

AGENDA
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
REGULAR MEETING OF THE BOARD OF TRUSTEES
December 15, 2021
Closed Session at 5:00 p.m.; Open Session at 6:00 p.m.

In Person at 3401 CSM Drive, San Mateo, CA 94402

Members of the Public may also participate via Zoom.
Zoom Meeting ID - <https://smccd.zoom.us/j/82210379735>
Dial-In: 1-669-900-9128 – Webinar ID: 822 1037 9735

NOTICE ABOUT PUBLIC PARTICIPATION AT BOARD MEETINGS

Observing the Meeting

Members of the public who wish to observe the meeting in-person or remotely by accessing the link or calling the following telephone number above at the beginning of the meeting.

For individuals who attend the meeting in person, face coverings will be required while in-doors at the District Office for all individuals, regardless of COVID-19 vaccination status.

Providing Public Comment During the Meeting on NON-AGENDA Items

To make a comment regarding a non-agenda item, members of the public:

- (1) If in person, may seek recognition at the speaker's lectern when called upon by the Board President, or
- (2) If remote, once in the Zoom meeting (via above link), can utilize the "raise hand" function on the bottom right corner of the screen. This will allow for the Board President to recognize members for comment and will allow staff to activate audio access to individual participants. Members of the public who "raise their hand" will be called upon in the order they appear.
- (3) Members of the public making comment are reminded of the 3-minute time limit for comment.

Providing Public Comment During the Meeting on AGENDA Items

To make a comment regarding an item on the agenda, members of the public:

- (1) If in person, may seek recognition at the speaker's lectern when called upon by the Board President, or
- (2) If remote, once in the Zoom meeting (via above link), can utilize the "raise hand" function on the bottom right corner of the screen. This will allow for the Board President to recognize members for comment and will allow staff to activate audio access to individual participants. Members of the public who "raise their hand" will be called upon in the order they appear.
- (3) Members of the public making comment are reminded of the 3-minute time limit for comment.

Accommodations

Persons with disabilities who require an accommodation or service should contact the Chancellor's Office at (650) 358-6877 at least 24 hours prior to the Board meeting.

5:00 p.m. Call to Order

CLOSED SESSION ITEMS FOR DISCUSSION

1. Conference with Labor Negotiators
Agency Designated Representative: Michael Claire, Richard Storti and Marie Billie
Employee Organizations: AFSCME, AFT, CSEA and Non-Represented Employees
2. Public Employee Discipline, Dismissal or Release

PUBLIC COMMENTS ON CLOSED SESSION ITEMS ONLY

RECESS TO CLOSED SESSION

RECONVENE TO OPEN SESSION

6:00 p.m. Call to Order / Roll Call / Pledge of Allegiance

ANNOUNCEMENT OF REPORTABLE ACTION TAKEN IN CLOSED SESSION (if necessary)

DISCUSSION OF THE ORDER OF THE AGENDA

ORANIZATION OF THE BOARD OF TRUSTEES

1. Election of President
2. Election of Vice President-Clerk
3. Election of Secretary for the Board
4. Appointment of Representative of the Board to the County Committee on School District Organization

MINUTES

21-12-01 Approval of the Minutes of the November 10, 2021 Regular Meeting

STATEMENTS FROM EXECUTIVES AND STUDENT REPRESENTATIVES

STATEMENTS FROM OTHER REPRESENTATIVE GROUPS

AFT, Local 1493
CSEA, Chapter 33
AFSCME, AFL-CIO, Local 829, Council 57

STATEMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS

NEW BUSINESS

21-12-01A Approval of Personnel Items: Changes in Assignment, Compensation, Placement, Leaves, Staff Allocations and Classification of Academic and Classified Personnel
(Time Allotted: 5 minutes)

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 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.

21-12-01CA Resolution No. 21-10 to Make Findings Allowing Continued Remote Meetings Under Brown Act

21-12-02CA Ratification of Agreement with AFSCME Regarding Adjustments to Health Benefits Caps

21-12-03CA Disposition of Records for College of San Mateo and District Office

- 21-12-04CA Approval of Curricular Additions, Deletions, and Modifications Cañada College, College of San Mateo, and Skyline College
- 21-12-05CA Re-appointment of Members to District's Bond Oversight Committee
- 21-12-06CA Re-appointment of Members to Educational Housing Corporation Board of Directors
- 21-12-07CA Extension of Contract for Interim Chief Human Resources Officer
- 21-12-08CA Acceptance of California Electric Vehicle Infrastructure Program Grant and Sole Source Agreement for ChargePoint
- 21-12-09CA Adoption of Local Hazard Mitigation Plan

Other Recommendations

- 21-12-101B Setting of Board of Trustees Meeting Dates for 2022 *(Time Allotted: 10 minutes)*
- 21-12-102B San Mateo Athletic Club Fiscal Year 2021-2022 Budget Adjustment *(Time Allotted: 10 minutes)*
- 21-12-103B Receipt and Acceptance of the 2020-2021 District Audit Report
- 21-12-104B Receipt and Acceptance of the 2020-2021 KCSM-FM Audit Report
- 21-12-105B Receipt and Acceptance of the 2020-2021 General Obligation Bond Financial and Performance Audit Reports
- 21-12-106B Receipt and Acceptance of the 2020-2021 Retirement Futuris Public Entity Investment Trust Audit Report

(Items 21-12-103B, 21-12-104B, 21-12-105B, and 21-12-106B will be presented together (Time Allotted: 30 minutes))

INFORMATION ITEMS

- 21-12-01C Update on Demographer Findings Relating to the 2020 Census and Impacts on Board of Trustees Area Map *(Time Allotted: 15 minutes)*
- 21-12-02C Discussion of Creation of Standing Board Sub-Committee for Finance and Budget and Ad-Hoc Committee for Long-Term Planning *(Time Allotted: 10 minutes)*
- 21-12-03C Discussion of Creation of Ad-Hoc Committee for Long-Term Planning *(Time Allotted: 10 minutes)*
- 21-12-04C Discussion of Board Retreat Planning *(Time Allotted: 15 minutes)*
- 21-12-05C Review of Site Funding Allocations Supporting *Free Community College Initiative (Time Allotted: 10 minutes)*
- 21-12-06C District Financial Summary for the Quarter Ending September 30, 2021
- 21-12-07C Auxiliary Operations Financial Summary for the Quarter Ending September 30, 2021

COMMUNICATIONS

STATEMENTS FROM BOARD MEMBERS

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

1. Call to Order
2. Roll Call
3. [Approval of Minutes of the December 14, 2020 Meeting](#)
4. Naming of Officers for 2022
5. Adjournment

RECONVENE TO CLOSED SESSION (if necessary)

RECONVENE TO OPEN SESSION (if necessary)

ANNOUNCEMENT OF REPORTABLE ACTION TAKEN IN CLOSED SESSION

ADJOURNMENT

BOARD REPORT NO. 21-12-01A

TO: Members of the Board of Trustees

FROM: Michael Claire, Chancellor

PREPARED BY: Marie Billie, Interim Chief Human Resources Officer
David Feune, Director, Human Resources

APPROVAL OF PERSONNEL ITEMS

New employment; changes in assignment, compensation, and placement; leaves of absence; changes in staff allocation and classification of academic and classified personnel; retirements, phase-in retirements, and resignations; equivalence of minimum qualifications for academic positions; and short-term temporary classified positions.

A. ADMINISTRATIVE APPOINTMENT, REAPPOINTMENT, ASSIGNMENT, AND REASSIGNMENT**Cañada College**

Maria Lara Registrar Enrollment Services

Reassigned from Program Services Coordinator, Degree Audit (Grade 27 of the Classified Salary Schedule 60; Salary Range: \$68,580 - \$87,504) into this classified supervisory (exempt) employment (Grade 189E of the Academic-Classified Exempt Supervisory Schedule 35; Salary Range: \$105,696 - \$133,884), effective December 16, 2021, replacing Ruth Miller who retired.

District Office

Kristina Aristo Pineda* Interim Operations Manager - Aquatics (NP) Community Fitness

New classified supervisory (exempt) employment (Grade 180E of the Academic-Classified Exempt Supervisory Salary Schedule 35; Salary Range: \$87,300 - \$110,580), effective December 20, 2021. This position was previously Board approved on October 27, 2021.

Kimberly Perez* Interim Operations Manager – Community Fitness (NP) Community Fitness

New classified supervisory (exempt) employment (Grade 180E of the Academic-Classified Exempt Supervisory Salary Schedule 35; Salary Range: \$87,300 - \$110,580), effective December 16, 2021. This position was previously Board approved on October 27, 2021.

Igor Marchenko* Interim Aquatics Program Manager/Coach
(Youth Swim Program) (NP) Community Fitness

New classified supervisory (exempt) employment (Grade 175E of the Academic-Classified Exempt Supervisory Salary Schedule 35; Salary Range: \$70,008 - \$88,680), effective January 1, 2022. This position was previously Board approved on October 27, 2021.

Tom Reudy* Interim Aquatics Program Manager/Coach Community Fitness
(Master Swim Program) (NP)

New classified supervisory (exempt) employment (Grade 175E of the Academic-Classified Exempt Supervisory Salary Schedule 35; Salary Range: \$70,008 - \$88,680), effective January 1, 2022. This position was previously Board approved on October 27, 2021.

Joseph Puckett Acting Supervisor of Custodial Operations Facilities

Reassigned from Custodian (Grade AA of the Buildings and Grounds Salary Schedule 70; Salary Range: \$50,604 - \$62,736) into this acting classified supervisory (exempt) assignment (Grade 189E of the Academic-Classified Exempt Supervisory Schedule 35; Salary Range: \$105,696 - \$133,884), effective November 23, 2021, replacing Bryant Evans who is on a leave of absence.

Skyline College

Niruba Srinivasan Assistant Registrar (NP) Enrollment Services

New classified supervisory (exempt) employment (Grade 180E of the Academic-Classified Exempt Supervisory Salary Schedule 35; Salary Range: \$87,300 - \$110,580), effective December 16, 2021. This position was previously Board approved on September 22, 2021.

B. PUBLIC EMPLOYMENT

Cañada College

Jinmei Lun* Counselor – International Education Vice President of Instruction

New Contract I status academic employment, effective January 13, 2022. This position was previously vacant.

College of San Mateo

Riley Goulding* Instructional Aide II Kinesiology/Athletics/Dance

New full-time, 12-month classified employment (Grade 22 of the Classified Salary Schedule 60; Salary Range: \$60,552 - \$77,688), effective January 3, 2022, replacing Alexander Weeks who resigned.

Sean Price* Athletic Equipment Manager Kinesiology/Athletics/Dance

New part-time (48%), 12-month classified employment (Grade 21 of the Classified Salary Schedule 60; Salary Range: \$29,556 - \$37,776), effective January 3, 2022, replacing Julian Billot who resigned.

District Office

Tyanna Hickey* Membership Services Coordinator (NP) Community Fitness

New full-time, 12-month classified employment (Grade 27 of the Classified Salary Schedule 60; Salary Range: \$68,580 - \$87,504), effective December 16, 2021. This position was previously Board approved on October 27, 2021.

Erik Jaimes* Groundskeeper Facilities

New full-time, 12-month classified employment (Grade BA of the Buildings and Grounds Salary Schedule 70; Salary Range: \$53,820 - \$66,972), effective December 16, 2021, replacing Cristian Heredia who was reassigned.

Nikolas Stelmashenko* Program Services Coordinator (Aquatics) (NP) Community Fitness

New full-time, 12-month classified employment (Grade 27 of the Classified Salary Schedule 60; Salary Range: \$68,580 - \$87,504), effective January 1, 2022. This position was previously Board approved on October 27, 2021.

Skyline College

Julia Goepel* Child Development Center Aide III (Master Teacher) Business/Industry Relations

New full-time, 12-month classified employment (Grade 22 of the Classified Salary Schedule 60; Salary Range: \$60,552 - \$77,688), effective December 20, 2021, replacing Adrienne Villegas who resigned.

1. Re-Employment

Cañada College

Janette Linares Counselor - Promise Counseling

Recommend approval of an extension for a temporary, categorically-funded academic position (10-month), effective Spring Semester 2022. The position was originally approved on November 20, 2019.

District Office

Raymond Hernandez Interim Director of Operations Educational Services and Planning

At its meeting on June 23, 2021, the Board approved postponing Mr. Hernandez's retirement to December 31, 2021, to assist the District during the COVID-19 pandemic. Due to operational needs in recovering from the pandemic, Mr. Hernandez's services are still needed by the District, and he has agreed to further postpone his retirement until June 30, 2022, and extend his interim assignment as the Director of Operations (Grade AE of the Management Salary Schedule 20; Salary Range \$161,328 - \$205,824).

C. REASSIGNMENT THROUGH THE HIRING PROCESS

College of San Mateo

Jonathan Wax Communications Manager Community Relations & Marketing

Reassigned from a full-time Program Services Coordinator (Grade 27 of the Classified Salary Schedule 60; Salary Range: \$68,580 - \$87,504) into this full-time 12-month classified position (Grade 192S of the Classified Professional/Supervisory Salary Schedule 40; Salary Range: \$91,212 - \$116,436), effective December 16, 2021, replacing David McLain who was reassigned.

District Office

Erica Griego Program Services Coordinator Community Fitness
(Front Desk) (NP)

Reassigned from a full-time Admissions and Records Assistant III (Grade 24 of the Classified Salary Schedule 60; Salary Range: \$63,840 - \$81,636) into this full-time 12-month position (Grade 27 of the Classified Salary Schedule 60; Salary Range: \$68,580 - \$87,504), effective January 1, 2022. This position was previously Board approved on October 27, 2021.

Analisa Pineda Senior Buyer General Services

Reassigned from a full-time Buyer (Grade 30 of the Classified Salary Schedule 60; Salary Range: \$73,968 - \$94,392) into this full-time 12-month position (Grade 34 of the Classified Salary Schedule 60; Salary Range: \$81,420 - \$104,124), effective December 16, 2021, replacing Samuel Haun who retired.

Roger Marcelo, Jr. IT Support Technician II ITS
(AV/Media/Event Support Emphasis)

Reassigned from a full-time Multimedia Services Coordinator (Grade 27 of the Classified Salary Schedule 60; Salary Range: \$68,580 - \$87,504) into this full-time 12-month position (Grade 31A of the Classified Salary Schedule 60; Salary Range: \$76,404 - \$97,620), effective December 16, 2021, replacing Alexis Arreola who was reassigned.

D. TRANSFER/ADMINISTRATIVE REASSIGNMENT**College of San Mateo**

Christopher Weidman Instructional Aide II Counseling

Transferred from a full-time, 12-month Instructional Aide II (Grade 22 of the Classified Salary Schedule 60; Salary Range: \$60,552 - \$77,688) at Skyline College into this full-time, 12-month position at College of San Mateo, effective January 3, 2022, replacing Susan Roseberry who will be retiring.

District Office

Alexis Lora Pena Groundskeeper Facilities

Transferred from a full-time, 12-month Groundskeeper (Grade BA of the Buildings and Grounds Salary Schedule 70; Salary Range: \$53,820 - \$ 66,972) at Skyline College into this full-time, 12-month position at Cañada College, effective December 1, 2021.

E. NON-REPRESENTED EMPLOYEES ADDITIONAL DUTIES ASSIGNMENT

None

F. CHANGES IN STAFF ALLOCATION**Cañada College**

1. Recommend a change in staff allocation to add one full-time, 12-month Program Services Coordinator (Dual Enrollment) position (Grade 27 of the Classified Salary Schedule 60; Salary Range: \$68,580 - \$87,504) the Student Services, effective December 16, 2021.

College of San Mateo

2. Recommend creation of a new classification titled, “Executive Director of Strategic Initiatives and Economic Development” at Grade AC of the Management Salary Schedule 20 (Salary Range: \$177,984 - \$226,704), effective April 1, 2022. In addition, recommend a change in staff allocation to add one full-time, 12-month Executive Director of Strategic Initiatives and Economic Development position in Strategic Partnerships and Workforce Development, effective April 1, 2022.
3. Recommend creation of a new classification titled, “Ombudsperson” at Grade 189E of the Academic-Classified Exempt Supervisory Salary Schedule 35 (Salary Range: \$105,696 - \$133,884), effective April 1, 2022. In addition, recommend a change in staff allocation to add one full-time, 12-month Ombudsperson position in the President’s Office, effective April 1, 2022.
4. Recommend a change in staff allocation to add one full-time, 12-month Assistant Project Director (DHSI Title V Grant) position (Grade 26 of the Classified Salary Schedule 60; Salary Range: \$66,912 - \$85,512) in the Math & Science Division, effective December 16, 2021. This is a temporarily funded position effective December 16, 2021, through September 30, 2026. Heidi Pereira will be reassigned from an Administrative Assistant (HSI-STEM Grant) (Grade 27 of the Classified Salary Schedule 60; Salary Range: \$68,580 - \$87,504) into this position through the managed hiring process, effective December 16, 2021. As a managed hire employee, Ms. Pereira continues to be compensated at the Administrative Assistant salary level.
5. Recommend a change in staff allocation to add one full-time, 12-month Program Services Coordinator (Dual Enrollment) position (Grade 27 of the Classified Salary Schedule 60; Salary Range: \$68,580 - \$87,504) in the Office of the Vice President of Instruction, effective December 16, 2021.
6. Recommend a change in staff allocation to add one full-time, 12-month Admissions and Records Assistant III position (Grade 24 of the Classified Salary Schedule 60; Salary Range: \$63,840 - \$81,636) in Enrollment Services, effective December 16, 2021.

