007	160,616
Total	325,483
Less: Amount Representing Interest	12,999
Present Value of Minimum Lease Payments	\$ 312,484

NOTE 9 – POSTEMPLOYMENT BENEFITS

The District provides medical, dental, and vision insurance coverage, as prescribed in the various employee union contracts, to retirees meeting plan eligibility requirements. Eligible employees retiring from the District may become eligible for these benefits when the requirements are met. The eligibility requirement for employees participating in Public Employees' Retirement System (PERS) is a minimum age of 55 and a minimum ten years of continuous service with the District. Additional age and service criteria may be required. The eligibility requirement for employees participating in State Teachers' Retirement System (STRS) is a minimum age of 60 with five years of service, or age 50 with 30 years of service. In addition, the District also has minimum continuous service requirements for retirement that range from three years to ten years and varies by employee class. The District recognizes expenditures for these post employment health benefits on a pay-as-you-go-basis. During the 2004-2005 fiscal year, the District provided insurance premium benefits to 679 retired employees with total expenditures of \$4,924,762.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005 AND 2004

The District had an actuarial study of the postemployment health benefits completed in December 2001. The accumulated future liability as of July 2001 amounted to \$86,174,000 as determined by the actuarial study.

NOTE 10 - RISK MANAGEMENT

Property and Liability

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year ending June 30, 2005, the District contracted with the Bay Area Community Colleges Joint Powers Authority for property and liability insurance coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

Workers' Compensation

For fiscal year 2005, the District participated in the Protected Insurance Program for Schools Joint Powers Authority (PIPS), an insurance purchasing pool. The intent of the PIPS is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the PIPS. The workers' compensation experience of the participating districts is calculated as one experience and a common premium rate is applied to all districts in the PIPS. Each participant pays its workers' compensation premium based on its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of 23 percent. A participant will then either receive money from or be required to contribute to the "equity-pooling fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the PIPS. Participation in the PIPS is limited to districts that can meet the PIPS selection criteria. The firm of Keenan and Associates provides administrative, cost control, and actuarial services to the group.

Coverage provided by BACCD JPA and PIPS for property and liability and workers' compensation is as follows:

Insurance Program / Company Name	Type of Coverage	Limits
Protected Insurance Program for Schools JPA (PIPS)	Workers' Compensation	\$ 1,000,000
Protected Insurance Program for Schools JPA (PIPS)	Excess Workers' Compensation	\$ 5,000,000
Bay Area CCD JPA	Property and Liability	\$ 4,000,000

Employee Medical Benefits

The District has contracted with the Cal PERS to provide employee medical and surgical benefits. Cal PERS is a shared risk pool comprised of nearly 2,500 employers and covers five regions (Bay Area, Other Northern California, Southern California, Other Southern California, and Out of State). Rates are set through an annual calculation process. The District pays a monthly contribution, which is placed in a common fund from which claim payments are made for all participating Districts. Claims are paid for all participants regardless of claims flow. The Board of Directors has a right to return monies to a district subsequent to the settlement of all expenses and claims if a district withdraws from the pool. CalPERS requires the District to have a post retirement medical benefit plan for PERS members.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005 AND 2004

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS

Qualified employees are covered under multiple-employer contributory retirement plans maintained by agencies of the State of California. Certificated employees are members of the State Teachers' Retirement System (STRS) and classified employees are members of the California Public Employees' Retirement System (CalPERS).

STRS

Plan Description

All certificated employees and those employees meeting minimum standards adopted by the Board of Governors of the California Community Colleges and employed 50 percent or more of a full-time equivalent position participate in the Defined Benefit Plan (DB Plan). Part-time educators hired under a contract of less than 50 percent or on an hourly or daily basis without contract may elect membership in the Cash Balance Benefit Program (CB Benefit Program). Since January 1, 1999, both of these plans have been part of the State Teachers' Retirement Plan (STRS), a cost-sharing, multiple-employer contributory public employee retirement system. The State Teachers' Retirement Law (Part 13 of the *California Education Code, Section 22000 et seq.*) established benefit provisions for STRS. Copies of the STRS annual financial report may be obtained from the STRS Executive Office, 7667 Folsom Boulevard, Sacramento, California 95851.

The STRS, a defined benefit pension plan, provides retirement, disability, and death benefits, and depending on which component of the STRS the employee is in, post-retirement cost-of-living adjustments may also be offered. Employees in the DB Plan attaining the age of 60 with five years of credited California service (services) are eligible for "normal" retirement and are entitled to a monthly benefit of two percent of their final compensation for each year of service. Final compensation is generally defined as the average salary earnable for the highest three consecutive years of service. The plan permits early retirement options at age 55 or as early as age 50 with at least 30 years of service. While early retirement can reduce the two percent age factor used at age 60, services of 30 or more years will increase the percentage age factor to be applied. Disability benefits are generally the maximum of 50 percent of final compensation for most applicants. Eligible dependent children can increase this benefit up to a maximum of 90 percent of final compensation. After five years of credited service, members become 100 percent vested in retirement benefits earned to date. If a member's employment is terminated, the accumulated member contributions are refundable. The features of the CB Benefit Program include immediate vesting, variable contribution rates that can be bargained, guaranteed interest rates, and flexible retirement options. Participation in the CB Benefit Program is optional; however, if the employee selects the CB Benefit Program and their basis of employment changes to half time or more, the member will automatically become a member of the DB Plan.

Funding Policy

Active members of the DB Plan are required to contribute eight percent of their salary while the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by STRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2004-2005 was 8.25 percent of annual payroll. The contribution requirements of the plan members are established by State statute. The CB Benefit Program is an alternative STRS contribution plan for part-time instructors. Instructors who choose not to sign up for the DB Plan or social security may participate in the CB Benefit Program. The District's contribution rate for the CB Benefit Program is always a minimum of four percent with the sum of the District and employee contribution always being equal or greater than eight percent.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2005 AND 2004

Annual Pension Cost

The District's total contribution to STRS for the fiscal years ended June 30, 2005, 2004, and 2003, were \$2,986,039, \$3,189,148, and \$3,019,236, respectively, and equal 100 percent of the required contributions for each year. The State of California may make additional direct payments for retirement benefits to the STRS on behalf of all community colleges on the State.

CalPERS

Plan Description

All full-time classified employees participate in the CalPERS, an agent multiple-employer contributory public employee retirement system that act as a common investment and administrative agent for participating public entities within the State of California. The San Mateo County Community College District is part of a "cost-sharing" pool with CalPERS. Employees are eligible for retirement as early as age 50 with five years of service. At age 55, the employee is entitled to a monthly benefit of 2.0 percent of final compensation for each year of service credit. Retirement compensation is reduced if the plan is coordinated with Social Security. Retirement after age 55 will increase the percentage rate to a maximum of 2.5 percent at age 63 with an increased rate. The plan also provides death and disability benefits. Retirement benefits fully vest after five years of credited service. Upon separation from the Fund, members' accumulated contributions are refundable with interest credited through the date of separation.

The Public Employees' Retirement Law (Part 3 of the *California Government Code*, Section 20000 et seq.) establishes benefit provisions for CalPERS. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

Funding Policy

Active plan members are required to contribute 7.0 percent of their salary and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for the fiscal year 2004-2005 was 9.952 percent of annual payroll. The contribution requirements of the plan members are established by State statute.

Annual Pension Cost

The District's contributions to CalPERS for the fiscal years ended June 30, 2005, 2004, and 2003 were \$2,511,809, \$2,489,436, and \$706,898 and equaled 100 percent of the required contributions for the year.

On Behalf Payments

The State of California makes contributions to STRS and CalPERS on behalf of the District. These payments consist of State General Fund contributions to STRS which amounted to \$1,734,177 (4.517 percent of salaries subject to STRS). A contribution to CalPERS was not required for the year ended June 30, 2005. Under accounting principles generally accepted in the United States of America, these amounts are to be reported as

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2005 AND 2004

revenues and expenditures. This amount has been reflected in the financial statements as a component of nonoperating revenue and employee benefit expense.

Deferred Compensation

The District offers its employees a Hartford administered 457 Deferred Compensation Program (the Program). The Program, available to all permanent employees, permits them to defer a portion of pre-tax salary into investment of an individual's own choosing until future years. The deferred compensation is not available to the employees or their beneficiaries until termination, retirement, death, or an unforeseeable emergency. The District oversees the investment and administrative functions of the Hartford 457 Deferred Compensation Program. During fiscal year 2004-2005, program membership grew to 30 from 47.

The District also contributes to the San Mateo County Community College District 403(b) Tax Deferred Annuity Plan (TDA), which is a defined contribution pension plan. A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on investments of those contributions, and forfeitures of other participants' benefits that may be allocated to such participant's account.

NOTE 12 - COMMITMENTS AND CONTINGENCIES

Grants

The District receives financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2005.

The California State Controller's Office audited the District's mandated costs claims in the prior year. As the result of the audit, the District has set aside the reserve for the liability. However, the District is in the process of disputing this liability with the State.

Litigation

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2005.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2005 AND 2004

Construction Commitments

As of June 30, 2005, the District had the following commitments with respect to the unfinished capital projects:

CAPITAL PROJECT	Remaining Construction Commitment	Expected Date of Completion
District Funded Facility Improvement Projects	\$ 5,480,906	within 5 years
State Funded Scheduled Maintenance Projects	1,610,101	within 3 years
General Obligation Bond Construction Projects	42,850,973	within 3 years
Faculty/Staff Housing (College Vista)	3,702,346	within 1 years
Districtwide Athletic Facilities	3,421,821	within 1 years
	\$ 57,066,147	

The projects are funded through combination of general obligation bonds, certificates of participation, and capital project apportionments from the State Chancellor's Office.

NOTE 13 - PARTICIPATION IN PUBLIC ENTITY RISK POOLS, JOINT POWER AUTHORITIES AND OTHER RELATED PARTY TRANSACTIONS

The District is a member of the Bay Area Community College (BACC) Joint Powers Authority JPA and Protective Insurance Program for Schools (PIPS) risk pool. The District pays an annual premium to the applicable entity for its property and liability insurance and workers' compensation coverage. Payments for the property and liability insurance are paid to the BACC JPA and workers' compensation are paid to the administrator Keenan & Associates then remitted to the JPA's. The relationships between the District, the pools, and the JPA's are such that they are not component units of the District for financial reporting purposes.

These entities have budgeting and financial reporting requirements independent of member units and their financial statements are not presented in these financial statements; however, fund transactions between the entities and the District are included in these statements. Audited financial statements are generally available from the respective entities.

During the year ended June 30, 2005, the District made payment of \$616,207 and \$1,478,880 to BACC Joint Powers Authority JPA and PIPS risk pools, respectively, for the insurance coverages.

NOTE 14 - TAX AND REVENUE ANTICIPATION NOTES

On July 1, 2003, the District issued \$10,300,000 Tax and Revenue Anticipation Notes bearing interest at 2.00 percent. The notes were issued to supplement cash flows. Interest and principal were due and payable on July 1, 2004. By May 1, 2004, the District had placed 100 percent of principal and interest in an irrevocable trust for the sole purpose of satisfying the notes.