District Office

7. Recommend a change in staff allocation to add three full-time, 12-month Custodian positions (Grade AA of the Buildings and Grounds Salary Schedule 70; Salary Range: \$50,604 - \$62,736) in Community Fitness, effective December 16, 2021.
8. Recommend creation of a new classification titled, “Membership Sales Specialist” at Grade 18 of the Classified Salary Schedule 60 (Salary Range: \$55,104 - \$70,248), effective December 16, 2021. In addition, recommend a change in staff allocation to add one full-time, 12-month Membership Sales Specialist position in Community Fitness, effective December 16, 2021.
9. Recommend creation of a new classification titled, “Information Security Officer” at Grade 193E of the Academic-Classified Exempt Supervisory Salary Schedule 35 (Salary Range: \$135,240 - \$171,324), effective December 16, 2021. In addition, recommend a change in staff allocation to add one full-time, 12-month Information Security Officer position in ITS, effective December 16, 2021.

Skyline College

- 10. Recommend a change in staff allocation to add one full-time, 12-month Program Services Coordinator position (Grade 27 of the Classified Salary Schedule 60; Salary Range: \$68,580 - \$87,504) in the Counseling-Promise Scholars Program, effective December 16, 2021.
- 11. Recommend a change in staff allocation to add one full-time, 12-month Retention Specialist (Dual Enrollment) position (Grade 24 of the Classified Salary Schedule 60; Salary Range: \$66,840 - \$81,636) in Strategic Partnerships and Workforce Development, effective December 16, 2021.
- 12. Recommend a change in staff allocation to add one full-time, 12-month Program Services Coordinator (Dual Enrollment) position (Grade 27 of the Classified Salary Schedule 60; Salary Range: \$68,580 - \$87,504) in Strategic Partnerships and Workforce Development, effective December 16, 2021.
- 13. Recommend a change in staff allocation to add one full-time, 12-month Admissions and Records Assistant III position (Grade 24 of the Classified Salary Schedule 60; Salary Range: \$63,840 - \$81,636) in Enrollment Services, effective December 16, 2021.

G. PHASE-IN RETIREMENT

None

G. LEAVE OF ABSENCE

None

H. PUBLIC EMPLOYEE RETIREMENT AND RESIGNATION

1. Retirement

Cañada College

Jeanette Medina Professor Science and Technology

Retiring as Professor Emerita effective May 27, 2022, with 20.5 years of District service. Eligible for District retiree benefits.

Robert Tricca Professor Science and Technology

Retiring as Professor Emeritus effective December 17, 2021, with 11.5 years of District service. Not eligible for District retiree benefits.

College of San Mateo

Andria Nalls Professor Business/Technology

Retiring as Professor Emerita effective December 17, 2021, with 20.5 years of District service. Eligible for District retiree benefits.

District Office

Christopher Caputo Mail Clerk General Services

Retiring effective December 30, 2021, with 41 years of District service. Eligible for District retiree benefits.

Gina Dizon Human Resources Representative Human Resources

Retiring effective December 30, 2021, with 17.5 years of District service. Not eligible for District retiree benefits.

Skyline College

George Buckingham Professor Social Science/Creative Arts

Retiring as Professor Emeritus effective December 17, 2021, with 30.5 years of District service. Eligible for District retiree benefits.

2. Post-Retirement

None

3. Resignation

Cañada College

Nallely Gonzalez Office Assistant II Counseling

Resignation effective November 26, 2021, with 7 months of District service.

College of San Mateo

Kylin Johnson Laboratory Coordinator Math/Science

Resignation effective October 26, 2021, with 10 years of District service.

I. ESTABLISHMENT OF EQUIVALENCY TO MINIMUM QUALIFICATIONS

None

J. PROFESSIONAL EXPERT/CONTRACT POSITIONS

<i>Location</i>	<i>Division / Department</i>	<i>No. of Pos.</i>	<i>Start and End Date</i>		<i>Services to be performed</i>
Cañada College	Enrollment Services / Financial Aid	1	01/10/2022	06/30/2022	<p>Professional Expert: Consultant: This consultant will assist with rebranding Financial Aid to remove the stigma often associated with it, streamlining processes to make it more accessible to students and focusing on compliance using a strategic-level mindset; evaluating Financial Aid programs to make much-needed changes and align with our mission of equity, diversity, and inclusion; reviewing uniform processes to meet state and federal regulations/laws through an equity lens all while staying in compliance, in addition, incorporate inclusion and diversity into the scope of each process; responsibilities will include reviewing current process, completed reports prior to submission, outreach strategies, and emergency aid depletions. Work with the current Financial Aid Professional Expert on electronic manuals for Director level processes. Requesting Manager: Wissem Bennani</p>
Skyline College	Counseling / Health & Wellness Services	1	01/03/2022	06/30/2022	<p>Professional Expert: College Physician: Provides a flexible combination of medical leadership and clinical guidance. The College physician shares the main responsibility for the clinical integrity of Health services with other staff in the department. Requesting Manager: Luis Escobar</p>
Skyline College	Bay Area Entrepreneur Center	3	01/03/2022	05/31/2022	<p>Professional Expert: Consultant – BAEC (Non-Instructional): These consultants will assist with programs, workshops, and implement programs and resources for clients at the BAEC and as part of the Small Business Recovery & Assistance Program. Consultants will perform a review, analysis, and</p>

					consultation for specific events, projects, and programs requiring specialized knowledge and expertise, including outreach, written and verbal communication, and data collection and analysis. This work is to be completed with a high degree of discretion and independent judgment. Requesting Manager: Michael Kane.
Skyline College	Social Science / Creative Arts	5	01/18/2022	05/27/2022	Professional Expert: Music: For private musical instruction for music majors registered in Mus. 501 JX (44347), MUS. 502, JX (44348), MUS. 503 JX (44350), MUS. 504 JX (44351) Requesting Manager: Nicole Porter
Skyline College	Science, Technology, Engineering, and Math	10	01/03/2022	06/30/2022	Professional Expert: EMT Skill Proctor: The Emergency Medical Technician (EMT) course requires the training and testing of manipulative skills for successful completion. The Emergency Medical Care department will need professional experts to come in periodically to assist with this hands-on training and testing. Because these people are active public safety personnel and not always available to participate on scheduled skills days, we would like to build a pool of 10 individuals. In general, there would only be 1 – 3 professional experts scheduled to assist during a skills day, however, the skill's final requires up to 10 people to proctor the various stations. Requesting Manager: Carla Grandy

K. SHORT-TERM, NON-CONTINUING POSITIONS

<i>Location</i>	<i>Division / Department</i>	<i>No. of Pos.</i>	<i>Start and End Date</i>		<i>Services to be performed</i>
Cañada College	Veterans Resource and Opportunity Center	1	01/03/2022	06/30/2022	<p>Office Assistant II This position will assist the 0.50 FTE Veterans Resource and Opportunity Center Program Services Coordinator to meet the minimum standards for community colleges' Veterans Resource Centers. Duties will include support with 1) maintaining sufficient VROC staffing levels; 2) expanding veterans services and engagement; 3) increasing access for student veterans and military-connected students to VA certification, academic counseling, personal counseling, transfer services, and basic needs. This position will also support the Veterans Coordinator with new VA Isakson and Roe Section 1010 updates, 1102 and 1103 (COVID-19) Provisions, VA-ONCE (student and campus) Enrollment Certifications, Veterans Outreach, and Website updates. Requesting Manager: Wissem Bennani</p>
Cañada College	Student Services – Outreach	1	01/03/2022	06/30/2022	<p>Program Services Coordinator: Works directly with College Recruiter to support Outreach and Enrollment efforts; exchanges information with students, staff, high school counselor & community partners; makes presentations and conducts workshops to small and large groups as a college representative; participates in planning and implementation meetings with college and community partners; plans joint events with other college departments and programs with college and community partners; travels to various off-site locations to confer with high schools, community partners, government agencies and other entities to recruit students into college programs; refers students to community,</p>

					business, governmental and other resources; conducts follow-up to determine student needs and available program services; and assists incoming students with onboarding process (application, referral to appropriate programs on campus, etc.) Requesting Manager: Manuel Perez
Cañada College	Vice President of Student Services – Guided Pathways	1	01/03/2022	06/30/2022	Retention Specialist: <i>Previously Requested Position</i> Duties include support and case management for new and continuing students in interest areas. This retention specialist's duties will align with the other three dedicated Guided Pathways Retention Specialists at the college. Some examples of the types of work include case management of Interest Area, student supports from the point of application to enrollment and registration in courses, sorting through student data files to identify appropriate support systems for students based on need, maintaining regular communication with Interest Area students individually and in small groups to connect new, returning, and continuing students, and build a sense of community through the Guided Pathways Success Team framework. Requesting Manager: Manuel Perez
College of San Mateo	KCSM – FM	2	01/01/2022	06/30/2022	FM Announcers <i>Previously Requested Position</i> Select music, create lists of music scheduled for play; hosts radio programs, produce promotional announcements; operate specialized station equipment. Requesting Manager: Dante Betteo
College of San Mateo	Math / Science	1	01/03/2022	06/30/2022	Office Assistant II: This position will provide general office support for the Director and Assistant Director of the Title V grant. This includes filing paperwork, setting meetings, keeping notes, and other general office work as required. Requesting Manager: Charlene Frontiera

College of San Mateo	Math / Science – MESA	1	12/16/2021	06/30/2022	<p>Retention Specialist: Provide information to MESA-qualified students about the opportunities and rewards of being a MESA student. Support student academic success in math and science classes by checking and tracking participation in MESA activities and services (e.g. attend AEW and tutoring, field trips, conferences, counselor appointments, etc. Requesting Manager: Charlene Frontiera</p>
College of San Mateo	Counseling/ Disability Resource Center	1	01/03/2022	06/30/2022	<p>Instructional Aide II: This position will assist with the transitioning of the new IA II due to the retirement of the current IA II. During this time, this position will assist with alternate media production for 508/ADA compliance. CSM DRC is currently supporting a fulltime CSM student who is blind which requires a tremendous amount of preparation to ensure all materials are accessible. The person we would like to hire for this position has already been fully trained and can step in to fill this need. The training is complex so this would help out tremendously. Requesting Manager: Carol Newkirk-Sakaguchi</p>
District Office	Administrative Services – Payroll	2	01/03/2022	06/30/2022	<p>Accounting Technician: <i>Previously Requested Position</i> This position will assist the Payroll department with the retirement reporting due to the Cost of Living Adjustment (COLA) retro process. Duties include retro retirement reporting, redistributions, assisting with year-end closing, audit preparation, and general accounting work. Requesting Manager: Bernata Slater</p>
District Office	Chancellor’s Office	3	12/16/2021	04/30/2022	<p>Program Specialist: Three additional positions are needed (one stationed at each campus) to conduct and support the student vaccination attestation and onsite unvaccinated COVID-19 testing procedures and protocols. Individuals will hold the knowledge</p>

					and applicable skills in the medical field to demonstrate comfort and proficiency with technology application platforms. Duties will include navigation, review, and follow-up of submitted student attestation information; communication with students and college personnel regarding various vaccination attestation elements. Requesting Manager: Ray Hernandez
Skyline College	Academic Support and Learning Technologies/ The Learning Center	6	01/03/2022	06/30/2022	Instructional Aide II: <i>Previously Requested Position</i> The students are in greater need of tutoring services during the COVID-19 pandemic and these tutors will address this need. These tutors serve as expert tutors in their designated areas, often tutoring higher-level courses. They cover hours throughout the day to ensure that “The Learning Center” has full tutoring staff for student support. The tutors also assist with day-to-day oversight of the four tutoring labs, including training and upkeep of lab space. Requesting Manager: Rolin Moe
Skyline College	SMT / Allied Health	2	01/03/2022	06/30/2022	Instructional Aide II: <i>Previously Requested Position</i> This position is to assist with student support needing supplemental instruction/tutoring in the allied health programs. These IA's offers strength-based training, build confidence and self-esteem, support one-on-one learning, and help maintain acquired skills during the rest of the Allied Health Program(s), among other things. Requesting Manager: Carla Grandy
Skyline College	SMT / Respiratory Care	2	01/03/2022	06/30/2022	Instructional Aide II: <i>Previously Requested Position</i> To provide tutoring support for students in the Bachelor of Science in Respiratory Care program. The Degree Advance BSRC Program in our college provides needed skills to enhance RCPs performance and professional advancement in today's healthcare environment. The Instructional Aides help the Instructors to deliver the education

					that the students need to successfully apply knowledge of advanced Respiratory Care concepts and functions in an integrated approach. Requesting Manager: Carla Grandy
Skyline College	STEM / Surgical Careers	1	01/03/2022	06/30/2022	Instructional Aide II: <i>Previously Requested Position</i> This position will assist with students' support needing supplemental instruction/tutoring in the Surgical Careers. One of the most important things for the ST Program students is to know how to properly handle medical and surgical instruments. Knowing what instruments are needed to pass to the surgeon, their proper use, and proper sterilization techniques are all critical for the surgical technologist. The IA II will help the Instructor to build the students' confidence they need to successfully be Surgical Technologists. Requesting Manager: Carla Grandy
Skyline College	STEM Division	4	01/03/2022	06/30/2022	Instructional Aide II: <i>Previously Requested Position</i> Embedded support tutors: will work 7 hrs./wk. with particular instructors, attending class, and providing tutoring support to students. This will aid in student success by providing in time instructional interventions during the class period. IA II's uniquely fill gaps in providing critical academic support to students enrolled in STEM courses in their last year before transfer (where current Student Assistants and Bridge Graduates cannot provide support as they have not taken the course or are concurrently enrolled). Requesting Manager: Carla Grandy
Skyline College	Student Equity and Support Programs/ TRIO	4	01/03/2022	06/30/2022	Instructional Aide II: <i>Previously Requested Position</i> Provide individualized and small group tutorial services to students in specific subject areas (Math, English, ESOL, Chemistry, Biology, Accounting, and Social Science). Requesting Manager: Cheryl Johnson

Skyline College	Student Equity and Support Programs / EOPS	1	01/03/2022	06/30/2022	<p>Instructional Aide II: <i>Previously Requested Position</i> This position is needed to tutor Math, Business, Accounting, and Science, working up to 20 hours per week for EOPS students. Requesting Manager: Cheryl Johnson</p>
Skyline College	Social Science/ Creative Arts	1	01/03/2022	06/30/2022	<p>Laboratory Technician – Art: <i>Previously Requested Position</i> -Maintains art studios in a safe, clean, and orderly condition in compliance with safety regulations; prepares demonstration setups for lab classes, includes mixing and testing of chemicals and safe use of equipment and materials. - Inventories equipment, supplies, and required lab materials to maintain adequate stock; sets up and maintains online tracking of equipment, supply purchases, equipment maintenance, storage, and disposal schedules. Requesting Manager: Nicole Porter</p>
Skyline College	STEM Division	1	01/03/2022	06/30/2022	<p>Laboratory Technician – Simulation: <i>Previously Requested Position</i> The simulation lab technician for the Simulation Lab will provide start-up technical support for all simulation operations, including but not limited to integrating, maintaining, and operating the simulation lab equipment. Due to the Covid19 Pandemic, the students' clinical rotations have been canceled or modified, so, the Simulation Lab has been used to meet the accrediting body's requirements for clinical hours. The healthcare providers are essential workers, so now more than ever the Simulation Lab Technician is needed to support all the Allied Health Programs. Requesting Manager: Carla Grandy</p>

New Position - Executive Summary

Organization: Cañada College

Position Title: Dual Enrollment Program Services Coordinator

Position Classification & Salary Range: Classified. Salary Schedule 60, Grade 27

Position Funding Source: General Fund, Fund 1

Position Description:

The primary responsibility of the Dual Enrollment Program Services Coordinator is to support the outreach, recruitment, on-boarding, and continued success of prospective and current Dual Enrollment students. This position will be a critical role for on-site and virtual orientation and support to students, their families, and our school-site/campus partners. The PSC will report directly to the Director of High School Transition & Dual Enrollment and will work closely with the Cañada College Dual Enrollment team and our Dual Enrollment liaisons for feeder school districts within our community and region.

Role & Responsibilities:

The PSC exchanges information with students, staff, and members of the community from both Cañada College and our partner school sites regarding a variety of college programs, services, eligibility requirements, policies, timelines, required forms and other information related to Dual Enrollment and student success broadly. The PSC travels to various off-site locations to confer with high schools, community service organizations, governmental agencies, businesses and other entities, and to recruit students into Dual Enrollment courses and related support programs. The PSC makes presentations to small and large groups as a program and college representative, participates in planning and implementation meetings with college and outside groups and representatives, and also plans, conducts and participates in tours, job fairs, and program services in conjunction with management, faculty and other staff. The PSC serves as liaison between student program participants and various instructional and student services departments and assists students with making sense of student forms and relevant information, including making referrals for and follow-up with students to community, business, governmental and other resources.

Rationale/Justification for the Position:

The Dual Enrollment Program Services Coordinator position will support Cañada College's goal to build and expand our Dual Enrollment team. The PSC is critical to the college's efforts to build and expand the implementation of our local and statewide initiatives for Early College, specifically, Assembly Bill 288 for College and Career Access Pathways (CCAP), California Community College Linked Learning Initiatives (CCLLI), and SMCCCD initiatives for the expansion of Dual Enrollment and Early College opportunities for San Mateo County.