On October 2, 2003, the District issued \$20,000,000 Taxable Tax and Revenue Anticipation Notes bearing interest at 2.00 percent. The notes were issued to supplement cash flows. Interest and principal were due and payable on October 2, 2004. By June 30, 2004, the District had placed 100 percent of principal and interest in county treasury for the sole purpose of satisfying the notes.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005 AND 2004**

On July 6, 2004, the District issued \$12,000,000 Tax and Revenue Anticipation Notes bearing interest at 3.00 percent. The notes were issued to supplement cash flows. Interest and principal were due and payable on July 6, 2005. By June 30, 2005, the District had placed 100 percent of principal and interest in the county treasury for the sole purpose of satisfying the notes. The District was not required to make any additional payments on the notes. The District has recorded 100 percent principal and interest as a current liability in the financial statements.

NOTE 15 - SUBSEQUENT EVENTS

The District issued \$15,000,000 of Tax And Revenue Anticipation Notes dated July 6, 2005. The notes mature on July 6, 2006, and have a 4.0 percent interest rate. The notes were sold to supplement cash flow. Repayment requirements are that 40 percent of the principal and interest be deposited with the Fiscal Agent in February 2006, 10 percent in March, 10 percent in April and the remaining 40 percent to be deposited in May 2006.

NOTE 16 - FUNCTIONAL EXPENSES

	Salaries	Employee Benefits	Supplies Material and Other Expenses and Services	Depreciation	Total
Instructional activities	\$ 38,169,184	\$ 13,020,131	\$ 2,429,106	\$ -	\$ 53,618,421
Academic support	4,491,378	1,191,793	447,199	-	6,130,370
Student services	9,511,354	2,425,335	1,397,523	-	13,334,212
Plant operations and maintenance	5,624,720	1,936,542	38,154,482	-	45,715,744
Instructional support services	8,272,849	3,382,197	4,713,198	-	16,368,244
Community services and economic development	500,936	151,731	306,071	-	958,738
Ancillary services and auxiliary operations	4,836,732	1,764,962	4,417,542	-	11,019,236
Depreciation expense	-	-	-	2,265,503	2,265,503
Total	\$ 71,407,153	\$ 23,872,691	\$ 51,865,121	\$ 2,265,503	\$ 149,410,468

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

DISTRICT ORGANIZATION

JUNE 30, 2005

The San Mateo County Community College District was established in 1922 and includes three college campuses located in San Mateo County. There were no changes in the boundaries of the District during the current year.

BOARD OF TRUSTEES

MEMBER	OFFICE	TERM EXPIRES
Patricia Miljanich	President	2007
Dave Mandelkern	Vice President- Clerk	2007
Richard Holober	Member	2005
Helen Hausman	Member	2005
Karen Schwarz	Member	2007
Patrick Burns	Student Trustee	2006

ADMINISTRATION

Ron Galatolo	Chancellor - Superintendent
James W. Keller	Executive Vice Chancellor
Shirley Kelly	President – College of San Mateo
Tom Mohr	Interim President – Canada College
Victoria Morrow	President – Skyline College

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2005**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
Student Financial Assistance Cluster ^[1]			
Federal Work Study Program	84.033	none	\$ 440,085
Pell Grant	84.063	none	5,259,710
Supplemental Educational Opportunity Grant (SEOG)	84.007	none	436,401
Postsecondary Education			
Business and International Education	84.153A	none	68,272
TRIO: Student Support Services	84.042A	none	416,054
TRIO: Upward Bound	84.047A	none	245,766
Higher Education - Institutional Aid Title V Hispanic Serving Institutions	84.031S	none	235,807
Passed through California Department of Education:			
Vocational Education			
VATEA I-B State Leadership - Bay Region Consortium ^[1]	84.048A	02-0342	404,396
VATEA I-C Basic Grants to States ^[1]	84.048A	02-C01	388,021
VATEA II - Tech Prep Education	84.243	02-0139	206,400
Special Education and Rehabilitation Services			
Passed through California Department of Rehabilitation:			
Vocational Rehabilitation -Workability III	84.126A	23405	306,934
Total U.S. Department of Education			8,407,846
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through California Department of Education:			
Administration for Children and Families			
Temporary Assistance to Needy Families (TANF)	93.558	unknown	38,871
Child Care and Development Block Grant	93.575	5036	28,632
Passed through County of San Mateo			
Foster Care Title IV-E - Training for Community Based Organiz	93658	unknown	226,625
Total U.S. Department of Health and Human Services			294,128
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed through County of San Mateo and City of Daly City			
Community Development Block Grant	14.218	unknown	48,132
U.S. DEPARTMENT OF AGRICULTURE			
Passed through California Department of Education:			
Child and Adult Care Food Program	10.558	5320	27,781
U.S. DEPARTMENT OF LABOR			
Passed through NOVA/California EDD:			
WIA Adult Program	17.258	0110-H-1B-04	121,080
Passed through County of San Mateo/California Employment Development Department:			
WIA Dislocated Workers	17.260	73200-03-D012	131,195
Total U.S. Department of Labor			252,275
NATIONAL SCIENCE FOUNDATION			
Passed through University of California CSEMS:			
Education and Human Resources	47.076	0324218	1,563
Total Expenditures of Federal Awards			\$ 9,031,725

[1] Tested as a major program.

See accompanying note to supplementary information.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2005**

Program	Cash Received	Program Revenues			Total Revenue	Program Expenditures
		Accounts Receivable	Deferred Revenue			
GENERAL FUND						
AB 77/DSPS/Handicap	\$ 1,497,937	\$ -	\$ -		\$1,497,937	\$ 1,497,937
Extended Opportunity Programs	1,494,501	-	-		1,494,501	1,494,501
Care/EOP	109,772	-	-		109,772	109,772
Matriculation	1,038,078	-	-		1,038,078	1,038,078
Foster Parent Training	46,211	40,642	-		86,853	86,852
State Instructional Equipment Program	446	-	-		446	446
AB 602 FA Administrative Allowance	897,142	444	-		897,586	897,586
Block Grant	1,018,531	-	630,147		388,384	388,384
T-Com and Technology	418,280	-	193,647		224,633	224,634
Cal Works	169,032	445	-		169,477	169,477
Middle College High School	269,894	63,500	80,465		252,929	252,930
CITD Economic Development	124,540	54,335	-		178,875	178,875
Applied Bio Technology	-	9,400	-		9,400	9,400
California Articulation No System	15,000	-	-		15,000	15,000
AB 1725 Staff Diversity	38,506	-	27,884		10,622	10,622
Staff Development	26,782	-	7,393		19,389	19,389
Statewide Leadership Multimedia	136,500	26,000	-		162,500	162,500
MESA/CCCP FSS	159,690	29,763	-		189,453	189,454
Economic Development Advanced Trans Tech	10,000	-	-		10,000	10,000
Economic Development IDRC Manufacturing	170,820	32,537	-		203,357	203,357
Economic Development IDRC Biotechnology	258,297	49,199	-		307,496	307,496
Economic Development IDRC Rio Hondo CCD	16,460	44,753	-		61,213	61,213
RCSD CBET Program	101,151	28,788	-		129,939	129,939
Ravenswood SD CBET Program	-	8,813	-		8,813	8,813
MANEX - Employment Training Panel	-	20,400	-		20,400	20,400
Lottery-Prop 20-Instructional Materials	402,297	397,897	504,943		295,251	295,251
CCC Live Caption	97,484	-	46,685		50,799	10,799
SFSU Project	211,756	-	74,132		137,624	137,624
San Bruno Elementary	306	788	-		1,094	1,094
Nursing-Enrollment Growth	99,250	511	45,543		54,218	54,218
TTIP Video Over IP Grant	18,083	-	11,619		6,464	6,464
SUHSD CBET Program	12,702	31,784	-		44,486	44,486
State Library	18,547	-	18,547		-	-
Child Development program	486,919	34,918	-		521,837	521,587
Cal Grant	448,198	43,843	-		492,041	492,041
Total State Programs	\$ 9,813,112	\$ 918,760	\$1,641,005		\$9,090,867	\$ 9,050,619

See accompanying note to supplementary information.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**SCHEDULE OF WORKLOAD MEASURES FOR STATE APPORTIONMENT
ANNUALIZED ATTENDANCE AND ANNUAL APPRENTICESHIP HOURS
OF INSTRUCTION
FOR THE YEAR ENDED JUNE 30, 2005**

CATEGORIES	Reported Data	Audit Adjustments	Audited Data
A. Credit Full-Time Equivalent Student (FTES)			
1. Summer	4,348	-	4,348
2. Weekly census	14,504	-	14,504
3. Daily census	1,497	-	1,497
4. Actual hours of attendance	1,059	-	1,059
5. Independent study/work experience	549	-	549
Subtotal	21,957	-	21,957
B. Noncredit FTES			
1. Summer	2	-	2
2. Actual hours of attendance	52	-	52
Subtotal	55	-	55
Total FTES	22,012	-	22,012
C. In-Service Training Courses	124	-	124
D. Basic Skills Courses			
1. Credit	2,098	-	2,098
2. Non credit	-	-	-
Total Basic Skills FTES	2,098	-	2,098
E. FTES Generated in Leased Space	-	-	-
F. Gross Square Footage			
1. Existing facilities	1,255,045	-	1,255,045
2. New facilities	(34,153)	-	(34,153)
Total Gross Square Footage	1,220,892	-	1,220,892

Schedule of Annual Apprenticeship Hours of Instruction

	Reported Data	Audit Adjustments	Audited Data
July 1 - December 31, 2004	35,820	-	35,820
January 1 - April 15, 2005	372	-	372
April 16 - June 30, 2005	39,555	-	39,555
Total	75,747	-	75,747

See accompanying note to supplementary information.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET
REPORT WITH FUND FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2005**

There were no adjustments to the CFS-311, Annual Financial and Budget Report, which required reconciliation to the audited financial statements as of June 30, 2005.

See accompanying note to supplementary information.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

NOTE TO SUPPLEMENTARY INFORMATION JUNE 30, 2005

NOTE 1 - PURPOSE OF SCHEDULES

Schedule of Expenditures of Federal Awards

The accompanying schedule of expenditures of Federal awards includes the Federal grant activity of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the United States Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Schedule of Expenditures of State Awards

The accompanying schedule of expenditures of State awards includes the State grant activity of the District and is presented on the modified accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Schedule of Workload Measures for Program-Based Funding

Full-Time Equivalent Students (FTES) is a measurement of the number of pupils attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of State funds are made to community college districts. This schedule provides information regarding the attendance of students throughout the District.