Process Used:

Review and discussion at Cañada College Cabinet and November 17 Planning & Budgeting Council Meeting as an information item. Currently moving through the Annual Program Review Process.

Executive Summary

Organization: College of San Mateo

Position Title: Executive Director of Strategic Initiatives and Economic Development

Position Classification and Salary Range:

Management Salary Schedule 20, Grade AC; \$177,984 – \$226,704 annual

Position Funding Source: (General Fund, Fund 3, Special Allocation, Grant, etc.)

Fund 3 (Strong Workforce Program)

Position Description

Brief description including key responsibilities, who the position reports to, etc.

Reports to: College President/President's Office

The Executive Director of Strategic Partnerships and Economic Development provides vision and administrative leadership for workforce, community, and economic development infrastructure, and establishes career pathways that lead to livable wage employment opportunities for students. The Executive Director of Strategic Initiatives and Economic Development functions in a senior administrative capacity, collaborating closely with the College President, the Vice President of Instruction, Vice President of Student Services, Vice President of Administrative Services, and other President's Cabinet members, management, and administrative staff to oversee the College's effectiveness in meeting industry and community needs in the service area for which the College is responsible. Areas of responsibility include strategic alliances to industry associations and workforce development, labor councils, career development, job placement, K-12 planning and dual enrollment, community organizations, President's Council, transportation services, offsite education centers, enrollment management, grant partnerships, and system initiatives pertaining to economic development.

Rationale/Justification for the Position

Include whether this is to meet a District and/College strategic goal, to address an operational or safety need, required by law or grant, board directive, etc.

The executive director position is a cabinet level position, between the vice president and dean levels. Community colleges utilize similar positions, which may range in title and pay grade from vice chancellor, vice president, to provost. The executive director title, duties, and pay grade are most appropriate for CSM.

The executive director will play a lead role in the college’s revitalization and restructuring of the college and community strategic initiatives and economic development infrastructure. The executive director will work extensively to promote internal and external affairs and may direct the work of deans, directors, and college personnel to fulfill college and district goals. An initial comprehensive organizational assessment led by the president’s office has found that CSM’s traditional job placement, career education, workforce development, and community partnerships infrastructure must modernize and become more robust in order for the college to meet the current and future needs of CSM students—to partner with local industry and respond proactively to fast changing shifts in community demographics.

The executive director will coordinate initiatives while prioritizing intentional, forward thinking plans for civic engagement. CSM, historically, has served the traditional student, 18 to 22.

Unduplicated headcount by age:

	15-16	16-17	17-18	18-19	19-20	20-21
Under 18	1,693	1,767	1,831	1,817	1,808	2,404
18 - 22	6,611	6,511	6,604	6,365	6,015	6,604
23 - 28	2,673	2,755	2,866	2,651	2,427	2,494
29 - 39	1,925	1,879	1,902	1,837	1,769	1,883
40 - 49	740	755	747	769	704	708
50 - 59	571	529	494	504	499	431
60 +	376	400	394	419	382	254
Unreported		*				

Revitalizing the college’s strategic initiatives and economic development infrastructure positions the college to serve a fuller range of students from K-12 to working adults. The executive director will be instrumental in reimagining education to promote economic development and in establishing career pathways leading to livable wage employment.

Process Used

Brief description of the process used, note approval from the participatory governance process if appropriate. For new CSEA positions also note whether the position was brought through the LMC

Consultation with HR, and discussions with Academic Senate, Classified Senate, and Student Senate, and Management Council members. The college senate leadership have been consulted and the three senates support the executive director position.

Executive Summary

Organization: College of San Mateo

Position Title: Ombudsperson

Position Classification and Salary Range:

Supervisory Schedule 35, Grade 189E; \$105,696 – \$133,884 annual

Position Funding Source: (General Fund, Fund 3, Special Allocation, Grant, etc.)

Special Allocation (Student Retention and Enrollment)

Position Description

Brief description including key responsibilities, who the position reports to, etc.

Reports to: Director of Equity/Office of Equity

The College Ombudsperson provides a safe and equity advancing environment in which students develop agency and may confidentially discuss complaints, concerns, or problems. The goal is for students to receive equitable resolutions to what may be disturbing them. The ombudsperson may provide individuals informal facilitation and objective counsel, honoring the critical elements of an ombudsperson's practice. Interactions are confidential, impartial, informal, independent, fair, and ethical in service to student support. This position serves as an impartial resource and does not replace or substitute formal grievance, investigative, or appeal processes made available by the college. The ombudsperson develops and provides appropriate training opportunities to promote constructive communication, conflict resolution, and collaborative problem solving to individuals (faculty, classified staff, administrators, student leaders), groups, departments, and division managers and leaders. The ombudsperson submits periodic (quarterly and annual) written summaries identifying opportunities for enhancement to the campus community. Contact and communication with students is extensive and the ombudsperson works with students and college personnel from a wide variety of academic, socioeconomic, ethnic and cultural backgrounds, abilities, sexual orientations, gender identities, and ages. A high degree of independent judgment, creativity, and care is required to develop, plan, and implement a neutral, independent, informal, and confidential service for students and by extension campus employees. The college Ombudsperson leads the work of classified staff, volunteers, and student assistants as assigned.

Rationale/Justification for the Position

Include whether this is to meet a District and/College strategic goal, to address an operational or safety need, required by law or grant, board directive, etc.

In both an earlier analysis of CSM’s student complaint process and in a recent organizational assessment, college leadership has identified the need for an Ombudsperson.

In October 2020, the college facilitated an equity survey of 242 CSM faculty and staff. Here is a snapshot of some of the data points:

- 42.5% of the respondents perceive racial and ethnic tension on campus
- 40.7% of respondents say they notice students being treated differently by coworkers based on appearance
- 39.6% respondents felt that equity is not included in financial planning
- 39.6% of respondents felt that committees do not have diverse representation

The college is currently conducting a student equity survey which will provide updated information.

(Vision for the position.)

We are indeed living in unprecedented times and students are experiencing a socio-political climate we have never seen before. State and national politics are polarized and toxic, a global pandemic threatens health and life, a racial awakening has increased racial tension and revealed trauma lying just below the surface of polite culture. We cannot overstate the trauma inducing and very real experiences our students must navigate on a daily basis while being “students.” We must take students’ lived experience and college experience holistically, understanding that serving today’s college student means serving the whole person.

(Structural service gap.)

The college has identified a procedural gap which exists between student experience and the formal complaint process.

The following are numbers of student conduct cases that were reported to the VPSS office from 8/1/2020 – Present.

	2020-21 Academic Year	2021-22 Academic Year	Total Cases to Date (12/6/21)
	Cases Reviewed by VPSS	Cases Reviewed by VPSS	
Cheating/Plagiarism	37	7	44
Harassment/Bullying	12	4	16
Total Student Conduct Complaints (8/1/2020 - 12/6/2021)			60

Recorded complaints represent only those situations which led to formal action.

Students may experience bias or microaggressions which impact them in significant ways and which shape their educational trajectory yet these experiences do not necessitate formal action—

nor should they by legal definition. As a result, large numbers of students find themselves in a frustrating “middle-space” not knowing where to turn or to whom for guidance.

Colleges locally and statewide rely on ombudspersons to provide a safe, equity advancing, and objective environment in which students may confidentially discuss complaints, concerns, or problems. The goal is for students in the “middle-space” to receive equitable resolutions. Addressing this procedural gap in service also has important practical benefits for the college community as early intervention may ultimately reduce the number of situations leading to formal complaints. Also, an ombudsperson represents a supportive contact to whom college constituents may refer students or seek guidance themselves. Often students share their complaints, concerns, or problems with peers or college personnel, which puts undue stress and responsibility on personnel neither personally nor professionally suited to provide assistance.

An ombudsperson can initiate an informal intervention to facilitate a resolution that is acceptable to the parties involved. An ombudsperson does not make, change, or set aside policy or previous administrative decisions, nor does an ombudsperson serve to determine the rights of others or to unilaterally resolve conflicts. This position serves as an impartial resource and does not replace or substitute formal grievance, investigative, or appeal processes made available by the College. When appropriate, the ombudsperson can make recommendations regarding policy review and change.

Process Used

Brief description of the process used, note approval from the participatory governance process if appropriate. For new CSEA positions also note whether the position was brought through the LMC

Consultation with HR, and discussions with Academic Senate, Classified Senate, and Student Senate, and Management Council members. The college senate leadership has been consulted and the three senates support the ombudsperson position.

Executive Summary

Organization: College of San Mateo

Position Title: Assistant Project Director Title V DHSI Grant

Position Classification and Salary Range:

Schedule 60, Grade 26; \$66,912 – \$85,512 annual

Position Funding Source: (General Fund, Fund 3, Special Allocation, Grant, etc.)

Grant (Title V, Department of Education)

DHSI serves first generation, economically disadvantaged students of color who are interested in sciences and/or beginning their science career. It directly supports them in meeting their educational objectives. MESA serves first generation, financially disadvantaged students majoring in a science that requires calculus.

Position Description

Brief description including key responsibilities, who the position reports to, etc.

This position is needed to support the Dean of Math and Science at CSM to oversee and support the goals and objectives of the 5-year Title V grant. This position will coordinate with the CSM MESA Director on activities to be undertaken by students. There will be some overlap in the audiences served and this position will help with coordination. In addition, this position will monitor and track the \$3M, 5-year grant budget. The Assistant Project Director will be the key person coordinating, along with the Dean of Math and Science, to produce required quarterly and annual reports due each year. This position was written and approved by the grantors.

Rationale/Justification for the Position

Include whether this is to meet a District and/College strategic goal, to address an operational or safety need, required by law or grant, board directive, etc.

This position is needed to supervise the day-to-day work of the grant and to track the budget. In addition, the Assistant Project Director will ensure that all activities undertaken follow federal guidelines and standards.

Process Used

Brief description of the process used, note approval from the participatory governance process if appropriate. For new CSEA positions also note whether the position was brought through the LMC

The Assistant Project Director is a generic job description that exists at SMCCCD. It was requested in the grant application and will be funded exclusively with Title V funds.

Executive Summary

Organization: College of San Mateo

Position Title: Dual Enrollment Program Services Coordinator

Position Classification and Salary Range:

Schedule 60, Grade 27; \$68,580 – \$87,504 annual

Position Funding Source: (General Fund, Fund 3, Special Allocation, Grant, etc.)

Special Allocation (Free College Initiative)

Position Description

Brief description including key responsibilities, who the position reports to, etc.

The Dual Enrollment Program Services Coordinator will report to the Director of High School Transitions & Dual Enrollment. The job duties include:

1. Support with the onboarding and registration of high school students to CSM and into dual enrollment class sections
2. Create and deliver presentations to external partners and dual enrollment students
3. Maintain and support data reporting and coding to ensure accurate reporting related to program benchmarks
4. Travel to various off-site locations to confer with high school administrators, faculty, staff, and students
5. Plan, conduct and participate in tours, recruitment into dual enrollment offerings, and program services in conjunction with high school partners, management, faculty and other staff
6. Work collaboratively with internal and external partners to ensure our K-12 students and partners receive appropriate support and services as they engage in dual enrollment offerings
7. Support and work with dual enrollment faculty by providing resources, onboarding materials and support as needed
8. Other duties as assigned

Rationale/Justification for the Position

Include whether this is to meet a District and/College strategic goal, to address an operational or safety need, required by law or grant, board directive, etc.

This position is in support of the district's strategic plan goals to:

- Provide clear and distinct pathways for all students, particularly those from underserved populations, to accelerate program completion and successful transitions to work or transfer.
- Increase dual enrollment offerings and expand students participating in the Dual Enrollment program.

Process Used

Brief description of the process used, note approval from the participatory governance process if appropriate. For new CSEA positions also note whether the position was brought through the LMC

The position was brought forward in the Program Review process and submitted as a resource request. The position was also approved for funding as part of the free college initiative approval process.

Executive Summary

Organization: College of San Mateo

Position Title: Admissions & Records Assistant III

Position Classification and Salary Range:

Schedule 60 (C6050), Grade 25; \$63,840 – \$81,636 annual

Position Funding Source: (General Fund, Fund 3, Special Allocation, Grant, etc.)

General Fund

Position Description

Brief description including key responsibilities, who the position reports to, etc.

Reports to: Registrar, Enrollment Services/Admissions & Records

Generally, the A&R Assistant III will help respond to student inquiries, process applications, code students into their respective program(s), and assist with any registration issues.

The Admissions & Records Assistant III performs a variety of clerical and technical duties related to planning and implementing a variety of student enrollment services, including but not limited to the following. An A&R Assistant III:

- provides policy and procedural information;
- documents and tracks student enrollment activity;
- enters, modifies, and retrieves enrollment and related data with a database, some examples include; correcting student academic records, maintaining accurate lists of attendance records, student IDs, graduation, and grades;
- processes grades, positive attendance, and census information;
- processes and resolve a variety of requests, some examples include; electronic transcripts, academic renewal, audit, variable unit changes, add/drop requests, enrollment verification, concurrent enrollment, and credit by exam;
- sets up and maintains a variety of files; student enrollment data, transcripts, transfer, certification and graduation, student eligibility, support services, demographics, and fee schedules;
- makes residency determinations and provides appropriate notifications to students about their residency status; and
- analyzes and evaluates records of enrollment and completed coursework to verify eligibility and completion of degree and certificate programs, IGETC & GE Certifications, graduation, transfer, GPA and other requirements for a variety of college and outside agency purposes Apply extensive knowledge and understanding of state and

federal VA regulations in order to submit information electronically to the Veterans Administration for benefits.

Rationale/Justification for the Position

Include whether this is to meet a District and/College strategic goal, to address an operational or safety need, required by law or grant, board directive, etc.

A&R is a fast-paced environment. An A&R Assistant III will help to provide sustainable operational capacity, in particular to serve students in a wide range of initiatives/mandates.

A&R is often the go-to program for most any student inquiries. If students don't know who to call or visit, they go to A&R. As a result of a high number of inquiries, A&R staff have to be knowledgeable about how to help students navigate other parts of the college system, fielding questions about Financial Aid, Counseling, a particular division, sometimes even one of our sister campuses.

In attempting to address students' needs and concerns, A&R must often consult with other departments/campus that could potentially be impacted by our decision to implement changes. Processing an application is not necessarily a one-person job. Depending on the student's situation, different members of the A&R team consult with one or their counterparts in Financial Aid and/or Counseling to process an application or certify documentation. For example, an A&RIII might need to educate students regarding course repeats, pre-requisite requirements and transcript evaluation etc. While seemingly simple on the surface, processing student applications is layered, complex, and takes time. Also, when electronic systems go down, the work does not stop; A&R staff must make entries manually.

Process Used

Brief description of the process used, note approval from the participatory governance process if appropriate. For new CSEA positions also note whether the position was brought through the LMC

Program Review/Resource Request Process

New Position Request - Executive Summary

Organization:

San Mateo Community College District – College of San Mateo Athletic Center

Position Title:

Custodian – 3 positions

Position Classification and Salary Range:

(Grade AA of the Classification Salary Schedule 70; Salary Range: \$50,604 -\$62,736)

Position Funding Source:

Fund 5, Enterprise Fund

Position Description:

The Custodian reports to the Supervisor of Custodial Operations and performs manual labor work in a variety of assignments related to the cleaning and general maintenance of community college facilities and at College of San Mateo Athletic Center. Under direct supervision, the Custodian performs moderate to heavy manual labor, which includes the cleaning of college facilities, moving of equipment and furniture, locking doors and other entrances and reporting unusual events to management and Public Safety personnel as appropriate

Rationale/Justification for the Position:

Development and initiation of SMCCD Community Fitness Model, with inception of College of San Mateo Athletic Center, January 1, 2022.

Process Used:

The College relied on its participatory governance for new positions, which is documented in the College Planning Manual. This position was a joint request of the College administration and facilities department.

New Position Request - Executive Summary

Organization:

San Mateo Community College District – College of San Mateo Athletic Center

Position Title:

Membership Sales Specialist

Position Classification and Salary Range:

(Grade 18 of the Classification Salary Schedule 60; Salary Range: \$55,104 - \$70,248) in the area of Membership, Community Fitness, effective January 1, 2022).

Position Funding Source:

Fund 5, Enterprise Fund

Position Description:

The Membership Services Specialist reports to the Membership Services Coordinator and is responsible for planning, developing, selling and enrolling students, faculty and community memberships at College of San Mateo Athletic Center. This position is responsible for membership support functions including community outreach, generating individual and corporate sales leads, setting facility touring appointments and enrolling members using detail in contract sales and sales software data entry. The position also interacts with the college communities, and college-wide student health outreach development activities.

Rationale/Justification for the Position:

Development and initiation of SMCCD Community Fitness Model, with inception of College of San Mateo Athletic Center, January 1, 2022.

Process Used:

The College relied on its participatory governance process for new positions, with contract to CSEA review and recommendation.

New Position - Executive Summary

Position Title: District Office - Information Security Officer (ISO)

Position Classification & Salary Range: Classified Supervisory. Grade 193E-Salary Sch 35

Position Funding Source: General Fund, Fund 1

Position Description:

The primary responsibility of the ISO is to increase security over IT systems, data, and District assets by assessing risks and potential threats and implementing controls and safeguards designed to improve cybersecurity and proactively thwart fraudulent attempts. This individual will be an integral part of the Information Technology organization reporting directly to the CTO. This position will also work with external partners to ensure any new software or hardware acquisition meets minimum District security standards.

Role & Responsibilities:

Develop and implement security applications, policies, standards and procedures intended to prevent the unauthorized use, disclosure, modification, loss or destruction of data; works with the Infrastructure Systems Engineer, System Administrators, Managers, Directors, campus community and other staff to ensure the integrity and security of the department's IT infrastructure; reviews the development, testing and implementation of IT security products and control techniques in all locations and departments throughout the District.

Monitor & review security systems, logs, troubleshoot, diagnose, resolve and report IT security problems and incidents; help coordinate and conduct investigations of suspected breaches in IT Security; respond to emergency IT security situations.

Rationale/Justification for the Position:

Cyber threats continue to plague governments & businesses around the world. These threats are on the rise as cybercriminals increase their focus & know-how towards educational institutions. California Community Colleges have recently been victims of ransom attacks including Sierra College, College of Desert, and Los Angeles Valley College. Cyber Security is not just an IT challenge, it is critical to the running of any institution. To tackle cyber problems, we not only need more robust software & technical solutions, we need a full time ISO to review & improve business process, provide training & awareness to everyone & at all levels.

Process Used:

Review and discussion at Chancellors Cabinet.

New Position Request - Executive Summary

Organization: Skyline College

Position Title: Program Services Coordinator, Promise Scholars Program

Position Classification and Salary Range: Salary Schedule 60, Grade 27 (Program Services Coordinator) \$68,580.00 - \$87,504.00

Position Funding Source: Free College Initiative (Promise Scholars Program)

Position Description

The Program Services Coordinator, Promise Scholars Program (PSP) reports to the Director of PSP and is responsible for coordinating PSP's various retention and completion efforts for students served within the program. Additionally, the position will work closely with the Financial Aid Department and the Learning Commons, among other partners, to closely monitor and directly support students within PSP with financial aid application completion, academic probation and dismissal issues, and other academic and financial challenges. The position will directly support the PSP director and PSP counselors with caseload management challenges and helps student data and tracking efforts. Other duties as assigned.

Rationale/Justification for the Position

The Promise Scholars Program replicates the City University of New York's (CUNY) Accelerated Studies in Associate Programs (ASAP) model, an extensively evaluated model proven to double 2- and 3-year graduation rates for participating students. Skyline committed to building the infrastructure and allocating necessary resources to begin this replication with its inaugural cohort of Fall 2018 PSP scholars. The college was the very first community college in the state of California to attempt replication. The program, thus far, has met or exceeded expectations in terms of student outcomes – PSP scholars graduate at more than double the rate of their first-time full-time peers in data from both the Fall 2018 and Fall 2019 cohort, at both the 2-year and 3-year graduation benchmarks, and have very high rates of retention and unit accumulation across all cohorts thus far. The program serves first-time students who can commit to full-time study, and prioritizes first-generation, low-income and homeless/foster students. Skyline's sister colleges have also replicated the PSP/ASAP model, in part due to Skyline's initial success.

The next Districtwide expansion of Promise Scholars Program is slated to begin during the 2021-2022 academic year, supported by a \$2M commitment from the San Mateo County Board of Supervisors to increase the number of students served from 2,000 to 2,500 students, districtwide. While the county's commitment provides direct aid/support to students (i.e., tuition and fees, textbooks, incentives, etc.), a matching investment of an additional \$3 million to continue the growth and development of the Promise Scholars Program was made by SMCCCD to allow for the necessary staffing resources to be put in place for the expansion and to ensure continued fidelity to the PSP/ASAP model. For the upcoming year, Skyline's Promise Scholars program hopes to expand, in alignment with district goals, from supporting 650

students in this academic year, to supporting 950 students in the Fall 2022-Spring 2023 academic year. It is critical to bring on the Program Services Coordinator to meet both the needs of students in the program, especially with this planned expansion, as well as continue to meet the fidelity benchmarks of the ASAP replication.

Process Used

The College relied on its participatory governance process for this position, and will utilize funding allocated via the District's Free College Initiative.

New Position Request - Executive Summary

Organization: Skyline College

Position Title: Retention Specialist

Position Classification and Salary Range: Salary Schedule 60, Grade 24 (Retention Specialist)
\$63,840.00 to \$87,504.00

Position Funding Source: Fund 1

Position Description

The Retention Specialist designated for Dual Enrollment reports to the Dean of Strategic Partnerships and Workforce Development and is responsible for engagement with teachers, counselors and students in support of student success, retention and completion in Dual Enrollment Programming, employing retention strategies and tools such as (Supplemental Instructors, Peer Tutors, Language Supports and others), work with Planning, Research and Institutional Effectiveness to support student participation in data collection, provide onboarding support and support campus promotion and increased connectivity to Skyline College and the the San Mateo County Community College District.

Rationale/Justification for the Position

The College has expanded many major programs and services that directly support District and College strategic priorities/goals that includes the Free SMCCCD Initiative. Skyline College is finding it increasingly difficult to support the incredible expansion and expected growth of its Comprehensive Dual Enrollment Program which now generates over 3500 enrollments annually and growing with its current staffing infrastructure. The positions proposed support the following districtwide and college-level strategic goals and strategies:

- Expand dual enrollment opportunities and make processes more efficient and accessible for secondary schools and their students.
- Increase collaboration, interaction, and alignment with high school partners to increase successful transitions from local high schools to ensure higher education is accessible for all San Mateo County high school students.
- Strengthen the alignment of career education programs with projected workforce needs.
- Create faculty-to-faculty collaboration as part of high school partnerships for Dual Enrollment and Guided Pathways to better align curricula and to create seamless transitions from secondary to postsecondary education.
- Increase Middle College and Early College opportunities

In order to fully enact the district and college strategic plans referenced above, several new responsibilities would need to be assigned among the Strategic Partnerships and Workforce

Development Division. Under the current structure the college does not have capacity to fully execute and expand the strategies listed above for the following reasons:

- Over the last three and a half years additional duties have been assumed by the Dean of the Strategic Partnerships and Workforce
- There is currently little to no designated administrative support for the comprehensive dual enrollment program
- There is an increased workload for the existing staff within the Strategic Partnerships and Workforce Development Division

Process Used

The College relied on its participatory governance process for the establishment of new positions, and this proposal has been included in core college activities that surface staffing requests for the college which include: the Annual Programming Planning Process, Annual Resource Request Process, the design of division Administrative Leadership and Unit Reviews and the Strategic Planning and Allocation of Resources Committee proposals and engagement processes.

The administration will work with the College Budget and Finance Committee to ensure that there was adequate budget to fund positions on an on-going basis.

New Position Request - Executive Summary

Organization: Skyline College

Position Title: Program Services Coordinator, Dual Enrollment (2)

Position Classification and Salary Range: Salary Schedule 60, Grade 27 (Program Services Coordinator) \$68,580.00 to \$87,504.00

Position Funding Source: Fund 1

Position Description

The Program Services Coordinators designated for Dual Enrollment reports to the Dean of Strategic Partnerships and Workforce Development and is responsible for coordinating high school site schedules, program student engagement and on-boarding activities, the coordination of textbook loaner programs and sourcing supplies, equipment and materials needed at various sites to deliver high quality dual enrollment experiences, along with the coordination of events that serve and more greatly connect participating and prospective dual enrollment students to Skyline College and the San Mateo County Community College District. Additionally, this role directly supports support students with the completion of necessary program forms, data collection, troubleshooting Admissions and Records Issues and cohort tagging students.

Rationale/Justification for the Position

The College has expanded many major programs and services that directly support District and College strategic priorities/goals that includes the Free SMCCCD Initiative. Skyline College is finding it increasingly difficult to support the incredible expansion and expected growth of its Comprehensive Dual Enrollment Program which now generates over 3500 enrollments annually with its current staffing infrastructure. The positions proposed support the following districtwide and college-level strategic goals and strategies:

- Expand dual enrollment opportunities and make processes more efficient and accessible for secondary schools and their students.
- Increase collaboration, interaction, and alignment with high school partners to increase successful transitions from local high schools to ensure higher education is accessible for all San Mateo County high school students.
- Strengthen the alignment of career education programs with projected workforce needs.
- Create faculty-to-faculty collaboration as part of high school partnerships for Dual Enrollment and Guided Pathways to better align curricula and to create seamless transitions from secondary to postsecondary education.
- Increase Middle College and Early College opportunities

In order to fully enact the district and college strategic plans referenced above, several new responsibilities would need to be assigned among the Strategic Partnerships and Workforce Development Division. Under the current structure the college does not have capacity to fully execute and expand the strategies listed above for the following reasons:

- Over the last three and a half years additional duties have been assumed by the Dean of the Strategic Partnerships and Workforce
- There is currently little to no designated administrative support for the comprehensive dual enrollment program
- There is an increased workload for the Programs Services Coordinators in other program areas within the Strategic Partnerships and Workforce Development Division

Process Used

The College relied on its participatory governance process for the establishment of new positions, and this proposal has been included in core college activities that surface staffing requests for the college which include: the Annual Programming Planning Process, Annual Resource Request Process, the design of division Administrative Leadership and Unit Reviews and the Strategic Planning and Allocation of Resources Committee proposals and engagement processes.

The administration will work with the College Budget and Finance Committee to ensure that there was adequate budget to fund positions on an on-going basis.

New Position Request - Executive Summary

Organization: Skyline College

Position Title: Admissions and Records Assistant III

Position Classification and Salary Range: Salary Schedule 60, Grade 24 (Admissions and Records III) \$63,840.00 to \$87,504.00

Position Funding Source: Fund 1

Position Description

The Admissions and Records III designated for Promise Scholars Program and Dual Enrollment reports to the Registrar and Program leads for Promise Scholars and Dual Enrollment and is responsible for engagement with program staff, counselors, external partners and students in the support of the overall admissions and records process which includes but is not limited to: 1.) Exchanging information with current, prospective and program specific students, faculty, staff, other educational institutions, governmental agencies, and the general public regarding student enrollment policies, 2.) Carrys out procedures, confidential activities and other records, and services, programs and activities to ensure successful admissions and enrollment in courses, 3.) Confers with program staff to plan short and long-range projects and responsibilities, workflow, customer service enhancements, web and other electronic modifications, operational procedures, enrollment services, access and maintain the electronic and online application problem queue 4.) while increasing connectivity to Skyline College and the the San Mateo County Community College District.

Rationale/Justification for the Position

The College has expanded many major programs and services that directly support District and College strategic priorities/goals that includes the Free SMCCCD Initiative. Skyline College is finding it increasingly difficult to support the incredible expansion and expected growth of its Promise Scholars and Comprehensive Dual Enrollment Program which now generates over 7000 enrollments combined annually and growing with its current staffing infrastructure. The position proposed support the following districtwide and college-level strategic goals and strategies:

- Measure the impact of new and existing Districtwide efforts to increase access, success, and completion while reducing equity gaps for disproportionately impacted student groups.
- Expand dual enrollment opportunities and make processes more efficient and accessible for secondary schools and their students.
- Expand the Promise Scholars Program to serve all students who are interested and qualify for this completion focused program.

- Increase collaboration, interaction, and alignment with high school partners to increase successful transitions from local high schools to ensure higher education is accessible for all San Mateo County high school students.
- Encourage the development of methodologies that increase the number of students who utilize support services that enable them to stay in school and succeed.
- Strengthen the alignment of career education programs with projected workforce needs.
- Create faculty-to-faculty collaboration as part of high school partnerships for Dual Enrollment and Guided Pathways to better align curricula and to create seamless transitions from secondary to postsecondary education.
- Increase Middle College and Early College opportunities

In order to fully enact the district and college strategic plans referenced above, several new responsibilities would need to be assigned among the Strategic Partnerships and Workforce Development Division. Under the current structure the college does not have capacity to fully execute and expand the strategies listed above for the following reasons:

- Over the last three and a half years additional duties have been assumed by the Dean of the Strategic Partnerships and Workforce and the Director of Promise Scholars Program
- There is currently little to no designated administrative support for the comprehensive dual enrollment program
- There is an increased workload for the existing staff within the Strategic Partnerships and Workforce Development Division and the Promise Scholars Program

Process Used

The College relied on its participatory governance process for the establishment of new positions, and this proposal has been included in core college activities that surface staffing requests for the college which include: the Annual Programming Planning Process, Annual Resource Request Process, the design of division Administrative Leadership and Unit Reviews and the Strategic Planning and Allocation of Resources Committee proposals and engagement processes.

The administration will work with the College Budget and Finance Committee to ensure that there was adequate budget to fund positions on an on-going basis.

BOARD REPORT NO. 21-12-01CA

TO: Members of the Board of Trustees
FROM: Michael Claire, Chancellor
PREPARED BY: Mitchell Bailey, Vice Chancellor/Chief of Staff

ADOPTION OF RESOLUTION NO. 21-10 TO MAKE FINDINGS ALLOWING CONTINUED REMOTE MEETINGS UNDER BROWN ACT

On June 11, 2021, Governor Newsom issued Executive Order N-08-21, which rescinded his prior Executive Order N-29-20 and set a date of October 1, 2021 for public agencies to transition back to public meetings held in full compliance with the Brown Act. The original Executive Order provided that all provisions of the Brown Act that required the physical presence of members or other personnel as a condition of participation or as a quorum for a public meeting were waived for public health reasons. If these waivers fully sunsetted on October 1, 2021, legislative bodies subject to the Brown Act would have to contend with a sudden return to full compliance with in-person meeting requirements as they existed prior to March 2020, including the requirement for full physical public access to all teleconference locations from which board members were participating.

On September 16, 2021, the Governor signed AB 361, a bill that formalizes and modifies the teleconference procedures implemented by California public agencies in response to the Governor's Executive Orders addressing Brown Act compliance during shelter-in-place periods. AB 361 allows a local agency to continue to use teleconferencing under the same basic rules as provided in the Executive Orders when certain circumstances occur or when certain findings have been made and adopted by the local agency.

AB 361 also requires that, if the state of emergency remains active for more than 30 days, the agency must make findings by majority vote every 30 days to continue using the bill's exemption to the Brown Act teleconferencing rules. The findings are to the effect that the need for teleconferencing persists due to the nature of the ongoing public health emergency and the social distancing recommendations of local public health officials. Effectively, this means that local agencies must agendize a Brown Act meeting once every thirty days to make findings regarding the circumstances of the emergency and to vote to continue relying upon the law's provision for teleconference procedures in lieu of in-person meetings.

AB 361 provides that Brown Act legislative bodies must return to in-person meetings on October 1, 2021, unless they choose to continue with fully teleconferenced meetings because a specific declaration of a state or local health emergency is appropriately made. AB 361 allows local governments to continue to conduct virtual meetings as long as there is a gubernatorially-proclaimed public emergency in combination with (1) local health official recommendations for social distancing or (2) adopted findings that meeting in person would present risks to health. AB 361 is effective immediately as urgency legislation and will sunset on January 1, 2024.

Because local rates of transmission of COVID-19 are still in the "substantial" tier as measured by the Centers for Disease Control, it is recommended that the Board avail itself of the provisions of AB 361 allowing continuation of online meetings by adopting findings to the effect that conducting in-person

meetings would present an imminent risk to the health and safety of attendees. A resolution to that effect, and directing staff to return each 30 days with the opportunity to renew such findings, is attached hereto.

The Board of Trustees adopted a similar resolution with similar findings on October 13, 2021 and November 10, 2021.

RECOMMENDATION

It is recommended that the Board of Trustees adopt Resolution No. 21-10 finding that, as a result of the continuing COVID-19 pandemic state of emergency declared by Governor Newsom, meeting in person would present imminent risks to the health or safety of attendees.

RESOLUTION NO. 21-10**BY THE GOVERNING BOARD OF THE
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
STATE OF CALIFORNIA**

**RESOLUTION FINDING THAT, AS A RESULT OF THE CONTINUING COVID-19
PANDEMIC STATE OF EMERGENCY DECLARED BY GOVERNOR NEWSOM, MEETING
IN PERSON FOR MEETINGS OF THE SAN MATEO COUNTY COMMUNITY COLLEGE
DISTRICT BOARD OF TRUSTEES WOULD PRESENT IMMINENT RISKS TO THE HEALTH
OR SAFETY OF ATTENDEES**

WHEREAS, on March 4, 2020, the Governor proclaimed pursuant to his authority under the California Emergency Services Act, California Government Code section 8625, that a state of emergency exists with regard to a novel coronavirus (a disease now known as COVID-19); and

WHEREAS, on June 4, 2021, the Governor clarified that the “reopening” of California on June 15, 2021 did not include any change to the proclaimed state of emergency or the powers exercised thereunder, and as of the date of this Resolution, neither the Governor nor the Legislature have exercised their respective powers pursuant to California Government Code section 8629 to lift the state of emergency either by proclamation or by concurrent resolution in the state Legislature; and

WHEREAS, on March 17, 2020, Governor Newsom issued Executive Order N-29-20 that suspended the teleconferencing rules set forth in the California Open Meeting law, Government Code section 54950 et seq. (the “Brown Act”), provided certain requirements were met and followed; and

WHEREAS, on September 16, 2021, Governor Newsom signed AB 361 that provides that a legislative body subject to the Brown Act may continue to meet without fully complying with the teleconferencing rules in the Brown Act provided the legislative body determines that meeting in person would present imminent risks to the health or safety of attendees, and further requires that certain findings be made by the legislative body every thirty (30) days; and

WHEREAS, California Department of Public Health (“CDPH”) and the federal Centers for Disease Control and Prevention (“CDC”) caution that the Delta variant of COVID-19, currently the dominant strain of COVID-19 in the country, is more transmissible than prior variants of the virus, may cause more severe illness, and that even fully vaccinated individuals can spread the virus to others resulting in rapid and alarming rates of COVID-19 cases and hospitalizations (<https://www.cdc.gov/coronavirus/2019-ncov/variants/delta-variant.html>); and

WHEREAS, the CDC has established a “Community Transmission” metric with 4 tiers designed to reflect a community’s COVID-19 case rate and percent positivity; and

WHEREAS, the County of San Mateo currently has a Community Transmission metric of “substantial” which is the second most serious of the tiers; and

WHEREAS, the Board of Trustees has an important governmental interest in protecting the health, safety and welfare of those who participate in its meetings; and

WHEREAS, in the interest of public health and safety, as affected by the emergency caused by the spread of COVID-19, the Board of Trustees deems it necessary to find that meeting in person would present

imminent risks to the health or safety of attendees, and thus intends to invoke the provisions of AB 361 related to teleconferencing;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The recitals set forth above are true and correct.
2. The Board of Trustees finds that meeting in person would present imminent risks to the health or safety of attendees.
3. Staff is directed to return no later than thirty (30) days after the adoption of this resolution with an item for the Board to consider making the findings required by AB 361 in order to continue meeting under its provisions.
4. Staff is directed to take such other necessary or appropriate actions to implement the intent and purposes of this resolution.