Reconciliation of Annual Financial and Budget Report with Fund Financial Statements

This schedule provides the information necessary to reconcile the fund balance of all funds reported on the Form CCFS-311 to the fund financial statements.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**BALANCE SHEET
ALL GOVERNMENTAL FUNDS
JUNE 30, 2005**

	General Unrestricted	General Restricted	Child Development	Bond Interest and Redemption
ASSETS				
Cash and cash equivalents	\$ 693,351	\$ 404,375	\$ -	\$ -
Investments	27,545,308	2,876,766	238,163	7,168,374
Accounts receivable, net of allowance	5,242,191	2,721,626	54,639	49,359
Due from other funds	4,407,054	2,916,848	76,864	-
Prepaid expenses	48,953	25,038	-	-
Other current assets	9,104	-	-	-
Total Assets	\$37,945,961	\$ 8,944,653	\$ 369,666	\$ 7,217,733
LIABILITIES AND FUND EQUITY				
LIABILITIES				
Cash over draft	\$ -	\$ -	\$ 1,734	\$ -
Accounts payable	7,126,850	1,147,986	44,038	-
Compensated absences	1,830,686	-	-	-
Due to other funds	3,116,833	2,738,409	73,769	-
Other current liabilities	12,000,000	-	-	-
Deferred revenue	3,944,206	5,090,651	-	-
Total Liabilities	28,018,575	8,977,046	119,541	-
FUND EQUITY				
Fund Balances				
Reserved	1,166,290	-	-	-
Unreserved				
Designated	8,466,180	-	2,682	4,497,007
Undesignated	294,916	(32,393)	247,443	2,720,726
Total Fund Equity	9,927,386	(32,393)	250,125	7,217,733
Total Liabilities and Fund Equity	\$37,945,961	\$ 8,944,653	\$ 369,666	\$ 7,217,733

COP Payment	Capital Outlay Projects	COP Construction	Bond Construction	Retiree Benefits	Governmental Funds
\$ -	\$ 18,904	\$ -	\$ -	\$ -	\$ 1,116,630
2,299,651	44,642,245	9,099,090	84,160,645	21,445,371	199,475,613
127,067	2,164,805	-	783,466	166,547	11,309,700
375,447	620,772	-	-	-	8,396,985
-	-	16,756	-	-	90,747
-	-	-	-	350,000	359,104
\$ 2,802,165	\$ 47,446,726	\$ 9,115,846	\$ 84,944,111	\$ 21,961,918	\$ 220,748,779
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,734
-	3,491,957	1,865,538	4,234,780	-	17,911,149
-	-	-	-	-	1,830,686
-	1,957,387	-	1,129	911	7,888,438
-	-	-	-	-	12,000,000
-	593,178	-	-	-	9,628,035
-	6,042,522	1,865,538	4,235,909	911	49,260,042
-	-	-	-	-	1,166,290
2,802,165	11,488,184	7,250,308	80,708,202	21,961,007	137,175,735
-	29,916,020	-	-	-	33,146,712
2,802,165	41,404,204	7,250,308	80,708,202	21,961,007	171,488,737
\$ 2,802,165	\$ 47,446,726	\$ 9,115,846	\$ 84,944,111	\$ 21,961,918	\$ 220,748,779

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

BALANCE SHEET RECONCILIATION

JUNE 30, 2005

Amounts Reported for Governmental Activities in the Statement of Net Assets are Different Because:

Total Fund Balance - All Governmental Funds **\$ 171,488,737**

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. However, capital assets in enterprise funds are financial resources and no adjustment is needed for those capital assets.

The cost of capital assets in governmental funds is	216,431,724	
Accumulated depreciation in governmental funds is	48,894,809	167,536,915

Payments made for Enterprise fund expenditures

Expenditures relating to issuance costs of debt were recognized in modified accrual basis, but should not be recognized in accrual basis.		2,476,744
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In governmental funds, unmatured interest on long-term debt is recognized in the period when it is due. On the government-wide statements, unmatured interest on long-term debt is recognized when it is incurred.		(2,565,549)
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An internal service fund is used by the District's management to charge the costs of the property and liability insurance program to the individual funds. The assets and liabilities of the internal service fund are included with governmental activities.		528,891
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Enterprise funds are used by the District's management to account for the activity of the bookstores and cafeterias. The assets and liabilities of the enterprise funds are included with governmental activities.		5,991,274
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A fiduciary fund is used by the District's management to account for the activities of the student financial aid services. The assets and liabilities of the financial aid fund are included with governmental activities.		87,811
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Long-term liabilities at year end consist of:

Bonds payable	165,113,823	
Unamortized debt premium/discount	2,632,836	
Certificates of participation	30,885,000	
Capital leases	312,484	
Compensated absences (vacations)	720,342	(199,664,485)

Total Net Assets		\$ 145,880,338
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SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
ALL GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2005**

	General Unrestricted	General Restricted	Child Development	Bond Interest and Redemption
REVENUES				
Federal revenues	\$ 1,106	\$3,299,258	\$ 33,687	\$ -
State revenues	22,967,579	8,074,901	521,837	62,861
Local revenues	69,420,270	8,109,112	126,173	9,135,730
Total Revenues	92,388,955	19,483,271	681,697	9,198,591
EXPENDITURES				
Current Expenditures				
Academic salaries	39,149,047	3,567,928	176,346	-
Classified salaries	19,361,862	6,854,624	376,086	-
Employee benefits	20,690,600	2,620,742	177,998	-
Books and supplies	1,761,041	1,904,228	53,569	-
Services and operating expenditures	8,203,128	3,992,660	116,819	811,952
Capital outlay	415,886	1,064,213	3,832	-
Debt service - principal	-	-	-	3,455,000
Debt service - interest and other	-	-	-	3,469,803
Total Expenditures	89,581,564	20,004,395	904,650	7,736,755
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	2,807,391	(521,124)	(222,953)	1,461,836
OTHER FINANCING SOURCES/(USES)				
Operating transfers in	55,000	912,953	379,224	-
Operating transfers out	(2,949,407)	(158,892)	-	-
Other sources	66,817	456,747	-	-
Other uses	(109)	(1,321,544)	-	-
Total Other Financing Sources/(Uses)	(2,827,699)	(110,736)	379,224	-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER/(UNDER) EXPENDITURES AND OTHER USES	(20,308)	(631,860)	156,271	1,461,836
FUND BALANCE, BEGINNING OF YEAR	9,947,694	599,467	93,854	5,755,897
FUND BALANCE, END OF YEAR	\$ 9,927,386	\$ (32,393)	\$ 250,125	\$ 7,217,733

COP Payment	Capital Outlay Projects	COP Construction	Bond Construction	Retiree Benefits	Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,334,051
-	4,602,094	-	-	-	36,229,272
114,455	3,695,528	583,112	202,408	461,184	91,847,972
114,455	8,297,622	583,112	202,408	461,184	131,411,295
-	-	-	-	-	42,893,321
-	31,406	-	-	-	26,623,978
-	4,616	-	-	-	23,493,956
-	243,239	184,286	906,588	-	5,052,951
-	874,167	160,305	3,082,348	-	17,241,379
-	3,999,679	18,640,139	32,149,763	-	56,273,512
-	-	-	-	-	3,455,000
1,264,519	-	-	-	-	4,734,322
1,264,519	5,153,107	18,984,730	36,138,699	-	179,768,419
(1,150,064)	3,144,515	(18,401,618)	(35,936,291)	461,184	(48,357,124)
634,088	-	-	110,000	1,500,000	3,591,265
-	(689,088)	-	-	-	(3,797,387)
178,838	8,119,471	-	69,995,132	-	78,817,005
-	-	-	(741,577)	-	(2,063,230)
812,926	7,430,383	-	69,363,555	1,500,000	76,547,653
(337,138)	10,574,898	(18,401,618)	33,427,264	1,961,184	28,190,529
3,139,303	30,829,306	25,651,926	47,280,938	19,999,823	143,298,208
\$ 2,802,165	\$41,404,204	\$ 7,250,308	\$ 80,708,202	\$21,961,007	\$ 171,488,737

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
NET ASSETS RECONCILIATION
FOR THE YEAR ENDED JUNE 30, 2005**

Total Net Change in Fund Balances - Governmental Funds		
Amounts Reported for Governmental Activities in the Statement of		
Revenues, Expenses, and Changes in Net Assets are Difference Because:		\$ 28,190,529
<p>Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures, however, for governmental activities, those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the district-wide statement of revenues, expenses, and net assets.</p>		
<p>The amount by which the current period capital outlays exceed depreciation</p>		
The cost of capital assets in governmental funds is	39,555,614	
Accumulated depreciation in governmental funds is	2,187,497	37,368,117
<p>Fiduciary fund is used by the District's management to account for the student activities. The net assets of the fiduciary funds are recorded as in the statement of net assets as a liability to the student.</p>		
		(1,265,041)
<p>An internal service fund is used by District's management to charge the costs of property and liability insurance programs to the individual funds. The net revenue of the internal service fund is reported with the district wide statement of revenues, expenses, and changes in net assets.</p>		
		(40,831)
<p>Enterprise funds are used by the District's management to account for the activity of the bookstores and cafeterias. The revenues and expenses of the enterprise funds are included with district wide statement of revenues, expenses, and net assets.</p>		
		302,376
<p>In the district wide statement of revenues, expenses and net assets, certain operating expenses (compensated absences - vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (amount paid). This year vacation paid was more than the amount earned.</p>		
		(124,912)
<p>Issuance of general obligation bonds are a revenue in the governmental funds when debt is issued, however it is recorded as a long term liability on the district-wide statement of net assets.</p>		
		(69,995,132)
<p>Accretion of loan principal on general obligation bonds is reported as debt proceeds in the governmental funds, but it increases long term liabilities in the statement of net assets and does not affect the district wide statement of revenues, expenses, and net assets.</p>		
		(2,275,078)
<p>Issuance of vehicle loan are a revenue in the governmental funds when debt is issued, however it is recorded as a long term liability on the district-wide statement of net assets.</p>		
		(467,842)

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
NET ASSETS RECONCILIATION (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2005**

Payment of debt principal is an expenditures in the governmental funds, but it reduces long term liabilities in the statement of net assets and does not affect the district wide statement of revenues, expenses, and net assets.	3,610,358
Interest on long term debt in the district-wide statement of revenues, expenses, and net assets differs from the amount reported in governmental funds because interest is recorded as an expenditure in the governmental funds when it is due. However, interest expense is recognized as an expense in the district-wide statement of revenues, expenses, and net assets when it accrues, regardless of when it is due.	1,405,166
Bond issue costs are recognized in the governmental funds when debt is issued, however they are recorded as prepaid assets and amortized over the term of the debt on the district-wide statement of net assets and statement of revenues, expenses and changes in net assets.	745,813
Bond premiums and discounts are recognized in the governmental funds when debt is issued, however they are recorded as other liabilities and amortized over the term of the bond on the district-wide statement of net assets and statement of revenues, expenses and changes in net assets.	(1,848,674)
Total Net Assets	\$ (4,395,151)

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**BALANCE SHEET
 PROPRIETARY FUNDS
 JUNE 30, 2005**

	Enterprise Funds			Internal Service Fund
	Bookstore	Cafeteria	Total	
ASSETS				
Cash and cash equivalents	\$ 415,480	\$ 15,584	\$ 431,064	\$ -
Investments	3,914,514	726,951	4,641,465	1,071,945
Accounts receivable, net	411,182	10,317	421,499	5,284
Due from other funds	99,149	-	99,149	-
Prepaid expenses	17,325	-	17,325	-
Stores inventories	1,395,011	-	1,395,011	-
Furniture and equipment (net)	100,322	61,746	162,068	-
Total Assets	\$ 6,352,983	\$ 814,598	\$ 7,167,581	\$ 1,077,229
LIABILITIES AND FUND EQUITY				
LIABILITIES				
Accounts payable	\$ 847,012	\$ 121,791	\$ 968,803	\$ 67,000
Due to other funds	115,000	-	115,000	481,338
Other current liabilities	92,504	-	92,504	-
Total Liabilities	1,054,516	121,791	1,176,307	548,338
FUND EQUITY				
Retained earnings	5,298,467	692,807	5,991,274	528,891
Total Liabilities and Fund Equity	\$ 6,352,983	\$ 814,598	\$ 7,167,581	\$ 1,077,229

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2005**

	Enterprise Funds			Internal Service Fund
	Bookstore	Cafeteria	Total	
OPERATING REVENUES				
Sales revenues	\$ 8,125,966	\$ 152,620	\$ 8,278,586	\$ -
OPERATING EXPENSES				
Classified salaries	1,615,269	149,673	1,764,942	-
Employee benefits	378,315	420	378,735	-
Books and supplies	5,885,732	-	5,885,732	-
Services and other operating expenditures	665,469	74,025	739,494	31,933
Total Operating Expenses	8,544,785	224,118	8,768,903	31,933
Operating Loss	(418,819)	(71,498)	(490,317)	(31,933)
NONOPERATING REVENUES				
Interest and investment income	170,052	17,889	187,941	12,764
Operating transfers in	-	-	-	60,000
Total Nonoperating Revenues	170,052	17,889	187,941	72,764
NET INCOME (LOSS)	(248,767)	(53,609)	(302,376)	40,831
RETAINED EARNINGS, BEGINNING OF YEAR	5,547,234	746,416	6,293,650	488,060
RETAINED EARNINGS, END OF YEAR	\$ 5,298,467	\$ 692,807	\$ 5,991,274	\$ 528,891

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2005**

	Enterprise Funds			Internal Service Fund
	Bookstore	Cafeteria	Total	
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from user charges	\$ 7,915,625	\$ 149,977	\$ 8,065,602	\$ 452,109
Cash payments to employees for services	(1,993,584)	(150,093)	(2,143,677)	-
Cash payments to suppliers for goods and services	(5,924,926)	(36,656)	(5,961,582)	-
Net Cash Provided (Used) for Operating Activities	12,966	(36,772)	(23,806)	452,109
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions	-	-	-	60,000
Acquisition of capital assets	(26,621)	(654)	(27,275)	-
Net Cash Provided (Used) for Capital and Related Financing Activities	(26,621)	(654)	(27,275)	60,000
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	170,052	17,889	-	12,764
Net Cash Provided from Investing Activities	170,052	17,889	-	12,764
Net increase (decrease) in cash and cash equivalents	156,397	(19,537)	136,860	524,873
Cash and cash equivalents - Beginning	4,173,597	762,072	4,935,669	547,072
Cash and cash equivalents - Ending	\$ 4,329,994	\$ 742,535	\$ 5,072,529	\$ 1,071,945
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating loss	\$ (418,819)	\$ (71,498)	\$ (490,317)	\$ (31,933)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:				
Depreciation	37,096	32,057	69,153	-
Changes in assets and liabilities:				
Receivables	(40,289)	(2,643)	(42,932)	(1,796)
Prepaid expenses	12,371	-	12,371	-
Inventories	257,063	-	257,063	-
Accrued liabilities	134,719	5,312	140,031	485,838
Other current liabilities	14,974	-	14,974	-
NET CASH PROVIDED (USED) BY OPERATING ACTI	\$ 12,966	\$ (36,772)	\$ (23,806)	\$ 452,109
CASH AND CASH EQUIVALENTS				
Cash	\$ 415,480	\$ 15,584	\$ 431,064	\$ -
Investments	3,914,514	726,951	4,641,465	1,071,945
Total cash and cash equivalents	\$ 4,329,994	\$ 742,535	\$ 5,072,529	\$ 1,071,945

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**BALANCE SHEET
FIDUCIARY FUNDS
JUNE 30, 2005**

	Associated Students Trust	Student Representation Fee	Student Financial Aid	BACC JPA	Total
ASSETS					
Cash and cash equivalents	\$ 683,689	\$ 112,564	\$ 10,556	\$ -	\$ 806,809
Investments	394,542	-	124,912	7,084,976	7,604,430
Accounts receivable, net	321,857	-	-	55,650	377,507
Student loans receivable, net	-	-	397,810	-	397,810
Due from other funds	-	-	23,177	-	23,177
Fixed Assets	18,254	-	-	-	18,254
Total Assets	\$ 1,418,342	\$ 112,564	\$ 556,455	\$ 7,140,626	\$ 9,227,987
LIABILITIES AND FUND EQUITY					
LIABILITIES					
Accounts payable	\$ 58,287	\$ -	\$ 59,983	\$ -	\$ 118,270
Due to other funds	-	-	34,535	-	34,535
Deferred revenue	-	112,564	333,976	-	446,540
Due to others	1,360,055	-	-	7,140,626	8,500,681
Total Liabilities	1,418,342	112,564	428,494	7,140,626	9,100,026
FUND EQUITY					
Fund Balances					
Reserved	-	-	127,961	-	127,961
Total Fund Equity	-	-	127,961	-	127,961
Total Liabilities and Fund Equity	\$ 1,418,342	\$ 112,564	\$ 556,455	\$ 7,140,626	\$ 9,227,987

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
FIDUCIARY FUNDS
JUNE 30, 2005**

	Associated Students Trust	Student Financial Aid	Total
REVENUES			
Federal revenues	\$ -	\$ 5,697,674	\$ 5,697,674
State revenues	-	492,041	492,041
Local revenues	716,322	575	716,897
Total Revenues	716,322	6,190,290	6,906,612
EXPENDITURES			
Current Expenditures			
Classified salaries	67,497	-	67,497
Books and supplies	9,102	-	9,102
Services and operating expenditures	230,927	-	230,927
Total Expenditures	307,526	-	307,526
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	408,796	6,190,290	6,599,086
OTHER FINANCING SOURCES/(USES)			
Operating transfers in	-	158,892	158,892
Operating transfers out	-	(12,769)	(12,769)
Other uses	-	(6,335,838)	(6,335,838)
Total Other Financing Sources/(Uses)	-	(6,189,715)	(6,189,715)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER/(UNDER) EXPENDITURES AND OTHER USES	408,796	575	409,371
FUND BALANCE/DUE TO STUDENT GROUPS, BEGINNING OF YEAR	951,259	127,386	1,078,645
FUND BALANCE/DUE TO STUDENT GROUPS, END OF YEAR	\$ 1,360,055	\$ 127,961	\$ 1,488,016



**INDEPENDENT AUDITORS' REPORT ON INTERNAL
CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Trustees
San Mateo County Community College District
San Mateo, California

We have audited the financial statements of San Mateo County Community College District (the District) as of and for the years ended June 30, 2005 and 2004, and have issued our report thereon dated September 30, 2005. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered San Mateo County Community College District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted certain matters involving the internal control over financial reporting that we have reported to the management of San Mateo County Community College District in a separate letter dated September 30, 2005.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether San Mateo County Community College District's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of the Board of Trustees, District Management, the California State Chancellor's Office, and District's Federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Vavrinek, Trine, Day & Co LLP

Pleasanton, California
September 30, 2005



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Trustees
San Mateo County Community College District
San Mateo, California

Compliance

We have audited the compliance of San Mateo County Community College District with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major Federal programs for the year ended June 30, 2005. The District's major Federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major Federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America, and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, San Mateo County Community College District complied, in all material respects, with the requirements referred to above that are applicable to each of its major Federal programs for the year ended June 30, 2005.

Internal Control Over Compliance

The management of San Mateo County Community College District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to Federal programs. In planning and performing our audit, we considered San Mateo County Community College District's internal control over compliance with requirements that could have a direct and material effect on a major Federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major Federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the Board of Trustees, Management, the California State Chancellor's Office, and Federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Vaurinek, Trine, Day & Co LLP

Pleasanton, California
September 30, 2005



INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

Board of Trustees
San Mateo County Community College District
San Mateo, California

We have audited the consolidated financial statements of the San Mateo County Community College District for the years ended June 30, 2005 and 2004, and have issued our report thereon dated September 30, 2005.

Our audit was made in accordance with auditing standards generally accepted in the United States of America, and the standards for financial and compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America, and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In connection with the audit referred to above, we selected and tested transactions and records to determine the District's compliance with the following State laws and regulations in accordance with Section 400 of the Chancellor's Office's *California Community Colleges Contracted Audit Manual (CDAM)*.

General Directives

- MIS Implementation - Required Data Elements

Administrative

- Fiscal Operations - Salaries of Classroom Instructors (50 Percent Law)
- Fiscal Operation - Gann Limit Calculation
- Apportionment - Instructional Service Agreements/Contracts
- Apportionment - Residency Determination for Credit Classes
- Apportionments - Students Actively Enrolled
- Apportionments - Enrollment Fees
- Apportionment - Concurrent Enrollment of K-12 Students in Community College Courses
- Open Enrollment

- Minimum Conditions – “Standards of Scholarship”
- Student Fees – Instructional Materials and Health Fees

Student Services

- Uses of Matriculation Funds

Special Programs

- Extended Opportunity Programs and Services - (EOP&S) - Allocation of Costs
- Extended Opportunity Programs and Services (EOP&S) - Administrator/Director Requirements

Facilities Program

- Scheduled Maintenance Program

Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, except as described in the Schedule of State Award Findings and Questioned Costs, the San Mateo County Community College District complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2005.

This report is intended solely for the information of the District's Management, Board of Trustees, and others within the District, the California Community Colleges Chancellor's Office, the California Department of Finance, and the California Department of Education, and is not intended to be and should not be used by anyone other than these specified parties.

Vairank, Tine, Day, & Co LLP

Pleasanton, California
September 30, 2005

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2005**

SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	No
Reporting conditions identified not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified?	No
Reporting conditions identified not considered to be material weaknesses?	None reported
Type of auditors' report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)	No
Identification of major programs:	

CFDA Numbers	Name of Federal Program or Cluster
84.033, 84.063, 84.007	Student Financial Aid Cluster
84.048A	VTEA

Dollar threshold used to distinguish between Type A and Type B programs:	\$ 300,000
Auditee qualified as low-risk auditee?	Yes

STATE AWARDS

Internal control over State programs:	
Material weaknesses identified?	No
Reporting conditions identified not considered to be material weaknesses?	Yes
Type of auditors' report issued on compliance for State programs:	Qualified

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2005**

FINANCIAL STATEMENT FINDINGS

None reported.

FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2005**

STATE AWARDS FINDINGS AND QUESTIONED COSTS

The following findings represent instances of noncompliance and/or questioned costs relating to State program laws and regulations.

2005-1 STANDARDS OF SCHOLARSHIP – COURSE REPETITION

Criteria or Specific Requirements

Under the California Code of Regulations, Title V, subsection 58161, specific criteria must be met for a District to claim repeated courses for State apportionment. Additionally, the regulations have placed a limit on the number of times a student repeating a course can be claimed for apportionment. These regulations require the District to identify and evaluate each repeating student and deduct the FTES generated by those students that have exceeded the allowable repeats.

Condition

Certain classes allow students to repeat the course several times, however, there is a maximum number of times for which the course repeat may be claimed for apportionment. During our audit of the State Compliance requirements, we noted that the District is not reducing apportionment for the FTE's associated with repeated classes exceeding the maximum of three repeats that are allowable for apportionment purposes.

Questioned Costs

Unknown.

Context

The registration system is designed to allow the District to indicate if a class allows only the original course plus three repeats or an unlimited number of repeats. For those classes which are coded as an unlimited number of repeats, primarily auto, art, music and fitness classes, the District needs to identify those students exceeding three repeats and reduce apportionment FTE's claimed as required by California Code of Regulations, Title V, subsection 58161.

Effect

Not deducting for unallowable repeats results in over reporting of FTES for State Apportionment, and thus resulted in the District having been over paid by the State.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2005**

Cause

The registration system is not tracking and removing repeat courses not allowed for apportionment purposes from totals reported for apportionment.

Recommendation

Maintaining a system to track and evaluate FTEs generated from repeatable course work is important in ensuring the correct reporting for the number of FTEs and therefore the calculation of state apportionment revenues. In order to comply with the State regulations, the District should implement a method of identifying and deducting repeats unallowable for apportionment purposes.

District Response

The District is investigating this finding.

2005-2 PETITION OF REPETITION OF COURSES

Criteria or Specific Requirements

Under the California Code of Regulations, Title V, subsection 55761, Community College District must adopt and publish procedures pertaining to repetition of courses for which substandard work has been performed. Per review of the College of San Mateo's course catalog for the 2004-05 academic year the College requires the student to petition the Counseling department for the repetition of a course.

Condition

During our review of these procedures, we noted that a student at College of San Mateo, who had petitioned and been denied permission to repeat Psychology 100 by the Counseling department based on the fact that the student had previously failed the course repeatedly and it was not a required course for the student's major program, was nevertheless enrolled in the course for Spring 2005.

Questioned Costs

None

Context

It is important to ensure that the policies and procedures pertaining to petitioning for repetition of courses is adhered to in order to ensure that FTEs are properly accounted for.

Effect

Policies and procedures over the petition process were not adhered to and may result in disallowed FTES.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2005**

Cause

The College was unable to provide documentations as to why a student was allowed to repeat a course when petition was denied by the Counseling department.

Recommendation

We recommend the College adhere to all board adopted policies and parameters set forth in the registration policies. In certain circumstances, a student may be approved to repeat a course, however, proper documentation of such approval should be completed and maintained by the College.

District Response

The District is investigating this finding.

2005-3 STANDARDS OF SCHOLARSHIP – REMEDIAL COURSES

Criteria or Specific Requirements

Under CCR 55756.5, the District is required to implement a policy to establish a limit on the amount of remedial coursework, a student may take and then monitor compliance with that policy.

Condition

During our review of the State Compliance of the Standards of Scholarship, we noted that the District has not implemented a written policy limiting the amount of remedial courses a student may take, nor has it implemented a process for monitoring of the allowable limit of remedial course work.

Questioned Costs

Unknown.

Context

The financial aid booklets do refer to a 30 unit remedial exemption and the registration system is programmed to have a 30 unit remedial course limit restriction rule, however, it is important to implement a written policy which limits and monitors the allowable limit of remedial course work and verifies that students are not exceeding limits established by the District Board.

Effect

The lack of a written policy limiting the amount of remedial courses a student may take or a process to monitor the allowable limit of remedial course work may result in an overstatement of FTES.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2005**

Cause

The District does not have a written policy to limit the amount of remedial classes a student may take, nor a procedures in place to monitor the allowable limit of remedial course work

Recommendation

We recommend the District investigate the requirements and parameters of CCR 55756.5 and adopt a written policy statement on the allowable limits of remedial coursework. With the adopted policy, the District should include a monitoring control that will allow testing of compliance with the State requirements.

District Response

The District is investigating this finding.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2005

SUMMARY OF PRIOR AUDIT FINDINGS

Except as specified in previous sections of this report, summarized below is the current status of all audit findings reported in the prior year's schedule of financial statement findings.

Financial Statement Findings

2004-1

ACCOUNTS RECEIVABLES

Finding

During our review of accounts receivable records, we noted that the subsidiary accounts receivable ledgers include balances for customers whose payments have already been received and excludes other customers who have not paid their balances. Based on the responses to our inquiries, we were informed that the Banner software has a setting that automatically applies amounts received to the oldest outstanding receivable regardless of whether or not it was that customer was the one making the payment.

We also noted that the combined general ledger detail report, which includes both student and non-student receivables, did not match the amount reported on the balance sheet summary. Upon further investigation it was determined that the student receivables tracking system is unable to print an outstanding receivable cut off list as of June 30. The system is a dynamic system that provides detail of amounts owed on any particular day however it cannot look back to a date prior to the processing date and determine the amount that was owed on a date that is in the past. In addition to the student receivable report issue described above, we also noted discrepancies in the non-student receivables between the various levels of detail (report id #TYQFTYP did not match report id #TYQFABL).

Recommendation

In order to maintain a customer balance listing that is in a usable format for the District to be able to follow up on outstanding receivables, we recommend that the District perform a detailed review of the Banner accounts receivable subsidiary ledger and make any necessary corrections. We understand that the KCSM receivables were reviewed and corrected during the 2003-2004 fiscal year, however, it is apparent that significant work remains to be done in the federal and state grant receivable category. We also recommend that the District continue the process of monitoring and refining the District policies over establishment of appropriate allowances for uncollectible amounts.

In addition, we recommend that the District office consult with the technology department to determine if there is a solution to the problem of obtaining a listing of student receivables that supports the accounts receivable balance as of the end of the year. We also recommend that the District compare the various levels of reports and investigate any differences and document explanations for those differences by adding notes to the reports.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2005**

Current Status

Implemented.

State Award Findings

2004-2

Attendance Report

Finding

During the review of the Apportionment Attendance Report, Form 320, of Skyline College, we noted a discrepancy between the hours reported under Actual Hour Attendance for Credit Courses in third session and the supporting attendance records.

Recommendation

The District should submit a revised Consolidated 320 report to the Chancellor's office to revise the FTES claimed for Skyline Actual Hours in Credit Courses claimed for the third period.

Current Status

Implemented.

BOARD REPORT NO. 06-1-2C

TO: Members of the Board of Trustees

FROM: Ron Galatolo, Chancellor-Superintendent

PREPARED BY: José D. Nuñez, Executive Director, Facilities Planning & Operations, 358-6836

UPDATE OF FACILITIES MASTER PLAN - DISTRICTWIDE

In 2001, the Board of Trustees approved the 2001 Facilities Master Plan as developed by tBP Architecture + Planning (Board Report No. 01-9-113B). This Facilities Master Plan was the outcome of many months of planning, participation by all constituent groups, Trustee feedback, physical assessment and analysis of existing campus facilities, and incorporation of educational programmatic needs. The 2001 Facilities Master Plan has been the basis for nearly all of the improvements completed or in process in the District's Capital Improvement Program, Phase 1.

Given the recent passage of the District's general obligation bond Measure A and other changes that have occurred since 2001, an updated Facilities Master Plan is required to inform decision-making related to the next phase of planning and construction. At each of our colleges, elements of the 2001 Facilities Master Plan have been implemented. Subsequent planning efforts related to annual Five Year Capital Outlay Plan updates have occurred and should be incorporated into an updated comprehensive facilities master plan, along with the identification of new opportunities and solutions to unresolved issues or needs. The annexation of the Pacific Heights Middle School poses a particularly unique new opportunity at Skyline College.

On December 5, 2005, District Staff issued a Request for Qualifications to twelve architectural firms for master planning services. On December 16, nine firms submitted Qualifications Statements. A review of those Statements of Qualifications resulted in a ranking of those firms, based on criteria that included:

1. Demonstrated ability to lead a college community through the facilities master planning process, with constituents including the Governing Board, faculty, staff, students, administrators, and other members of the community.
2. The ability to begin the master planning process within 15 days of contract award.
3. Experience of personnel proposed for the project.
4. Results of reference checks from previous clients and other information sources.
5. Assessment of the process the architectural firm plans to utilize in developing the master plans.
6. An evaluation of the architectural firm's proposed fee.
7. Commitment to a collaborative management style that demonstrates sensitive, respectful and effective interaction with people who are diverse in their interests, cultures, language groups, and abilities.

The three highest ranked firms were invited to interview on January 10, 2006 with a panel that included College Presidents and Vice Presidents, the Chancellor and Executive Vice Chancellor, faculty, and District Facilities Staff. The firms were asked to bring the team members proposed to work on the 2006 Facilities Master Plan, to describe their approach to the master planning effort, to identify their initial perceptions, thoughts or ideas about the opportunities at each site, and to provide any additional information relevant to the panel's assessment of the firm.

Each of the firms interviewed was qualified to update the District's Facilities Master Plan. Each team brought a unique perspective and approach to the table. One firm – The Steinberg Architects – impressed the panel as the team whose approach, perspectives and energy was the best fit and would bring the most value to this initiative.

Approval of The Steinberg Group for master planning architectural services is included in Board Report 06-1-5CA Approval of Construction Consultants.

The master planning effort is designed to follow a stringent schedule and includes review of previously completed physical assessments and analysis, site visits, multiple meetings with the College communities to develop goals, identify issues, develop options, identify preferred solutions, and final approval and adoption of the 2006 Facilities Master Plan by the Board of Trustees. The work will begin immediately upon approval by the Board of The Steinberg Architects for master planning services, and is scheduled to be completed in June 2006. Presentations to the Board of Trustees are tentatively scheduled for April, May and June 2006.



Cañada College Board Report

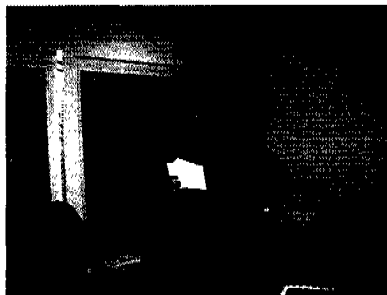


January 25, 2006

Professors Eyer, Claire to be Honored at Retirement Reception

Richard “Dick” Claire and Dianne Eyer, two professors with more than 67 years of combined teaching experience, will be honored at a special retirement reception at 1:30 p.m., Tuesday, Jan. 31 in Building 3, Room 142.