REGULARLY PASSED AND ADOPTED this 15th day of December 2021.

Ayes:

Noes:

Abstentions:

Attest:

Vice President-Clerk
Board of Trustees

BOARD REPORT NO. 21-12-02CA

TO: Members of the Board of Trustees
FROM: Michael Claire, Chancellor
PREPARED BY: Mitchell Bailey, Vice Chancellor/Chief of Staff

RATIFICATION OF AGREEMENT WITH AFSCME REGARDING ADJUSTMENTS TO HEALTH BENEFITS CAPS

With the approval of the collective bargaining agreements with AFT and CSEA for contract years 2019 – 2022, the Board approved a one-time increase of \$50 per person per month, using one-time monies, to the benefits caps for members of the bargaining units for the benefits years covered under the contracts. When approved for AFT and CSEA, the AFSCME contract had been settled.

The attached agreement provides the same District-funded benefits cap increase for the AFSCME unit.

RECOMMENDATION

It is recommended that the Board of Trustees ratify the attached agreement with AFSCME regarding adjustments to health benefits caps for members of the bargaining unit for the collective bargaining agreement for 2019-2022.

**Agreement between
Local 829, Council 57, American Federation of State, County and Municipal
Employees, AFL-CIO and
the San Mateo County Community College District**

This Agreement is a Side Letter to the current Collective Bargaining Agreement (CBA) effective July 1, 2019 through June 30, 2022 between Local 829, Council 57, American Federation of State, County and Municipal Employees, AFL-CIO (“Union”) and the San Mateo County Community College District (“District”).

Consistent with the District’s granting of additional resources to mitigate health benefits costs during the pandemic for all collective bargaining units, this Agreement modifies the medical premium cap amounts as outlined in Article 9, Section 2 of the CBA as follows:

Effective from January 1, 2020 through December 31, 2022, the District will provide, on a one-time basis, utilizing one-time funds, an increase of \$50 per month to the cap of each medical plan tier. The \$50 increase is not compounding year over year, but instead, is a flat rate of the same amount each year listed above. Upon the expiration of the CBA, the cap will revert to cap amount in place prior to the implementation of this agreement.

Due to the timing of implementation, the AFSCME Unit has not received the \$50 per month increase in the medical benefits caps from January 2020 – current. To make Unit members whole, a one-time, lump sum reimbursement will be issued to members in their January 2022 pay check for eligible amounts from January 2020 through December 2021. The benefits cap increase will go into effect beginning in January 2022 and will continue through the expiration of this agreement on December 31, 2022.

For the Union

For the District

BOARD REPORT NO. 21-12-03CA

TO: Members of the Board of Trustees
FROM: Michael Claire, Chancellor
PREPARED BY: Yanelly Pulido, Director, General Services
Bob Domenici, Purchasing Supervisor

**DISPOSITION OF DISTRICT RECORDS FOR
COLLEGE OF SAN MATEO AND DISTRICT OFFICE**

District Rules and Regulations, Section 8.27 (Records Management), provides for disposition of District records, including classification, retention and destruction in accordance with the California Education Code. After its review of District records, District staff requests the Board's approval for the destruction of the records in Exhibit A. All of the listed records have outlived their usefulness and were kept for the period mandated by the Education Code.

For the Board's information, the record types are summarized as follows:

- Class 1: Permanent Records
- Class 2: Optional Records – Optional records are not required to be maintained permanently, but deemed worthy of further preservation. These records shall be retained as Class 2 records until reclassified as Class 3
- Class 3: Disposable Records

RECOMMENDATION

It is recommended that the Board approve destruction of the obsolete records as shown on the attached list.

List of Records to be Disposed For College of San Mateo

Department	Bldg./Room	Contact	Ext.	Email	Year of Record	Record Title	Number of Boxes
Kinesiology	5-343	Jacqueline Pigozzi	6420	pigozzii@smccd.edu	1983-2010	Student-Athlete CCCAA Athletics Participation Documents	3
Financial Aid	10-360B	Thanh Pitetta	6585	pitettat@smccd.edu	2006	Financial Aid Documents	9
Business Services	10-442	Stephanie Martinez	6405	martinezst@sdsu.edu	various	Student New Hire Packets (imaged); Banner Budget Reports; Reimbursements (paid and imaged)	4
Student Services/CDC	Bldg. 33	Jennifer Wong	6279	wongjim@smccd.edu	2015	Program Files	2
Health Center	1-147	D'Ambr	x6396	dambra@smccd.edu	2005	Misc. Health Information (Outdated)	4
Health Center	1-147	D'Ambr	x6396	dambra@smccd.edu	2002-2003	Student Records & Files	7
Health Center	1-147	D'Ambr	x6396	dambra@smccd.edu	2007-2008	Student Records & Files	7
Health Center	1-147	D'Ambr	x6396	dambra@smccd.edu	2005	Student Records & Files	1
Health Center	1-147	D'Ambr	x6396	dambra@smccd.edu	2005	Tobacco Cessation Files	1
Business Services	10/360	Charles Phan	6589	phan@smccd.edu	FY15-16 & FY 16-17	Cashier's Sessions	3
Business Services	10/360	Charles Phan	6589	phan@smccd.edu	FY13-14, FY15-16, FY16-17	ASCSM Invoices & Bank statements	2
Business Services	10/360	Kathy McEachron	6216	mceachronk@smccd.edu	FY13/14, FY 14/15, FY15/16, FY16/17	Payroll Timesheets & Registers	4
ESL Center	18-101	Jill Haberlin		haberlinj@smccd.edu	2019	Student papers	5
Writing Center	18-104	Kim Sheehan/Margaret McGugan		sheehank@smccd.edu	2009	Student reporting forms	3
Communications		Charles Rope		ropec@smccd.edu	2015	Student records and assignments	6
English		Todd Windisch		windischt@smccd.edu	2014	Student papers	5
English		Sara Lawrence		lawrences@smccd.edu	2014	Student papers	1
Language Arts	15-168	Maggie Li		limaggie@smccd.edu	2008-2012	faculty contractst (that got digitized) and lose papers with G#s and contacts	1
Vice President of Student Services	10-481	Deborah Laulusa	6119	laulusa@smccd.edu	2013-2019	Non-instructional worksheets, transcripts, commencement grad cards, old US Bank procard packets (2013-2017), etc.	4
Creative Arts & Social Sciences	10-413	viji raman	6418	ramanvj@smccd.edu	2007 onwards	procard stuff, invoices, reports etc.	5
Nursing; Math Science	5-363	Judith Cheung	6218	cheungj@smccd.edu	over 2 years	nursing student files	15
Total Boxes							92

List of Records to be Disposed For District Office

Department	Bldg./Room	Contact	Ext.	Email	Year of Record	Record Title	Number of Boxes
PAYROLL	District Office	Lorna Leyson	6838	leysol@smccd.edu	FY2017-2018 & FY2018-2019	RETIREMENT REPORTING -PERS AND STRS	4
PAYROLL	District Office	Nettie Wong	6751	wongn@smccd.edu	FY1617	JV & Misc reports	1
PAYROLL	District Office	Nettie Wong	6751	wongn@smccd.edu	FY1314 & various prior yr	classified employees record and misc reports	1
PAYROLL	District Office	Nettie Wong	6751	wongn@smccd.edu	2013-2015	MO/SP/ST Payroll check list & Misc doc	1
PAYROLL	District Office	Nettie Wong	6751	wongn@smccd.edu	Fy1617	Redistribution, JV and Misc Doc	1
Budget	District Office	Nettie Wong	6751	wongn@smccd.edu	FY1819 and prior	budget workpaper	2
Budget	District Office	Nettie Wong	6751	wongn@smccd.edu	FY1617	Postion Control Budget & Adjustment	1
Budget	District Office	Nettie Wong	6751	wongn@smccd.edu	very old	budget workpaper, notes	3
Payroll	District Office	Christopher Luo	6749	luoc@smccd.edu	2016	2016 Timesheets	1
Payroll	District Office	Christopher Luo	6749	luoc@smccd.edu	2017	2017 Timesheets	1
Payroll	District Office	Christopher Luo	6749	luoc@smccd.edu	2017	2017 Timesheets	1
Chancellor's Office	District Office	Carina Warne	x6877	warnec@smccd.edu	2014/2015	2014/2015	1
Chancellor's Office	District Office	Carina Warne	x6877	warnec@smccd.edu	2015/2016	Diana Bennett's (Academic Senate) Pro Card Receipts	1
Accounts Payable	District Office	Hussien Abu Khalil	6821	abukhalilh@smccd.edu	FY19/20	Disbursement backups	15
Accounts Receivable	District Office	Scott Mansfield	6743	mansfields@smccd.edu	FY19/20	Deposit backups	4
Facilities Planning	District Office	Maria Aquino	6826	aquinomaria@smccd.edu	FY17/18	Copies of RFSOQ's, pay applications and invoices	2
Total Boxes							40

Total Boxes CSM & District Office

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BOARD REPORT NO. 21-12-04CA

TO: Members of the Board of Trustees
FROM: Michael Claire, Chancellor
PREPARED BY: Dr. Aaron McVean, Vice Chancellor, Educational Services and Planning,

**CURRICULAR ADDITIONS, DELETIONS AND MODIFICATIONS
CAÑADA COLLEGE, COLLEGE OF SAN MATEO, AND SKYLINE COLLEGE**

The addition of nine courses and four programs to the College catalogs are proposed by Cañada College, College of San Mateo, and Skyline College at this time. Additionally, 25 courses are proposed to be offered in the distance education mode.

Ten courses and two programs were assigned inactive status, which removes them from the catalog and schedule. Since they have not been deleted, they can be more easily reinstated at a later time. If reinstatement is unlikely, these courses will be deleted in the coming years.

Furthermore, 151 courses and 16 programs were modified, and three courses and one program were reactivated.

Each of the proposed courses and programs has been reviewed by the appropriate Division Dean and approved by the College Curriculum or Instruction Committee, acting on behalf of the local Academic Senate. In addition, the Academic Senate Presidents provide oversight with respect to the necessary role of the local Senates in the review and approval process. The rigor of the approval process assures that each new course has substance and integrity in relation to its discipline and that it fills a clear student need not being served by existing course offerings.

RECOMMENDATION

It is recommended that the Board approve the attached curricular changes for the Cañada College, College of San Mateo, and Skyline College catalogs.

San Mateo County Community College District

December 15, 2021

This report has been prepared in accordance with SMCCCD Rules and Regulations, Section 6.13.4 and all appropriate laws and regulations.

PREPARED BY: Tammy Robinson, Vice President, Instruction
Cañada College

APPROVED BY: Lisa Palmer, Curriculum Committee Chair
Cañada College

David Eck, Academic Senate President
Cañada College

Kim Lopez, Interim President
Cañada College

PROPOSED CURRICULAR ADDITIONS – CAÑADA COLLEGE

COURSE DESCRIPTIONS AND JUSTIFICATIONS

KINESIOLOGY, ATHLETICS AND DANCE: DANCE

350.1 CARDIO DANCE I (1.00) (day or evening)

Justification: This course focuses on conditioning while using dance steps. We are expanding our dance curriculum to fit the needs of our dance students, and offer more learning opportunities to students in our new building. This class is a selective requirement for our Dance AA Degree.

Prerequisite: None.

Recommended Preparation: Eligibility for READ 836 and ENGL 836; or ENGL 847 or ESL 400.

Description: Beginning level steps, stretches, and toning exercises choreographed to Latin, hip hop, jazz, ballet, modern, popular, and contemporary dance rhythms. Designed to increase cardiovascular health while learning dance movements in a non-competitive environment.

Classification: AA/AS Degree; CSU transferable.

350.2 CARDIO DANCE II (1.00) (day or evening)

Justification: This course focuses on conditioning while using dance steps. We are expanding our dance curriculum to fit the needs of our dance students, and offer more learning opportunities to students in our new building. This class is a selective requirement for our Dance AA Degree.

Prerequisite: DANC 350.1

Recommended Preparation: None.

Description: Continuation of DANC 350.1. Intermediate level steps, stretches, and toning exercises choreographed to Latin, hip hop, jazz, ballet, modern, popular, and contemporary dance rhythms. Designed to increase cardiovascular health while learning dance movements in a non-competitive environment.

Classification: AA/AS Degree; CSU transferable.

350.3 CARDIO DANCE III (1.00) (day or evening)

Justification: This course focuses on conditioning while using dance steps. We are expanding our dance curriculum to fit the needs of our dance students, and offer more learning opportunities to students in our new building. This class is a selective requirement for our Dance AA Degree.

Prerequisite: DANC 350.2

Recommended Preparation: None.

Description: Continuation of DANC 350.2. Advanced intermediate level steps, stretches, and toning exercises choreographed to Latin, hip hop, jazz, ballet, modern, popular, and contemporary dance rhythms. Designed to increase cardiovascular health while learning dance movements in a non-competitive environment.

Classification: AA/AS Degree; CSU transferable.

350.4 CARDIO DANCE IV (1.00) (day or evening)

Justification: This course focuses on conditioning while using dance steps. We are expanding our dance curriculum to fit the needs of our dance students, and offer more learning opportunities to students in our new building. This class is a selective requirement for our Dance AA Degree.

Prerequisite: DANC 350.3

Recommended Preparation: None.

Description: Continuation of DANC 350.3. Advanced level steps, stretches, and toning exercises choreographed to Latin, hip hop, jazz, ballet, modern, popular, and contemporary dance rhythms. Designed to increase cardiovascular health while learning dance movements in a non-competitive environment.

Classification: AA/AS Degree; CSU transferable.

PROPOSED CURRICULAR MODIFICATIONS – CAÑADA COLLEGE

ANTHROPOLOGY

- 125 Biological Anthropology
- 126 Biological Anthropology Laboratory

ASTRONOMY

- 100 Introduction to Astronomy

101 Astronomy Laboratory

BUSINESS ADMINISTRATION

113 Personal Finance

ENGINEERING

100 Introduction to Engineering

111 Surveying

210 Engineering Graphics

ENGLISH

100 Reading and Composition

105 Intensive Composition and Reading

110 Composition, Literature, and Critical Thinking

165 Advanced Composition

200 Introduction to Linguistics: A Survey of Language

FASHION DESIGN AND MERCHANDISING

100 Principles of Design

110 Beginning Clothing Construction

111 Techniques of Fit

113 Textiles

115 Intermediate Clothing Construction

116 Tailoring

118 Flat Pattern

122 Advanced Tailoring

123 Introduction to the Fashion Industry

132 Trouser Construction

133 Copying Ready-to-Wear

134 Beginning Millinery

140 Basic Serging

146 Designer Techniques in Sewing

150 History of Fashion

151 Fashion Merchandising

162 Advanced Flat Pattern

163 Pattern Grading

164 Fashion Illustration

167 The Custom Dress Form

168 Fashion Draping

169 Evening Gown Construction

170 French Pattern Drafting

171 Pants Drafting

172 Bustier

173 Lingerie Design and Construction

175 Advanced Illustration

178 Computerized Pattern Grading

180 Computerized Pattern Design

- 195 Portfolio Development
- 196 Introduction to the Costume Industry
- 197 Pattern Design for Historic Costume
- 199 Costuming for Theatrical Production
- 225 Apparel Analysis
- 226 Visual Merchandising and Display

LINGUISTICS

- 200 Introduction to Linguistics: A Survey of Language

PHYSICS

- 210 General Physics I

PROPOSED CURRICULAR REACTIVATIONS – CAÑADA COLLEGE

MATHEMATICS

- 130 Analytical Trigonometry

PROPOSED TO BE OFFERED AS DISTANCE EDUCATION – CAÑADA COLLEGE

KINESIOLOGY, ATHLETICS AND DANCE: DANCE

- 350.1 Cardio Dance I
- 350.2 Cardio Dance II
- 350.3 Cardio Dance III
- 350.4 Cardio Dance IV

MATHEMATICS

- 130 Analytical Trigonometry

PROPOSED PROGRAM MODIFICATIONS – CAÑADA COLLEGE

ANTHROPOLOGY

- Anthropology** – AA Degree Program
- Anthropology** – Associate in Arts Degree for Transfer

ENGLISH

- English** – Associate in Arts Degree for Transfer

INTERDISCIPLINARY STUDIES

- Interdisciplinary Studies, Option 1, Cañada College Pattern: Natural Science and Mathematics** – AA Degree Program
- Interdisciplinary Studies, Option 1, Cañada College Pattern: Social and Behavioral Sciences** – AA Degree Program

Interdisciplinary Studies, Option 2, Transfer Pattern: Natural Science and Mathematics – AA Degree Program

Interdisciplinary Studies, Option 2, Transfer Pattern: Social and Behavioral Sciences – AA Degree Program

KINESIOLOGY, ATHLETICS AND DANCE: DANCE

Dance – AA Degree Program

KINESIOLOGY, ATHLETICS AND DANCE: KINESIOLOGY

Kinesiology – AA Degree Program

San Mateo County Community College District

December 15, 2021

This report has been prepared in accordance with SMCCCD Rules and Regulations, Section 6.13.4 and all appropriate laws and regulations.