Eyer (*pictured to the right of actor Rob Reiner*) developed the Early Childhood Education/Child Development Department from two courses in 1970 to 35 courses and numerous specializations today. Eyer also developed a four-year link



with San Francisco State University allowing students to earn their bachelor’s de-

gree in ECE/CD at Cañada College’s University Center.

Claire taught approximately 9,000 students in accounting, business and computer application classes. He served as dean of the Business Division, academic senate president, and served on numerous district and state committees.

“We want to give everyone a chance to recognize the contributions these two educators have made to the college and the community,” said Tom Mohr, interim president.

§ Cash for College §

To help both parents and students understand the complicated financial aid procedures, Cañada College will host a *Cash for College Workshop* Saturday, Feb. 11 from 9 a.m. to 1 p.m. in the Cafeteria. Financial aid experts will be on hand to help participants with forms and to answer general questions. The event is open to anyone that is considering attending college.

Katie Townsend-Merino: New Dean of Humanities

Katie Townsend-Merino has joined the college as the new Dean of Humanities. Townsend-Merino was most recently a psychology professor at Palomar College in San Diego where she was honored with the 2004 Distinguished Faculty Award for Excellence in Teaching. She taught at the college for the past 20 years. Townsend-Merino also served as the Faculty Senate President at Palomar. She is currently living at College Vista as she looks for a new home in



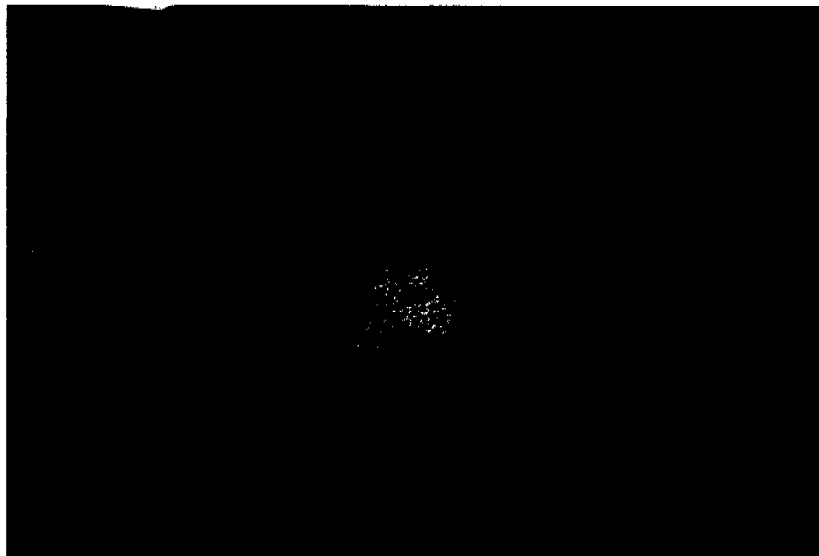
the Bay Area. Her husband and youngest daughter will join her soon. She also has two older daughters who are grown and married and has two grandsons. Townsend-Merino cited her communication skills as her best asset as a teacher and leader.

Cañada College: An Oasis of Learning

Nancy Renkiewicz spent only a few months at Cañada College as Interim Dean of Humanities but it was long enough to draw a simple conclusion.

"This college is an oasis of learning and it needs to remain that way because there are many students who need that," she said. Renkiewicz was recognized last week by staff and faculty for the work she did as Interim Dean.

Renkiewicz said she observed faculty and staff that "try harder" to meet the needs of students. "This car-



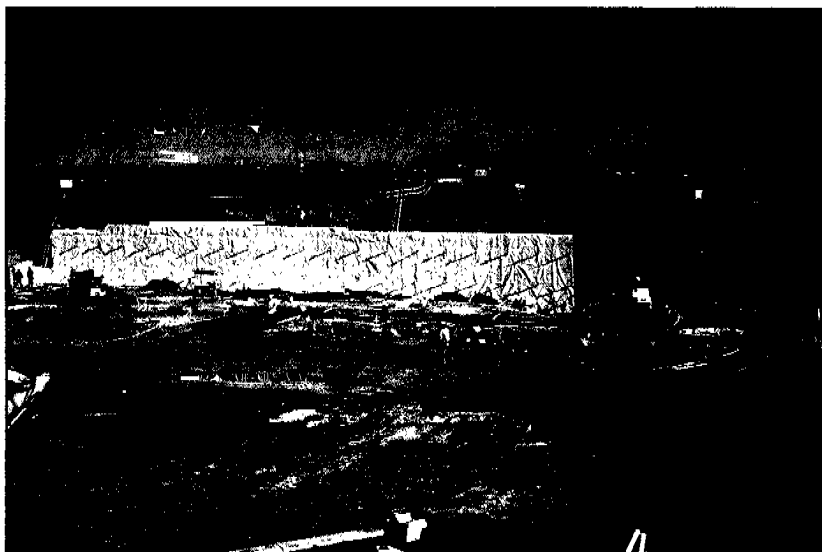
ing, coupled with the nurturing environment, provide students a very unique experience within the urban

Silicon Valley," she said. "This college is a special place."

Work Moves Ahead on Library/Learning Center

Construction of the new Library/Learning Resource Center continues to be on time and on budget. "We're truly in terrific shape in regards to this project," said

Anne Daley, construction manager. The state-of-the-art building is expected to be finished in the summer of 2007. The cost of construction is approximately \$30 million.



Cañada to Host Sequoia Counselors

For the first time in four years, Cañada will host the high school counselors from Sequoia Union High School and Cabrillo Unified District. The meeting will be held from 12:30 to 3 p.m., Friday, Feb. 3. College officials will discuss transfer outreach services, concurrent enrollment, new academic programs and how to deepen connections between faculty, staff and parents of prospective students.

"This is a good opportunity for us to talk to the high school counselors about opportunities at the college," said Melissa Raby, dean of counseling and enrollment services. Raby has organized the event.

Happenings at Cañada

January 26 through February 28, 2006

Date	Time	Event
1/27	11:00 A.M.	Men's Baseball vs. Santa Rosa (home)
1/28	7:00 P.M.	Men's Basketball vs. Ohlone (away)
1/31	1:00 P.M.	Retirement Reception honoring Dianne Eyer & Dick Claire Bldg. 3, Room 142
	2:00 P.M.	Men's Baseball vs. San Jose City
2/3	12:30 P.M.	High School Counselor Meeting
	2:00 P.M.	Men's Baseball vs. Contra Costa College (away)
2/4	11:00 A.M.	Men's Baseball vs. Contra Costa College (home)
	7:00 P.M.	Men's Basketball Coast Conference Division Game (away)
2/7	9 A.M. – 2 P.M.	Blood Drive sponsored by the Health Center & the Pre-Med Club, Bloodmobile located in front of Building 3
	2:00 P.M.	Men's Baseball vs. Ohlone (home)
2/8	9 A.M. – 2 P.M.	Blood Drive sponsored by the Health Center & the Pre-Med Club, Bloodmobile located in front of Building 3
	12:15 P.M.	Black History Month Event – Classical African Civilizations, Bldg. 2, Room 10
2/10	7:00 P.M.	Men's Basketball (home)
2/10-2/12	TBA	Men's Baseball Tournament vs. Bakersfield College – location TBA
2/11	10 A.M. – 1 P.M.	Cash for College, Student Center (contact Financial Aid at 306-3307 for more information)
2/15	11 A.M. – 1 P.M.	Associated Student Cañada College Club Day, Student Center
	7:00 P.M.	Men's Basketball – Coast Conference Division Game at Foothill College
2/16		San Mateo Union High School District Tour
2/17	2:00 P.M.	Men's Baseball vs. Napa College Men's Basketball – Coast Conference Division Game (home)

2/18	2:00 P.M.	Men's Baseball vs. Feather River College (home)
2/19	10:30 A.M.	Men's Baseball vs. Shasta College (home)
2/22	10:00 A.M. TBA 2:00 P.M.	Black History Month Event – African American Women Activist, Library Men's Basketball Regionals, Location TBA Men's Baseball vs. American River College (home)
2/23	12:00 P.M. 2:00 P.M. TBA	San Mateo Union High School District Tour Black History Month Event – The Negro Baseball League: An American Legacy, Main Theater Men's Baseball vs. Los Medanos (home) Men's Basketball Regionals, Location TBA
2/25	10:30 A.M.	Men's Baseball vs. Marin College (home)
2/26	12:00 P.M.	Men's Baseball vs. Laney College (home)
2/28	12-1 P.M.	Black History Month Event – Discussion & Presentation on Reparations, Bldg. 13, Room 110 Men's Baseball vs. Hartnell College (home)



COLLEGE of SAN MATEO

Office of the President

Executive Report to the Board of Trustees

JANUARY 25, 2006



NEWS FROM CSM CONNECTS

▪ Youth Service America (YSA) has selected CSM Connects, the college's volunteer community service program, as a State Farm Good Neighbor Service-Learning Award winner. The prestigious State Farm Good Neighbor Service-Learning grant is administered by YSA and funded by State Farm. The grant helps underwrite youth service projects for National and Global Youth Service Day in the U.S. on April 21-23, 2006. As one of 100 grant winners, CSM Connects was chosen out of more than 300 applicants from across the United States for its leadership and commitment to engage youth in service, according to a congratulatory letter from YSA. **Beverly Madden**, the program's coordinator, and a CSM Connects student appear in the photo, left.

▪ CSM Sociology Professor **Minu Mathur** is one of a number of faculty at CSM incorporating service learning into class curriculum. For the second consecutive year, Mathur's sociology students participated in a fundraiser/service learning event for the organization, Home of Hope, a charity helping destitute and orphaned children in India. The students helped decorate, usher, set-up info booths and serve food for the event; approximately 650 paying guests attended the event and close to \$100,000 was raised.

▪ On Saturday, February 11 from 8:30am – 1pm, the college will host the 2006 CSM Service & Leadership Conference, an event focused on providing information and education to high school and college students on civic engagement, service and leadership. Along with students, educators and community organizers who work with youth are encouraged to attend the conference.

PRESIDENT'S LECTURE SERIES ANNOUNCES SPRING SPEAKERS

The President's Lecture Series: Diverse Voices in Writing is pleased to announce two well-known authors are scheduled for the Spring 2006 program. On Monday, March 13, the CSM will host **Bharati Mukherjee**, professor at UC Berkeley and author of *The Tree Bride* and. Also scheduled is **Dr. Paul Ehrlich**, professor at Stanford University and author of bestseller, *The Population Bomb*, will speak on Friday, April 28. The program, now in its third year, continues to be funded by a generous grant from the **Lane Family Charitable Trust**. Dean of Language Arts **Susan Estes** coordinates the series.

NOTABLE



▪ The College for Kids program is the recipient of a \$6,900 grant from Electronic Arts in Redwood Shores. The grant will to be used to provide scholarships to students that need financial assistance to attend the program. It is anticipated that the grant will fund up to 20 full scholarships or many more partial scholarships for the 2006 program. One of the young participants in College for Kids' science class, 1-2-3 Blastoff is pictured at the left.

▪ The Summer/Fall 2005 edition of "Peer Review" included an article titled, "Integrative Learning" which highlighted the work of CSM's Learning Communities program. The publication covers emerging trends and key debates in undergraduate education. CSM was one of only two community colleges featured in the publication's "Integrated Learning Project Campuses" section. The other eight were four-year institutions, from throughout the nation.

▪ California Community College Chancellors Office approved College of San Mateo's application to be an educational provider for the California Electrician Certification Program. Once also approved by the "Electrician Certification Curriculum Committee" CSM will be able to provide training to electricians working toward their certification, as well as, their continuing education hours. This program is offered in conjunction with and approved by the Electrician's Union.

▪ KCSM and its DJs were featured in a December 4 *Oakland Tribune* article titled "College Radio Station Frees DJs to Improvise."

▪ CSM student **Matt Johnson, Jr.** was recently honored by the Belmont City Council for providing lifesaving first aid to a badly injured high school student. Johnson applied an improvised tourniquet to control a severed artery until paramedics arrived. He also appeared in "Peninsula Angels," the *San Francisco Examiner's* standing feature that celebrates people who make a difference.

▪ Twelve CSM students that completed Accounting 171 in the fall semester were hired by H&R Block to work during the upcoming tax season.

BULLDOG PLAYERS CONTINUE TO REAP HONORS

▪ The latest honors for the Bulldogs' outstanding offensive line are for their academic achievements. Three players have been named to the Junior College Grid-Wire Scholarship/Athlete All-American Team: **Landin Laurasaitis**, a San Mateo High School graduate earned a 3.4 GPA in liberal studies and was a first team selection and will receive a certificate for his achievement from the Seattle Seahawks; **James Tretheway**, an El Camino High School graduate earned a 3.72 GPA in pre-engineering, received honorable mention and has committed to play football at Pac-10 school University of Arizona; and **Andrew Havili**, a graduate of Burlingame High School was also given honorable mention recognition.

▪ CSM freshman quarterback **Julian Edelman** (pictured below) was voted the most valuable player on the All-State region 1 football team selection by the California Community College Football Coaches Association. A Woodside High School graduate, Edelman set a CSM single season rushing record, scored 17 season touchdowns and tied the Bulldog record of four touch downs in one game.



CALENDAR OF EVENTS
For the SMCCCD Board Meeting of January 25, 2006

Day / Date	Event	Location /Time
Wednesdays	Farmers' Market Wednesday Farmers' Market will be temporarily moved from Lot 15 to Lot 16	Lot 16 10 a.m. – 2 p.m.
Saturdays	Farmers' Market	Lot 1 9 a.m. – 1 p.m.
Saturday February 11	CSM Service & Leadership Conference: Get Connected... Make a Difference CSM Connects will present an event of youth and community workshops that inspire voting, promote diversity dialogue and civic engagement. Workshops are designed and facilitated by students and educators from CSM, SFSU, Notre Dame de Namur University, Youth Community Service, and other organizations. Topics will be: How To Speak So That Others Will Listen; A Leader's Guide To Self Presentation; Diversity – Ready for Action Now?; Diversity, Service & Leadership; and New Media – Make Your Voice Heard. Until February 6, conference fees are \$5 for college students/adults; \$3 for high school students, members of the Alliance of Non-Profits for San Mateo County and CSM students with ID; and \$25 for groups of 10. The registration fee includes breakfast, lunch and conference materials. Registration after February 6 th is \$10. For more info contact Beverly Madden at 650.312.8786 or csmconnects@yahoo.com collegeofsanmateo.edu/studentactivities.slc	CSM 8:30 a.m.

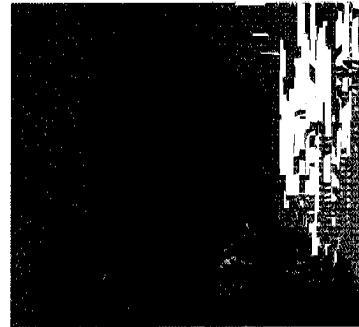


SKYLINE COLLEGE
EXECUTIVE REPORT FOR THE BOARD OF TRUSTEES
JANUARY 25, 2006

APPRECIATION

Anita Martinez to move to College of Marin:

Skyline wishes to congratulate Anita Martinez, Dean of Language Arts, who has been named the new Vice President of Student Learning at the College of Marin. She will begin her new duties on January 30. A farewell reception will be held on Friday, January 27, from 12:00-1:30 in the Gallery Theatre. Skyline hopes to appoint an interim dean by early February and will then begin the search process for her permanent replacement. Skyline wishes to express its appreciation to Dean Martinez for her dedicated service to Skyline College. She will be greatly missed not only by the division, but by her administrative colleagues and by students, faculty and staff from all over the college.



Anita Martinez has been appointed Vice President of Student Learning at College of Marin.

Facilities staff watches over campus during Winter break: Skyline's custodial, grounds, engineering and office staff completed an extensive list of projects during the short 13 work day period and also faced some major challenges. The extreme weather over the holidays caused downed trees, unusual runoff, and other water damage in various locations across the college. The facilities staff was on campus at all hours dealing with the impacts of the weather and watching out for additional problems. Skyline also experienced a wave of graffiti and the facilities staff and painter worked hard to remove it prior to the start of classes. In addition, the facilities staff cleaned carpets, waxed hallways, installed signage, set up the campus' designated smoking areas, supported the many construction projects, repaired roadways and parking lots, and much more. Skyline wishes to thank all of the facilities staff for their heroic efforts during the break.

Student scholarship funds raised by Student Services division: The Student Services staff held a retreat on December 5, 2005 at which they conducted an auction in order to raise funds for student scholarships. Many members of the Skyline staff contributed items to the auction, and Jennifer Hughes, Dean of Counseling, served as auctioneer. Linda Van Sciver, Coordinator of Disabled Students Programs and Services, coordinated the event and Sherri Hancock, Dean of Enrollment Services assisted with the auction. The auction raised \$1,500, which was more than in any previous year. The DSPS staff also conducted a raffle in December raising more than \$1,200 in scholarships. Skyline wishes to thank all of the Student Services staff on behalf of the students who will benefit from these scholarships.

Student art coming soon to a fence near you: The fencing around the new student center is soon to be enhanced by a series of panels painted by students in Skyline's art program. Thanks to Doug Henry, Swinerton Construction Manager, for the idea and for the weatherproofing on the panels, to Donna Bestock, Dean of Social Science/Creative Arts, for coordinating the project, and to Richard Inokuchi, Facilities Manager, and his staff for the installation of the panels.

Skyline creates new student drop-off and pick-up area: Due to the changing construction landscape and a need to comply with SamTrans bus stop requirements, Skyline has created a new drop-off/pick-up area to separate the dropping off of students from hazardous areas such as bus zones and the loading docks near Buildings 1 and 5. The drop-off/pick-up slots are now located in Lot 1 near the Gallery Theatre. A special thanks to Lori Adrian, Vice President of Student Services, and Richard Inokuchi, Facilities Manager, and his staff.

PROGRAM NEWS

Skyline spreads the news about Spring Semester: Skyline's Spring Semester promotional campaign is underway and includes advertising in local papers, mailing postcards to the college's service area, calling students who have been admitted but not registered, and staffing of informational tables by Skyline's Student Ambassadors. The Ambassadors were at Serramonte and Tanforan Shopping Centers throughout the day and evening from January 21 and 23. Skyline's One-Stop Center was open on Saturday January 14th and 21st to support the outreach efforts by the Ambassadors and approximately 70 students were seen. Skyline College also has a presence at www.sfgate.com.



Register Now!

www.skylinecollege.edu

Call 650 738 4444

**Spring 2006
Semester**

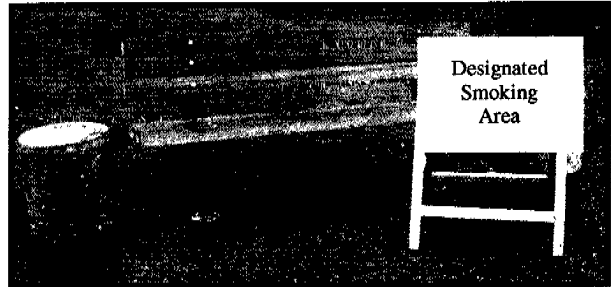
**Day/Evening Classes
begin January 17**



Skyline's Fresh Look Project is underway: Skyline is taking a close look at how it communicates with its students and the world through its signage, publications such as the catalog, class schedule, flyers and posters, website, e-mail signatures and more. Recommendations are complete and have been reviewed by the Fresh Look Advisory Group. Many people participated in the project during the fall semester. The College Council appointed a Fresh Look Advisory Group with representatives from faculty, students, classified staff, administration and the community. Skyline conducted Student Focus Groups to assess the perceptions of students. Members of the President's Council were surveyed for their perception of Skyline as well. The Fresh Look Project shows that while the college delivers an excellent education, students often do not find that out until they are here. Skyline will now begin to work to bring that excellent education out into the light for everyone to see as the college

implements the recommendations from Fresh Look. The project recommendations will serve as a guide to focus the Skyline College's efforts to communicate more effectively about the college. Details on how Skyline will implement the recommendations will be forthcoming during the spring semester as the college moves from the "fresh look" to work on a "fresh image."

Smoking on campus: Skyline has implemented a new smoking policy effective January 17 with designated smoking areas in specific locations around the campus. Plans for the new approach to smoking have included notification of the faculty, staff, and students, a college-wide forum, and an educational campaign.



The college-wide forum slated for mid-February is designed to assess how the policy is working in terms of smokers and non-smokers living together at Skyline. The College Council and Health and Safety Committee is already beginning to hear additional ideas about the policy and its implementation and are being compiled to ensure that they get consideration.

Financial Aid office sponsors scholarship workshop: Skyline students attended the second annual Karl S. Pister Scholarship workshop on January 23, which was conducted by Beatrice Atkinson-Myers of the University of California at Santa Cruz. The Pister scholarships were created to encourage the transfer of accomplished students from community colleges in the UCSC region. Atkinson-Myers reviewed both the essay and interview process with students, who also received assistance in completing their scholarship applications.

SKYLINE SHINES

Soodi Zamani wins Math Teaching Excellence Award: CMC3 (California Mathematics Council Community Colleges) North is the main organization for community college math instructors in Northern California, with several hundred members. Each year they give the Teaching Excellence Award to a small group of math faculty who truly stand out as excellent math instructors. Math departments from throughout Northern California nominate math faculty who have affected students in a positive way. This year they selected eight faculty for the award, including Soodi Zamani from Skyline College. Her peers wrote:

"Soodi Zamani has been a member of the Skyline mathematics department since 1993, first as a part-timer, and full-time since 1997. She has from the start been involved in the inner workings of the department and College. She was a member of our last accreditation writing team, a member of the Academic Senate Educational Policy Committee and more recently has been instrumental in kicking off Skyline's Student Learning Outcome Assessment Cycle (SLOAC) efforts. She has been a strong advocate for students in developmental math. She has strived to create materials and a classroom environment that reach out to those often difficult

to reach students. She has been instrumental in our department effort to modify courses in arithmetic and pre-algebra including: contact hours and units, tutoring and lab components and creating hands-on activity based materials.”