PREPARED BY: Mike Holtzclaw, Vice President, Instruction
College of San Mateo

APPROVED BY: Chris Walker, Chair, Curriculum Committee
College of San Mateo

Arielle Smith, Co-President, Academic Senate
Teresa Morris, Co-President, Academic Senate
College of San Mateo

Jennifer Taylor-Mendoza, President
College of San Mateo

PROPOSED CURRICULAR ADDITIONS – COLLEGE OF SAN MATEO

BUSINESS

127 FUNDAMENTALS OF INTERNATIONAL TRADE (3) (day or evening; distance education)

Justification: This is a new course that will be part of the stackable International Business program.

Prerequisite: None.

Recommended Preparation: Eligibility for ENGL 100 or ENGL 105

Description: This course covers basic procedures to start an international trading business and provides information about the practices and procedures used in the U.S. to export and import merchandise. Students will learn to evaluate market conditions and channels in other countries, and will be introduced to export and import controls, logistics, customs, methods of payments, and international trade agreements, leading to the ability to craft a short export or import plan.

Classification: AA/AS Degree; CSU transferable.

203 INTERCULTURAL RELATIONS IN GLOBAL BUSINESS (3) (day or evening; distance education)

Justification: This course is required for the new certificate and AS degree for International Business.

Prerequisite: None.

Recommended Preparation: Eligibility for ENGL 100 or ENGL 105

Description: This course covers the basic principles of understanding and appreciating diverse cultures that make up global business, management and the workplace. By examining dissimilarities in cultural systems in various societies, world regions and ethnic communities, students will learn how to manage successful relationships between international business participants from various cultures, appreciate cultural diversity, and apply ethical business practices around the globe.

Classification: AA/AS Degree; CSU transferable.

206 OPERATIONS AND SUPPLY CHAIN MANAGEMENT (3) (day or evening; distance education)

Justification: This course will be part of a stackable program including certificates of specialization and achievement, and AS in International Business.

Prerequisite: None.

Recommended Preparation: Eligibility for ENGL 100 or ENGL 105

Description: This course introduces students to concepts and tools in operations and supply chain management exploring modern global strategies. Topics include operations, inventory management, quality control, strategic alliances, procurement and outsourcing, global logistics and the impact of information technology on supply chain management, as well as topics related to sustainability, humanitarian logistics, and ethical business practices.

Classification: AA/AS Degree; CSU transferable.

COOPERATIVE EDUCATION

620 COMMUNITY ENGAGEMENT/WORK EXPERIENCE (1-3) (day or evening; distance education)

Justification: COOP 620 will provide CSM students of any major with opportunities to engage in both experiential learning and service to the community. As a campus whose mission is centered around social justice, this course focuses on promoting volunteerism, connecting our students to meaningful learning experiences and impacting our community.

Prerequisite: Students must have completed at least 9 college units prior to enrolling in Community Engagement.

Recommended Preparation: During the fall or spring semesters, students must be enrolled in a minimum of 6 units including Community Engagement.

Description: This course is a self-directed student volunteer program designed to facilitate experiential learning and service to the community. Volunteer placements include animal care facilities, clinics, daycare centers, hospitals, recreation programs, senior centers, schools, and various social service agencies. Students volunteer 60 hours per unit per semester for 1 - 3 units during the semester.

Classification: AA/AS Degree; CSU transferable.

DIGITAL MEDIA

114 DIGITAL VIDEO PRODUCTION II (3) (day or evening; distance education)

Justification: This course is needed to provide additional experience for video production students similar to the advancing sequence developed for audio production/radio students. It's especially necessary for workforce training among the students who may not be earning a degree or transferring, but are focused on career skills.

Prerequisite: None.

Recommended Preparation: None.

Description: This course is intended as the next stage in enhancing the video production abilities developed in DGME 113 Digital Video Production. Students will shoot and edit more advanced projects that further expand their skills in location production, including scripting, lighting, sound recording, continuity editing, and working in small crews.

Classification: AA/AS Degree; CSU transferable.

PROPOSED CURRICULAR INACTIVATIONS – COLLEGE OF SAN MATEO

ADMINISTRATION OF JUSTICE

- 771 PC832 Arrest and Control Training
- 775 PC 832 Firearms Training
- 780 Regular Basic Course Module III
- 781 Regular Basic Course Module II

BUSINESS MICROCOMPUTER APPLICATIONS – WINDOWS PLATFORM

- 117 Windows Fundamentals
- 216 Word Processing
- 385 Business Presentations Using PowerPoint
- 452 Microsoft Project Fundamentals
- 464 Database Management Fundamentals Using Access for Windows

CHEMISTRY

- 250 Analytical Chemistry Quantitative Analysis

PROPOSED CURRICULAR MODIFICATIONS – COLLEGE OF SAN MATEO

ART

- 101 Art and Architecture from the Ancient World to Medieval Times (c. 1400)
- 102 Art of Renaissance and Baroque (c. 1300-1700)
- 103 Art of Europe and America: Neoclassical (c. 1750-Present)
- 124 Old Masters' Aesthetics and Techniques
- 129 New Masters' Aesthetics and Techniques
- 200 Portfolio Preparation
- 203 Plein Air Painting
- 204 Drawing I
- 205 Drawing II
- 206 Expressive Figure Drawing and Portraiture
- 207 Life Drawing
- 208 Portrait Drawing I
- 209 Portrait Drawing II
- 213 Life Drawing II
- 214 Color
- 215 Portraiture III
- 216 Portraiture IV
- 223 Oil Painting I
- 224 Oil Painting II

- 225 Acrylic Painting I
- 226 Acrylic Painting II
- 230 Expressive Figure Drawing and Portraiture II
- 231 Watercolor I
- 232 Watercolor II
- 233 Watercolor III
- 243 Watercolor IV
- 244 Oil Painting III
- 247 Oil Painting IV
- 251 Acrylic Painting III
- 252 Acrylic Painting IV
- 253 Plein Air Painting II
- 254 Plein Air Painting III
- 255 Plein Air Painting IV
- 301 Two-Dimensional Design

BIOLOGY

- 230 Introductory Cell Biology

BUSINESS

- 101 Human Relations at Work
- 103 Business Information Systems
- 115 Business Mathematics
- 125 International Business
- 150 Small Business Management
- 180 Introduction to Marketing
- 201 Business Law
- 205 Business Ethics and Social Responsibility
- 230 International Marketing
- 232 Sales Management
- 233 Social Media Marketing

BUSINESS MICROCOMPUTER APPLICATIONS – WINDOWS PLATFORM

- 418 Spreadsheets
- 420 Cloud Applications for Business

COMPUTER AND INFORMATION SCIENCE

- 256 (CS2) Data Structure: Java
- 264 Computer Organization and Systems Programming

CAREER AND LIFE PLANNING

- 100 Career Planning and Life Exploration

DIGITAL MEDIA

- 134 Radio Production Lab III
- 135 Radio Production Lab IV

ELECTRICAL APPRENTICESHIP

741	Electrical Apprenticeship I
742	Electrical Apprenticeship II
743	Electrical Apprenticeship III
744	Electrical Apprenticeship IV
745	Electrical Apprenticeship V
746	Electrical Apprenticeship VI
747	Electrical Apprenticeship VII
748	Electrical Apprenticeship VIII
749	Electrical Apprenticeship IX
750	Electrical Apprenticeship X

ENGLISH AS SECOND LANGUAGE

400	Advanced English for Multilingual Students
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ETHNIC STUDIES

300	Introduction to La Raza Studies
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MUSIC

111	Musicianship I
112	Musicianship II
113	Musicianship III
114	Musicianship IV
298	New Interfaces for Making Music
429	Wind Ensemble
430	Symphonic Band
470	Concert Choir
680MM	New Interfaces for Making Music II

PHYSICAL SCIENCE

141	Introduction to Research in STEM
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PROPOSED TO BE OFFERED AS DISTANCE EDUCATION – COLLEGE OF SAN MATEO**ART**

124	Old Masters' Aesthetics and Techniques
129	New Masters' Aesthetics and Techniques

BUSINESS

127	Fundamentals of International Trade
203	Intercultural Relations in Global Business
206	Operations and Supply Chain Management

COOPERATIVE EDUCATION

620	Community Engagement/Work Experience
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DIGITAL MEDIA

114 Digital Video Production II

MUSIC

298 New Interfaces for Making Music
 429 Wind Ensemble
 430 Symphonic Band
 470 Concert Choir
 680MM New Interfaces for Making Music II

PROPOSED PROGRAM ADDITIONS – COLLEGE OF SAN MATEO

College of San Mateo proposes to offer an Associate Degree, Associate Degree for Transfer, and/or Certificate of Achievement (16 units or more, state approved), and/or Certificate of Specialization (fewer than 16 units, not state approved) in the following programs:

BUSINESS

Business Administration 2.0 – Associate in Science Degree for Transfer (27-29 units in the major area + Certified completion of the California State University General Education Breadth (CSU GE Breadth) pattern OR the Intersegmental General Education Transfer Curriculum (IGETC/CSU) pattern, and other requirements for the Associate Degree for Transfer.

Entrepreneurship and Small Business Management – Certificate of Achievement (29.5-30)

International Business – Associate in Science Degree (38 units in the major area + General Education and other requirements for the Associate Degree)

International Business – Certificate of Specialization (15 units)

PROPOSED PROGRAM DEACTIVATIONS – COLLEGE OF SAN MATEO**BUSINESS**

Business Information Worker – Certificate of Specialization

MANAGEMENT

Project Management – Certificate of Achievement

PROPOSED PROGRAM MODIFICATIONS – COLLEGE OF SAN MATEO**BUSINESS**

International Business – Certificate of Achievement

DIGITAL MEDIA

Digital Media: Applied Audio and Video Production – Certificate of Specialization

Digital Media: Broadcast and Electronic Media – Associate in Arts Degree

Digital Media: Graphic Design – Associate in Science Degree

San Mateo County Community College District

December 15, 2021

This report has been prepared in accordance with SMCCCD Rules and Regulations, Section 6.13.4 and all appropriate laws and regulations.

PREPARED BY: Danni Redding Lapuz, Interim Vice President, Instruction
Skyline College

APPROVED BY: Jessica Hurless, Curriculum Committee Chair
Skyline College

Lindsey Ayotte, Academic Senate President
Skyline College

Melissa Moreno, President
Skyline College

PROPOSED CURRICULAR MODIFICATIONS – SKYLINE COLLEGE

AUTOMOTIVE TECHNOLOGY

- 523 Automotive Electrical and Electronic Systems
- 529 Modern Engine Design, Troubleshooting and Repair
- 758 Automotive Computer Controls
- 858 Automotive Computer Controls (Apprenticeship)
- 923 Automotive Electrical and Electronic Systems (Apprenticeship)
- 929 Modern Engine Design, Troubleshooting and Repair (Apprenticeship)

BUSINESS

- 113 Personal Finance

ENVIRONMENTAL SCIENCE

- 491 Climate Protection Professional I

HISTORY

- 100 History of Western Civilization I
- 106 World Civilizations II
- 201 United States History I
- 203 The United States Since 1945
- 244 African American History
- 310 California History
- 435 History of the Philippines
- 436 Filipinos in America

PARALEGL STUDIES

275 Constitutional Law and Supreme Court Jurisprudence

PHYSICS

210 General Physics I
 211 General Physics I – Calculus Supplement
 220 General Physics II
 221 General Physics II – Calculus Supplement
 695 Independent Study in Physics

PSYCHOLOGY

105 Experimental Psychology

REAL ESTATE

100 Real Estate Principles
 110 Real Estate Practice
 131 Real Estate Finance I

PROPOSED CURRICULAR REACTIVATIONS – SKYLINE COLLEGE**HISTORY**

420 Survey of Latin American History
 429 History of Latin@s/x in the United States

PROPOSED TO BE OFFERED AS DISTANCE EDUCATION – SKYLINE COLLEGE**AUTOMOTIVE TECHNOLOGY**

523 Automotive Electrical and Electronic Systems
 529 Modern Engine Design, Troubleshooting and Repair
 758 Automotive Computer Controls
 858 Automotive Computer Controls (Apprenticeship)
 923 Automotive Electrical and Electronic Systems (Apprenticeship)
 929 Modern Engine Design, Troubleshooting and Repair (Apprenticeship)

HISTORY

420 Survey of Latin American History
 429 History of Latin@s/x in the United States

PROPOSED PROGRAM REACTIVATIONS – SKYLINE COLLEGE**AUTOMOTIVE TECHNOLOGY**

Automotive Technician – Entry Level – Career Certificate

PROPOSED PROGRAM MODIFICATIONS – SKYLINE COLLEGE

PARALEGAL STUDIES

Paralegal, Legal Assistant – Associate in Arts Degree
Paralegal, Legal Assistant – Certificate of Achievement

PHYSICS

Physics for Transfer – Associate in Science Degree for Transfer

BOARD REPORT NO. 21-12-05CA

TO: Members of the Board of Trustees
FROM: Michael Claire, Chancellor
PREPARED BY: Mitchell Bailey, Vice Chancellor/Chief of Staff

REAPPOINTMENT OF MEMBERS TO BOND OVERSIGHT COMMITTEE

The Board of Trustees makes appointments of members to the District's Bond Oversight Committee. The Committee is charged with the responsibility to assure voters that bond proceeds are expended only for construction, reconstruction, rehabilitation or replacement of College facilities in compliance with the ballot language approved by voters, and that no funds are used for teacher or administrator salaries or other operating expenses.

At this time, three current members of the Committee are eligible for and are interested in reappointment:

- Michael Duncheon
- James Ruigomez
- Maxine Turner

RECOMMENDATION

It is recommended that the Board reappoint Michael Duncheon, James Ruigomez and Maxine Turner to the Bond Oversight Committee.

BOARD REPORT NO. 21-12-06CA

TO: Members of the Board of Trustees
FROM: Michael Claire, Chancellor
PREPARED BY: Mitchell Bailey, Vice Chancellor/Chief of Staff

**RE-APPOINTMENT OF MEMBERS TO THE SAN MATEO COUNTY COLLEGES
EDUCATIONAL HOUSING CORPORATION BOARD OF DIRECTORS**

The Bylaws of the Educational Housing Corporation stipulate that appointments to its board of directors be made by the San Mateo County Community College District Board of Trustees. At this time, two current members of the Housing Board are eligible for and are interested in reappointment:

- Richard Holober
- Michael Pierce

RECOMMENDATION

It is recommended that the Board of Trustees reappoint Richard Holober and Michael Pierce to the Educational Housing Corporation Board of Directors for a four-year term ending on December 31, 2025.

BOARD REPORT NO. 21-12-07CA

TO: Members of the Board of Trustees
FROM: Michael Claire, Chancellor
PREPARED BY: Mitchell Bailey, Vice Chancellor/Chief of Staff

**AUTHORIZATION OF EXTENSION OF AGREEMENT WITH THE REGISTRY FOR
COLLEGE AND UNIVERSITY PRESIDENTS FOR
INTERIM CHIEF HUMAN RESOURCES OFFICER SERVICES**

At its August 25, 2021, meeting, the Board of Trustees ratified an agreement with the Registry for College and University Presidents (Registry) for interim Chief Human Resources Officer (CHRO) services for a six-month period. Marie Billie has been serving in the capacity of interim CHRO through this contract.

The District has undertaken a recruitment process and will be interviewing applicants in mid-January 2022 for the Chief Human Resources Officer position. Until a new CHRO is hired, the District needs the services provided by the Registry and Ms. Billie.

As such, staff requests the Board's consideration to extend the current contract with the Registry through the end of the 2022 spring semester (May 31, 2022). Should a new CHRO be hired and onboarded prior to that date, the District can terminate the agreement with the Registry.

RECOMMENDATION

It is recommended that the Board authorize an extension of the existing agreement with the Registry for College and University Presidents for interim Chief Human Resources Officer services as outlined above.