Skyline wishes to congratulate Soodi on this award.

Skyline faculty member’s China journal published at sfgate.com: Shann Chu teaches in Skyline’s Computer Applications and Office Technology (CAOT) program. He is the offensive coordinator for Lowell High School’s football team, and he kept a daily diary while teaching football clinics in China last month. The first installment, entitled “Christmas in China? More like the Twilight Zone,” can be found at this address: <http://www.sfgate.com/cgi-bin/article.cgi?file=/c/a/2006/01/10/SPCHU.DTL> The article is the first of several installments, to run every Tuesday this month. Future topics include: Angry people, football in China, eating snake, personal space and privacy, Guanghou University town and falling for Chinese culture.

Graduating sophomore baseball players continue their education and playing careers: Skyline baseball coach Dino Nomicos announced that eleven of last season’s thirteen eligible sophomore baseball players accepted scholarships to play at four-year institutions. Coast Conference North MVP Dan Hernandez headed to Division I Lamar University in Beaumont, TX. Two other Trojans have transferred to Division I schools: All-American catcher Chris Dubon has transferred to Sacramento State University and shortstop Steve Dorst has transferred to Old Dominion University in Norfolk, VA. Three Trojans have stayed locally and play at the Division II level, including California’s 2005 Silver Slugger Award winner Eric Mull, who along with reliever Jay Schelstrate, have transferred to San Francisco State University, while catcher Patrick Desmond will head down the coast to Cal State Monterey Bay. Players Chris Galarza and Matt Madigan have transferred to Cumberland University in Lebanon, TN and infielders Jeff Roy, Andy Worthington, and Robert Hitchens will again be teammates at Indiana Tech in Fort Wayne. Congratulations to all of the Trojan Baseball players.

Skyline baseball players named to 2006 Pre-Season All American team:

Skyline Trojan pitcher Alvaro Orozco and outfielder Justin Granato have made the 2006 Pre-Season All American team. Criteria for nomination to the Pre-Season All American team are based on previous year statistics and accomplishments. In his first year, Orozco was voted Freshman Player



Trojan pitcher Alvaro Orozco

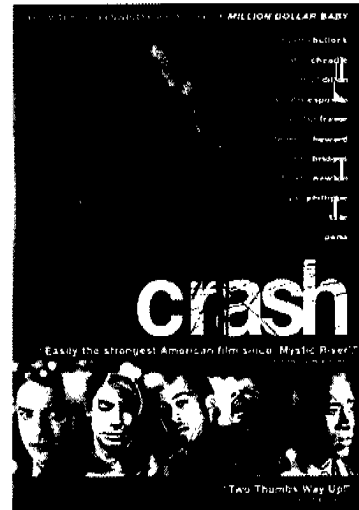


Trojan outfielder Justin Granato

of the Year and Pitcher of the Year. Granato’s nomination was based on his statistics as a freshman player last year. Candidates for the Pre-Season All American team are nominated by coaches within the conference and final selection is made by the California Community College Baseball Coaches Association. Congratulations to Alvaro Orozco and Justin Granato.

EVENTS

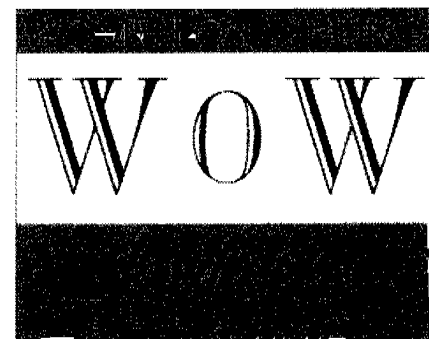
Film and Forum addressing racial stereotyping and conflict, January 25 and February 1, 2006: The Associated Students of Skyline College (ASSC) and the Black Student Union (BSU) will show *Crash*, an uncompromising look at the effects of racism on behavior and interpersonal interactions, on January 25, in Room 2306 from 2:00 to 4:30 p.m. One week later, on February 1, the group will hold an open symposium and panel discussion entitled, "Speak Out on Racism," in Skyline's Gallery Theatre at 1:30 to 3:00 p.m. The ASSC and BSU are sponsoring both events in coordination with Speech Instructor Phyllis Taylor, Multimedia Specialist Salah Webb, CTL Instructional Aid Anyta Archer, and ASSC President Taylor Angel.



Museum of Tolerance (MOT) Alumni Film Festival, February 6 and 9, 2006: Two films produced by local filmmakers will be shown at the annual MOT Alumni Film Festival entitled "Reconcilable Differences." Heidi Schmidt Emberling's *Tangled Roots* focuses on issues of heritage and identity. Emberling is the daughter of an American Jewish mother and a German father, who discovers that her grandfather was a Nazi. The film will be shown on February 6 at 12 noon in the Skyline's Main Theatre. *Mixed Feelings* by Berkeley filmmaker Mikko Jokela will be shown on Thursday, February 9, 2006 at 12:30 p.m. in the Main Theatre. The film is a personal look at growing up in America from the perspective of mixed race Asian Americans. Attendees will also have an opportunity to meet Jokela. Refreshments will be served and the public is invited to attend. The MOT film festival is a funded project of the President's Innovation Fund.



WOW! Women on Writing Conference, March 4, 2006: The fourth annual conference celebrating International Women's Day will be held at Skyline College on Saturday, March 4, 2006. This full-day conference includes writing workshops and presentations by renowned and award-winning women authors, poets, journalists, editors, educators, and others. The keynote speaker is Janice Mirikitani, Executive Director of Glide Foundation and San Francisco Poet Laureate 2000. Book Talk panelists include authors Rose Castillo Guilbault (*Farmworker's Daughter*), Beth Lisick (*Everybody Into the Pool*), and Ruthanne Lum McCunn (*Thousand Pieces of Gold*). Morning and afternoon workshops will take place



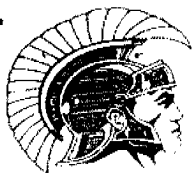
and attendees will have the opportunity to purchase books and have them signed by the authors. The “early bird” conference registration fee is \$60 and after January 28 the fee will be \$80 per person. The student fee is \$24 and students who attend can also earn college credit with English/Literature 166. WOW! is presented by Skyline College’s Language Arts division, Social Sciences/Creative Arts division, and the Associated Students of Skyline College.

Expanding Your Horizons in Math and Science (EYH), March 18, 2006:

Skyline College presents the 26th annual Expanding Your Horizons in Math and Science, a conference for 6th through 12th grade young women to learn about career opportunities in math and science. Each girl will be able to attend three hands-on workshops during the all-day conference, as well as meet women who use science and math in their careers as well as

women in non-traditional careers. More than 15,000 young women have attended EYH since its inception in 1980. Expanding Your Horizons is sponsored by the Genentech Foundation for Biomedical Sciences.





SKYLINE COLLEGE

2006

MEN'S BASEBALL SCHEDULE



24-Jan	TUES	SACRAMENTO CITY (SCRIMMAGE)	SAN BRUNO	1:00
27-Jan	FRI	BARSTOW	SAN BRUNO	2:00
28-Jan	SAT	BARSTOW (DH)	SAN BRUNO	11:00
31-Jan	TUES	SANTA ROSA	SAN BRUNO	2:00
2-Feb	THUR	COLLEGE OF THE DESERT*	PALM DESERT	11:00
3-Feb	FRI	GROSSMONT*	PALM DESERT	11:00
4-Feb	SAT	SAN BERNARDINO VALLEY*	PALM DESERT	11:00
7-Feb	TUES	DIABLO VALLEY COLLEGE	SAN BRUNO	2:00
10-Feb	FRI	YUBA	MARYSVILLE	2:00
11-Feb	SAT	YUBA	MARYSVILLE	12:00
12-Feb	SUN	YUBA	MARYSVILLE	12:00
14-Feb	TUES	SANTA ROSA	SAN BRUNO	2:00
17-Feb	FRI	SHASTA	SAN BRUNO	2:00
18-Feb	SAT	NAPA	SAN BRUNO	2:00
19-Feb	SUN	FEATHER RIVER	SAN BRUNO	10:30
24-Feb	FRI	MARIN	SAN BRUNO	2:00
25-Feb	SAT	MONTEREY	SAN BRUNO	2:00
26-Feb	SUN	GAVILAN	SAN BRUNO	12:00
2-Mar	THUR	CANADA	REDWOOD CITY	2:00
4-Mar	SAT	MISSION	SAN BRUNO	12:00
7-Mar	TUES	SAN MATEO	SAN BRUNO	2:00
9-Mar	THUR	CABRILLO	APTOS	2:00
11-Mar	SAT	DEANZA	SAN BRUNO	12:00
14-Mar	TUES	MONTEREY	MONTEREY	2:00
16-Mar	THUR	CHABOT	SAN BRUNO	2:00
18-Mar	SAT	CCSF	SAN FRANCISCO	12:00
21-Mar	TUES	DEANZA	CUPERTINO	2:00
23-Mar	THUR	CANADA	SAN BRUNO	2:00
25-Mar	SAT	GAVILAN	GILROY	12:00
28-Mar	TUES	SAN MATEO	SAN MATEO	2:00
30-Mar	THUR	CABRILLO	SAN BRUNO	2:00
1-Apr	SAT	MISSION	SANTA CLARA	12:00
4-Apr	TUES	WEST VALLEY	SARATOGA	2:00
6-Apr	THUR	CCSF	SAN BRUNO	2:00
8-Apr	SAT	HARTNELL	SAN BRUNO	12:00
SPRING BREAK APRIL 10-16				
18-Apr	TUES	SAN JOSE CITY	SAN JOSE	2:00
20-Apr	THUR	CCSF	SAN FRANCISCO	2:00
22-Apr	SAT	MISSION	SAN BRUNO	12:00
25-Apr	TUES	CABRILLO	APTOS	2:00
27-Apr	THUR	SAN MATEO	SAN BRUNO	2:00
29-Apr	SAT	CANADA	REDWOOD CITY	12:00
2-May	TUES	OHLONE	SAN BRUNO	2:00
4-May	THUR	DEANZA	SAN BRUNO	2:00
MAY 12-14 State Playoffs, Regionals			TBA	
MAY 19-21 State Playoffs, Super Regionals			TBA	
MAY 27-29 State Playoffs, Final Four			TBA	

Head Coach: Dino Nomicos

Assistant Coaches: John Quintell, Luke Borgo, Carl Vallero

Baseball Office (650) 738-4197

Fax: (650) 738-4160

College President: Dr. Victoria Morrow (650) 738-4111

Athletic Director: Andreas Wolf (650) 738-4293

Athletic Trainer: Jo Silken A.T.C. (650) 738-4283

Athletic Secretary: Sandra Hatzistratis (650) 738-4271

*Bold Font indicates Coast Conference League Games

Revised 1/10/06