BOARD REPORT NO. 21-12-08CA

TO: Members of the Board of Trustees

FROM: Michael Claire, Chancellor

PREPARED BY: José D. Nuñez, Vice Chancellor, Facilities Planning Maintenance & Operations
Joe Fullerton, Energy and Sustainability Manager

**ACCEPTANCE OF CALIFORNIA ELECTRIC VEHICLE INFRASTRUCTURE PROGRAM
GRANT AND APPROVAL OF SOLE SOURCE AGREEMENT WITH CHARGEPOINT**

As electric vehicle (EV) charging technology develops, the District Facilities team has been looking for opportunities to upgrade EV charging stations across the colleges and at the District Office. The District currently has 81 EV ports across all three campuses and the District Office. Approximately 20 of those stations are Schneider stations. These “Legacy” Schneider stations are an older EV technology, and will no longer connect to our EV charging network after December 31, 2021. Networked stations enable the District to manage EV charging fee structure, troubleshoot stations remotely, and collect valuable data on station use. Securing grant funding to replace aging EV charging infrastructure mitigates the risk of costly maintenance or replacement and helps the District continue to provide clean, efficient, cost effective transportation options for employees, students, and visitors alike.

On December 16, 2020, District staff, in collaboration with the electric vehicle charging company, ChargePoint, applied for California Electric Vehicle Infrastructure Project (CALeVIP) grant funding. The CALeVIP program, funded by the California Energy Commission, incentivizes purchase and installation of EV charging infrastructure throughout California. The program supports the District’s decarbonization efforts and California’s broader low-emission transportation mandate.

District staff completed four applications - one for each campus and the District Office. On October 21, 2021, funds were awarded and reserved by CALeVIP on behalf of ChargePoint in support of the District’s successful application at the Skyline campus.

Distribution of the grant stipulates that ChargePoint and their design team, serve as the grant fiscal agent and provider of the design, materials, and installation of the charging stations. The project value is approximately \$79,000 which includes \$72,000 in grant funds plus a ten (10) percent owner’s contingency of \$7,200 from local funds. The Sustainability team worked with ChargePoint to create a plan that will remove seven (7) dual-port and one (1) single port Schneider stations, and replace them with seven (7) new dual-port and one (1) single-port ChargePoint EV charging stations. Upon acceptance of the grant, all construction and installation of the EV chargers must be completed by our grant application partners by June 5, 2022.

RECOMMENDATION

It is recommended that the Board of Trustees authorize the acceptance of the CALeVIP grant of \$72,000 with ChargePoint and authorize the Chancellor, or his designee, to enter into a sole source agreement with ChargePoint for the removal and replacement of eight (8) EV charging stations at the District Office.

BOARD REPORT NO. 21-12-09CA

TO: Members of the Board of Trustees

FROM: Michael Claire, Chancellor

PREPARED BY: José D. Nuñez, Vice Chancellor, Facilities Planning Maintenance & Operations
Ben'Zara Minkin, Emergency Manager, District Office

ADOPTION OF LOCAL HAZARD MITIGATION PLAN

Beginning in February 2021, a partnership of 36 local governments and special districts in San Mateo County began working together to update the San Mateo County Multijurisdictional Local Hazard Mitigation Plan (HMP). The plan enables the jurisdictions to use pre- and post-disaster financial assistance to reduce the risk of natural hazards to people who live in the county.

Upon completion of the revised plan, the County has requested that all 36 partner agencies formally adopt the plan. The plan, consisting of 1,174 pages can be accessed online at:

https://cmo.smcgov.org/sites/cmo.smcgov.org/files/2021-10-19_SanMateoHMP_Vol2_AdoptionDraft.pdf.

The District's section of the plan can be found in the Second Volume on Pages 30-1 to 30-18.

RECOMMENDATION

It is recommended that the Board of Trustees adopt the San Mateo County Multijurisdictional Local Hazard Mitigation Plan.

BOARD REPORT NO. 21-12-101B

TO: Members of the Board of Trustees
FROM: Michael Claire, Chancellor
PREPARED BY: Candice E. Bell, Executive Assistant to the Board

SETTING OF BOARD OF TRUSTEES MEETING DATES FOR 2022

The Board annually sets meeting dates for the next calendar year. Board Policy 1.40 states that “the regular meetings of the Board shall normally be held on the second and fourth Wednesday of each month” and that “the date, time and place of the regular meeting may be changed by action of the Board.”

Traditionally, the Board holds only one meeting in May, August, November and December due to a large number of events and/or holidays. Additionally, the Board holds an annual retreat on the first Saturday in February rather than holding a meeting on the second Wednesday of the month.

On occasion, the Board may change a scheduled meeting date due to unforeseen circumstances. In such instances, the change will be noted in advance of the meeting.

At its last meeting, the Board asked staff to outline and present various meeting date scenarios for its consideration. The attached scenarios provide the Board with four options to consider for meeting dates in 2022:

Scenario 1: Meeting Schedule in alignment with that for 2021 with one (1) business meeting per month, a retreat in February and study sessions in January, March, April, June, July, September and October.

Scenario 2: One (1) business meeting each month, with no scheduled study sessions (study sessions would be called as special meetings as needed).

Scenario 3: One (1) business meeting each month, with one (1) retreat in February, and one (1) study session per quarter (in May, August and November).

Scenario 4: One (1) business meeting each month, with one (1) Saturday retreat per quarter (in February, May, August and November).

RECOMMENDATION

It is recommended that the Board review the proposed Board of Trustees meeting dates and approve a calendar for 2022.

SCENARIO #1

One (1) business meeting per month, a retreat in February and study sessions in January, March, April, June, July, September and October.

MEETING TYPE	DAY OF WEEK	DATE	TIME
Board of Trustees Study Session	Wednesday	January 12, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	January 26, 2022	6PM
Board of Trustees Annual Retreat	Saturday	February 12, 2022	9AM
Board of Trustees Regular Meeting	Wednesday	February 23, 2022	6PM
Board of Trustees Study Session	Wednesday	March 9, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	March 23, 2022	6PM
Board of Trustees Study Session	Wednesday	April 13, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	April 27, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	May 11, 2022	6PM
Board of Trustees Study Session	Wednesday	June 8, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	June 22, 2022	6PM
Board of Trustees Study Session	Wednesday	July 13, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	July 27, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	August 24, 2022	6PM
Board of Trustees Study Session	Wednesday	September 14, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	September 28, 2022	6PM
Board of Trustees Study Session	Wednesday	October 12, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	October 26, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	November 16, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	December 14, 2022	6PM

SCENARIO #2

One (1) business meeting each month, with no scheduled study sessions (study sessions would be called as special meetings as needed).

MEETING TYPE	DAY OF WEEK	DATE	TIME
Board of Trustees Regular Meeting	Wednesday	January 26, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	February 23, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	March 23, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	April 27, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	May 25, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	June 22, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	July 27, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	August 24, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	September 28, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	October 26, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	November 16, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	December 14, 2022	6PM

SCENARIO #3

One (1) business meeting each month, with one (1) retreat in February, and one (1) study session per quarter (in May, August and November).

MEETING TYPE	DAY OF WEEK	DATE	TIME
Board of Trustees Regular Meeting	Wednesday	January 26, 2022	6PM
Board of Trustees Study Session	Saturday	February 12, 2022	9AM
Board of Trustees Regular Meeting	Wednesday	February 23, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	March 23, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	April 27, 2022	6PM
Board of Trustees Study Session	Wednesday	May 11, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	May 25, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	June 22, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	July 27, 2022	6PM
Board of Trustees Study Session	Wednesday	August 10, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	August 24, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	September 28, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	October 26, 2022	6PM
Board of Trustees Study Session	Wednesday	November 9, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	November 30, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	December 14, 2022	6PM

SCENARIO #4

One (1) business meeting each month, with one (1) Saturday retreat per quarter (in February, May, August and November).

MEETING TYPE	DAY OF WEEK	DATE	TIME
Board of Trustees Regular Meeting	Wednesday	January 26, 2022	6PM
Board of Trustees Retreat	Saturday	February 12, 2022	9AM
Board of Trustees Regular Meeting	Wednesday	February 23, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	March 23, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	April 27, 2022	6PM
Board of Trustees Retreat	Saturday	May 14, 2022	9AM
Board of Trustees Regular Meeting	Wednesday	May 25, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	June 22, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	July 27, 2022	6PM
Board of Trustees Retreat	Saturday	August 13, 2022	9AM
Board of Trustees Regular Meeting	Wednesday	August 24, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	September 28, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	October 26, 2022	6PM
Board of Trustees Retreat	Saturday	November 12, 2022	9AM
Board of Trustees Regular Meeting	Wednesday	November 23, 2022	6PM
Board of Trustees Regular Meeting	Wednesday	December 14, 2022	6PM

BOARD REPORT NO. 21-12-102B

TO: Members of the Board of Trustees
 FROM: Michael Claire, Chancellor
 PREPARED BY: Dr. Richard Storti, Executive Vice Chancellor for Administrative Services

SAN MATEO ATHLETIC CLUB FISCAL YEAR 2021-22 BUDGET ADJUSTMENT

At its September 9, 2021 meeting, the Board adopted the 2021-22 fiscal year budget which included budgeted revenue and expenses of the San Mateo Athletic Club from July 1, 2021 through December 31, 2021 representing the portion of the fiscal year managed by an external organization. Projections for the District-operated model from January 1, 2022 through June 30, 2022 reflect the need to augment budgeted revenue and expenses for operations from January 1, 2022 through June 30, 2022.

RECOMMENDATION

It is recommended that the Board of Trustees approve an adjustment to the 2021-22 fiscal year budget to reflect projected revenue and expenses of the College of San Mateo Athletic Center from January 1, 2022 through June 30, 2022 in the amounts detailed below.

College of San Mateo Athletic Center Budget under District-Operated Model Six Months Ended June 30, 2022		
Revenue	\$	1,611,034
Expenses		
Salaries		1,090,040
Employee Benefits		304,319
Operating Expenses		216,000
Total Expenses		1,610,359
Surplus (Deficit)	\$	675

BOARD REPORT NO. 21-12-103B

TO: Members of the Board of Trustees
FROM: Michael Claire, Chancellor
PREPARED BY: Bernata Slater, Chief Financial Officer

RECEIPT AND ACCEPTANCE OF THE 2020-21 DISTRICT AUDIT REPORT

Attached is a copy of the audit of the San Mateo County Community College District funds, prepared by the Board-approved firm of CWDL LLP. The audit was based upon the fiscal year ending June 30, 2021. A representative of the auditing firm will be present at this meeting to respond to questions about the audit 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 2020-21 audit report for the District, which will be filed by CWDL LLP with the State Department of Education, the State Controller, and the State Chancellor's Office prior to the December 31, 2021 due date.



See what's possible.

**SAN MATEO COUNTY
COMMUNITY COLLEGE DISTRICT
FINANCIAL STATEMENTS**

JUNE 30, 2021

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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities, the fiduciary activities and the discretely presented component unit of San Mateo County Community College District, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise San Mateo County Community College District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the fiduciary activities and the discretely presented component unit of the San Mateo County Community College District, as of June 30, 2021, and the respective changes in its financial position and, where applicable, its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter Regarding Change in Accounting Principle

During the year ended June 30, 2021, the District adopted the provisions of *Governmental Accounting Standards Board Statement (GASB) No. 84, Fiduciary Activities*. As a result of the implementation of this standard, the District reported a restatement for a change in accounting principle (see Note 15). Our auditors' opinion was not modified with respect to the restatement.

Other Matters*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 to 31 and the Schedule of Changes in the Net OPEB Liability and Related Ratios, the Schedule of Contributions – OPEB, the Schedule of Proportionate Share of the Net Pension Liability, and the Schedule of Contributions - Pensions on pages 66 to 71 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the San Mateo County Community College District's basic financial statements. The accompanying schedule of expenditure of federal awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and other supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of expenditure of federal awards and other supplementary information as listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The schedule of expenditures of federal awards and other supplementary information as listed in the table of contents, except for the Organization, have been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards and other supplementary information as listed in the table of contents, except for the information on page 73 titled District Organization, are fairly stated, in all material respects, in relation to the basic financial statements as a whole. The information on page 73 titled District Organization has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 1, 2021 on our consideration of San Mateo County Community College 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 that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of San Mateo Community College District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering San Mateo County Community College District's internal control over financial reporting and compliance.

CWDL, Certified Public Accountants

San Diego, California
December 1, 2021

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Introduction

The San Mateo County Community College District ("District") was established in 1922, and operates three colleges: Cañada College, College of San Mateo, and Skyline College. Located between San Francisco and the Silicon Valley, the District's colleges provide community college educational services to residents of the County of San Mateo, California. In total, the three Colleges of the District offer the first two years of college-level instruction in a wide variety of transfer programs as well as more than 120 career and technical education (CTE) programs to approximately 30,000 students annually. Students can earn an Associate in Arts or Science degree or receive Certificates of Proficiency in their chosen fields. Additionally, Skyline College offers one of 15 baccalaureate programs in the California Community College System, where students can earn a Bachelor of Science degree in Respiratory Care. Distance education courses are available at all three colleges, as well as courses and programs serving concurrently enrolled students. Noncredit short courses offerings for a fee are available through the District's Community Education Program.

This section of the District's Annual Financial Report presents management's discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2021. The discussion and analysis is to be read in conjunction with the financial statements and the notes, which follow this section.

The annual report consists of three basic financial statements that provide information on the District as a whole:

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

Each one of these statements will be discussed in the following pages.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Economic Position of the District within the State

The District continues its community-supported status for the eleventh consecutive year (since FY 2011-12). When the State sets the District's revenue limit (determining how many students the District is funded to serve) and deducts from the revenue limit local property taxes, student fees, funds received from the Education Protection Account, and an on-going allocation since FY 2015-16 for full-time faculty hiring, there is no need for State apportionment to sum to the revenue limit. This means that the District has more resources than it would normally receive as a revenue limit district and is no longer subject to the State's budgetary constraints for general apportionment resources. The District is now firmly in community-supported status and anticipates receiving upwards of \$88 million in FY 2021-22 in excess of what the District would have received had it been subject to the revenue limit established by the State. In addition to an increase in property taxes, the District continues to receive funds from the dissolution of Redevelopment Agencies (RDAs). As fewer property taxes divert to the RDAs, the District receives more revenue. The former RDAs are also slowly selling assets, which brings additional one-time resources to the District's coffers. The District's revenues have steadily increased over the years; however, the impact of the pandemic on property taxes and thus this revenue stream for the District is uncertain. Given the District's community-supported status and its reliance on property taxes, which is dependent on assessed valuation (an economic lagging indicator), the District is anticipating lower property tax revenue increases over the next couple years and budgeting accordingly to ensure a balanced budget. The FY 2021-22 Final Budget anticipates an increase of 4.16%, which is consistent with data from the Assessor's Office.¹ However, even with this reduction in projected property tax revenue the District still projects a balanced budget for the next three fiscal years.

Salaries and Benefits

The expenditure projection for salaries includes annual increases for movement on step and column placements and longevity service increments. The FY 2021-22 budget includes anticipated salary adjustments (steps and/or column) for all employee groups and, effective January 1, 2022, a 2.75% cost increase in health premium rates.

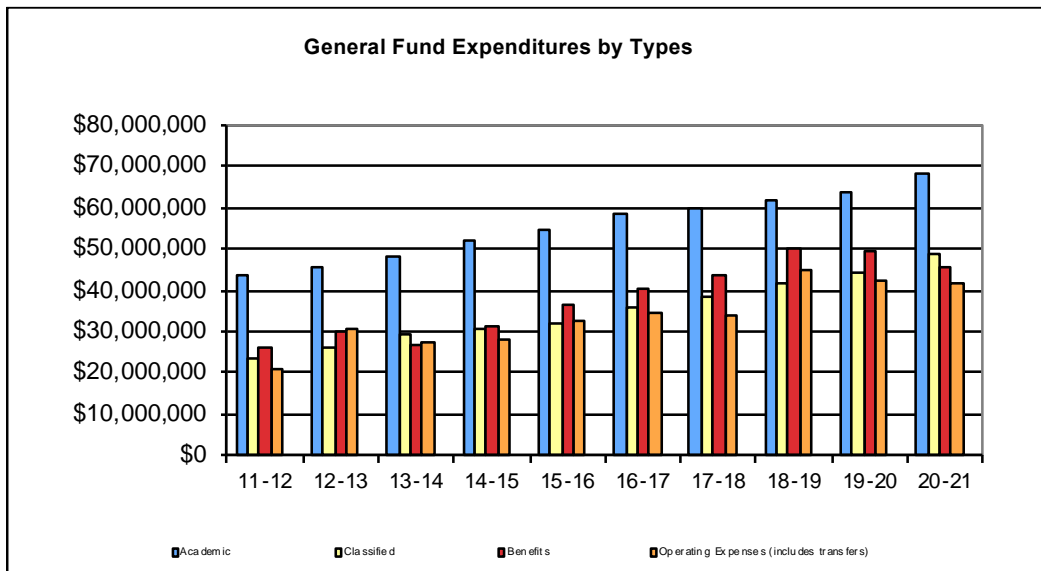
¹ <https://www.smcacre.org/assessor-clerk-recorder-press-releases-0>

¹ <https://www.smcacre.org/assessor-clerk-recorder-press-releases-0>

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

The FY 2020-21 State Budget redirected \$2.3 billion from the 2019-20 State Budget Act that was allocated to provide long-term relief for the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) to further reduce the employer contribution rates for FY 2020-21 and FY 2021-22. This action reduced the employer contribution rates by approximately 2% and provided short-term relief to employers; however, districts continue to grapple with long-term funding strategies as rates continue to rise. For FY 2021-22, the PERS employer rate increased from 20.70% to 22.91% for classified employees and the STRS employer rate increased from 16.15% to 16.92% for faculty and other academic employees. The District's Workers' Compensation costs have remained low allowing the District to maintain its internal charge percentage at less than one percent (0.871%) of salaries. The unemployment insurance contribution rate has increased due to the pandemic to 0.5% from 0.055% in prior year.

Below is a historical graphical depiction of unrestricted general fund expenditures by expenditure type:



**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Other Postemployment Benefits

To comply with Governmental Accounting Standards Board Statement 45, in FY 2009-10, the District began assessing an amount to cover the future retiree medical benefit costs for current employees. These charges appear as part of benefit expenses across all funds.

The District adopted Governmental Accounting Standards Board Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* in FY 2016-17. This Statement replaced the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB plans. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, established new accounting and financial reporting requirements for OPEB plans.

GASB Statement 75 requires the liability of employers and non-employer contributing entities to employees for defined benefit OPEB (net OPEB liability) to be measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. As a result of GASB Statement 75 implementation, the District was required to recognize all of the OPEB liability rather than amortize it over 30 years.

The District made no contribution in FY 2020-21 and contracted to prepare an actuarial study as of June 30, 2021. This recent study determined that the District has fully funded its OPEB liability of \$117 million. The fiduciary net position of the trust on June 30, 2021 was \$157.2 million (or 34% "over-funded"). (See Note 12 in the financial statements for additional details.)

Given this funding status, the District anticipates disbursing approximately \$8 million from the District Reserve Fund for Post-Retirement to fund its "pay as you go" retiree benefit costs in FY 2021-22. The District anticipates to start drawing from the Futuris Other Post-Employment Benefits (OPEB) Trust in FY 2022-23 to fund "pay as you go" retiree benefit costs while continuing to charge itself for future OPEB benefits for current employees. Effective FY 2020-21, this charge is 3% of payroll.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Bond construction

As of June 30, 2021, \$321 million of the \$388 million authorization for the Measure H November 2014 General Obligation Bond Program has either been spent or encumbered by contract. Below is a sample of projects funded:



Building 1N Kinesiology and Wellness Center

Various projects were completed throughout the year including:

- Parking Lot 6 Expansion
- Building 1N Kinesiology and Wellness Center

College of San Mateo



Building 20 Demolition / Edison Lot 7 Expansion

Various projects were completed throughout the year including:

- Building 20 Demolition / Edison Lot 7 Expansion

Bond construction, continued



Pacific Heights Swing Space

Various projects were completed throughout the year including:

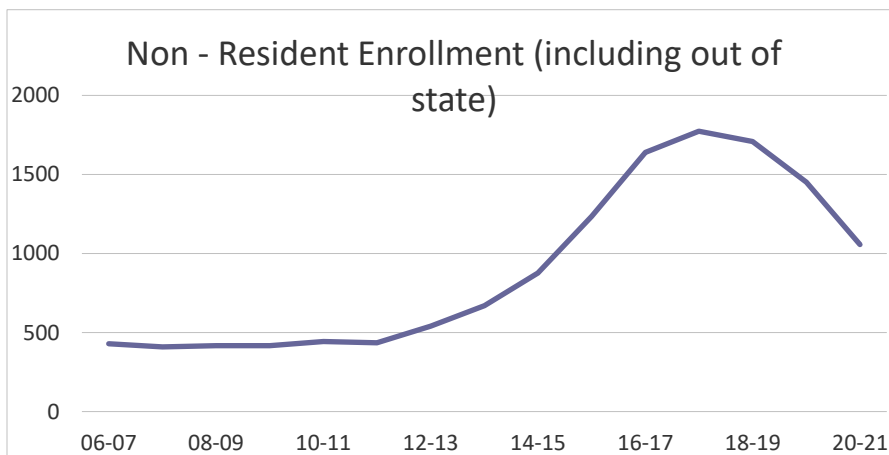
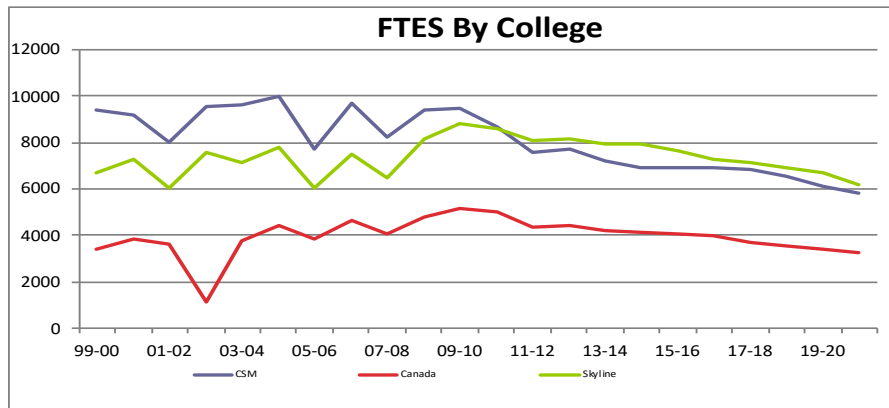
- Building 19 Pacific Heights Swing Space

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Enrollment

For the District, enrollment is no longer the main driver of funding since property taxes and fees primarily determine its resource as a community-supported district. Historically, community college districts' enrollment increases when unemployment increases and decreases when the economy recovers. Accordingly, the District's enrollment has declined partially due to the dramatic improvement in the economy in the Bay Area. In FY 2019-20, the District's resident enrollment decline accelerated because of the pandemic. The pandemic's impact on global mobility resulted in international student enrollment reverting to the level of FY 2014-15, a 50% decline. The District anticipates educating close to 528 international students in FY 2021-22 and has implemented a program upon which international students can enroll in courses from their home country via distance education allowing students to receive a quality education while federal immigration policies are addressed and pandemic-related concerns persist.

Below is a historical graphical depiction illustrating Full Time Equivalent Students (FTES):



**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

PERS and STRS Retirement Pensions

The District participates in the Public Employees Retirement System (CalPERS) and State Teachers Retirement System (CalSTRS). The District and the employee each pay a percentage of the employee's salary into one of these systems. The State of California contributes to these systems as well. The rates are set by the CalPERS Board for CalPERS and, pursuant to AB 1469, the legislation gives the CalSTRS Board limited authority to adjust employer contribution rates for CalSTRS. For many years, the employee rate for both systems did not change, but the CalPERS Board has increased the employer rate as deemed necessary. For the past few years, the employee rate for CalSTRS as well as the employer rates for both systems have increased significantly. At this time, both systems are under-funded in terms of their actuarially determined liability. The employer rate for CalPERS is projected (subject to change) to steadily increase to 27.1% by FY 2023-24 while the employer rate for CalSTRS will increase to 19.10%. Management anticipates these increases to cost the District at least \$7.3 million by FY 2023-24 and has budgeted accordingly.

Below is a chart illustrating the employer rates for the PERS and STRS Retirement Pensions as known and projected:

	CalPERS	CalSTRS
2013-14	11.44%	8.25%
2014-15	11.77%	8.88%
2015-16	11.85%	10.73%
2016-17	13.89%	12.58%
2017-18	15.53%	14.43%
2018-19	18.06%	16.28%
2019-20	19.72%	17.10%
2020-21	20.70%	16.15%
2021-22	22.91%	16.92%
2022-23	26.10%	19.10%
2023-24	27.10%	19.10%

Effective FY 2014-15, GASB Statement 68 required the District to record its share of the pension systems' total liabilities for retirement benefits. The rationale is that public employers have pooled to create these systems and thus are jointly responsible for any shortfall in the systems' reserves. Each of the systems have less funding than their actuarial studies determined is needed to provide benefits for current and future retirees.

Below is a chart illustrating the effect of GASB Statement 68:

	CalPERS	CalSTRS	Total
Net Pension Liability	\$ 30,683,075,983	\$ 96,909,000,000	
SMCCCD Share	0.4110%	0.0970%	
SMCCCD Liability	\$ 126,215,477	\$ 94,163,889	\$ 220,379,366

Accordingly, the District's net position as of June 30, 2021 will reflect an additional \$10.9 million liability for a total of \$220.4 million. See Note 11 for additional details regarding GASB 68 Net Pension Liability.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Statement of Net Position

	2021	2020	Change
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets	\$ 447,718,631	\$ 529,756,096	\$ (82,037,465)
Noncurrent assets	854,870,514	787,336,513	67,534,001
Deferred outflows of resources	76,557,942	74,585,849	1,972,093
Total Assets and Deferred Outflows of Resources	1,379,147,087	1,391,678,458	(12,531,371)
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Current liabilities	107,158,904	104,067,336	3,091,568
Noncurrent liabilities	1,240,150,299	1,238,938,306	1,211,993
Deferred inflows of resources	45,111,401	28,865,588	16,245,813
Total Liabilities and Deferred Inflows of Resources	1,392,420,604	1,371,871,230	20,549,374
NET POSITION			
Net investment in capital assets	8,083,609	9,050,197	(966,588)
Restricted	241,318,832	139,156,685	102,162,147
Unrestricted	(262,675,958)	(128,399,654)	(134,276,304)
Total Net Position	\$ (13,273,517)	\$ 19,807,228	\$ (33,080,745)

The Statement of Net Position above 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 Position, the difference between total assets and total liabilities, is one way to measure the financial condition of the District. The following are explanatory remarks regarding the statement:

- Cash and cash equivalents consist of cash in the Local Agency Investment Fund (LAIF) of the State Treasurer's Office, San Mateo County Investment Pool, a special deposit bond with Wells Fargo Bank, proceeds from the District's general obligation bonds, institutional investment pool, and certificates of deposit with various banks.
- Accounts receivable primarily consists of revenues from local, state, and federal sources which were not received as of June 30, 2021.
- 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 benefits, salaries, and amounts owed to local vendors which the District incurred but for which payments were not issued as of June 30, 2021.
- Unearned revenues represent cash received during FY 2020-21 from the State, Federal grants, and student fees which were not "earned" as of June 30, 2021.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Statement of Net Position, continued

- Long-term liabilities include obligations to be paid over a period longer than one year. The current portion represents payments due within the next 12 months. The District has compensated absences payable and construction bonds payable in its long-term liabilities.
- According to the Governmental Accounting Standards Board, equity is to be reported as net position, rather than fund balance. The District's net position is classified as follows:
 - Net investment in capital assets, represents the District's total investment in capital assets, net of outstanding debt obligations related to those capital assets.
 - Restricted net position consists of both expendable and nonexpendable portions. Restricted expendable net position includes resources which the District is contractually obligated to expend in accordance with restrictions imposed by external third parties.
 - Unrestricted net position represents resources used for transactions relating to the educational and general operations of the District.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Statement of Revenues, Expenses and Change in Net Position

The Statement of Revenues, Expenses and Change in Net Position shown below consists of operating and non-operating results for the District. Operating revenues represent all revenues from "exchange" transactions, in which each party gives and receives essentially equal value. Non-operating revenues include State revenues, property tax revenues, investment earnings, certain Federal and State grants, entitlements, and donations.

	2021	2020	Change
OPERATING REVENUES			
Tuition and fees	\$ 15,885,815	\$ 21,306,677	\$ (5,420,862)
Auxiliary enterprises	6,496,570	8,254,405	(1,757,835)
Other sales and charges	1,018	1,611,079	(1,610,061)
Associated student sales	252,773	-	252,773
Total Operating Revenues	22,636,176	31,172,161	(8,535,985)
OPERATING EXPENSES			
Salaries and benefits	231,636,837	218,852,826	12,784,011
Supplies, materials, and other operating expenses	61,647,852	33,875,260	27,772,592
Student financial aid	23,291,835	25,459,324	(2,167,489)
Depreciation	31,424,019	29,120,378	2,303,641
Total Operating Expenses	348,000,543	307,307,788	40,692,755
Operating Loss	(325,364,367)	(276,135,627)	(49,228,740)
NON-OPERATING REVENUES (EXPENSES)			
State apportionments	3,980,945	-	3,980,945
Property taxes	238,904,185	235,020,785	3,883,400
Federal grants and contracts	31,187,042	24,726,255	6,460,787
State grants and contracts	24,408,207	31,922,316	(7,514,109)
State taxes and other revenues	23,423,044	13,176,975	10,246,069
Investment income (loss)	(2,810,712)	17,336,000	(20,146,712)
Interest expense, net	(44,941,072)	(44,395,984)	(545,088)
Other non-operating revenues	16,233,786	11,426,472	4,807,314
Total Non-Operating Revenues (Expenses)	290,385,425	289,212,819	1,172,606
OTHER REVENUES (EXPENSES)			
State and local capital income	447,505	329,019	118,486
Gain (loss) on disposal of fixed assets	40,426	(23,323)	63,749
Change in Net Position	(34,491,011)	13,382,888	(47,873,899)
NET POSITION, BEGINNING OF YEAR	19,807,228	6,424,340	13,382,888
PRIOR PERIOD ADJUSTMENT (SEE NOTE 15)	1,410,266	-	1,410,266
NET POSITION, END OF YEAR	\$ (13,273,517)	\$ 19,807,228	\$ (33,080,745)

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Statement of Revenues, Expenses and Change in Net Position, continued

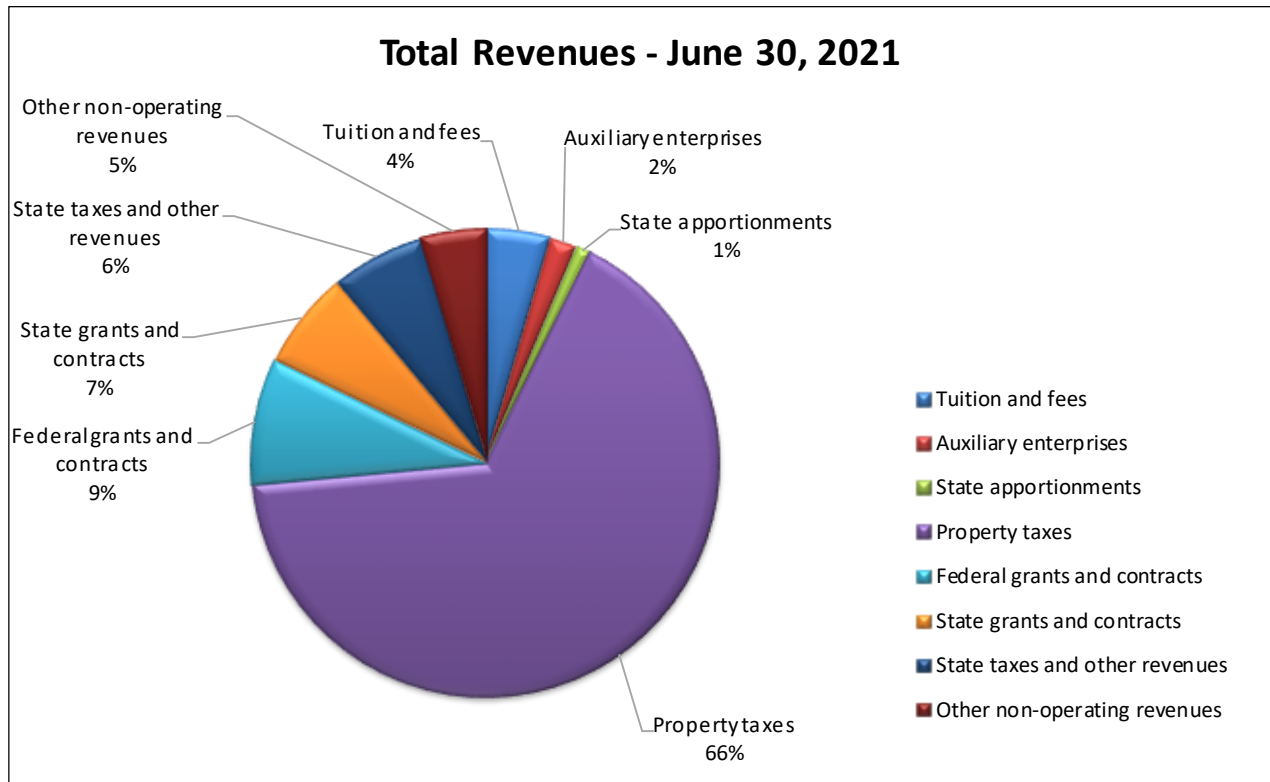
The following are explanatory remarks regarding the statement:

- Tuition and fees include enrollment, health, non-resident tuition, and other student fees, less scholarship discounts and allowances as defined by GASB Statement 35.
- Auxiliary enterprise sales and charges consist of bookstore and cafeteria sales, community and contract instruction, and fitness center income.
- Internal services include premiums and self-insurance charges for general liability and workers compensation.
- State apportionments, non-capital includes state apportionment, apprenticeship, and child development apportionment. (This is not to be confused with general apportionment as the District does not receive this type of revenue given its community-funded status.)
- Local property taxes and other non-operating revenues consist primarily of secured and unsecured taxes which are payable to the District in December and April 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.
- 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 enters into contracts.
- Net investment income (loss) includes interest from the San Mateo County Investment Pool managed by the County Treasurer, certificates of deposit, bond proceeds, and the Local Agency Investment Fund (LAIF).
- State and local revenues - capital includes State scheduled maintenance funding and proceeds from the issuance of general obligation bonds issuance. These revenues relate mainly to construction activities.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Revenue by Sources

Below is an illustration of District major revenues by source:

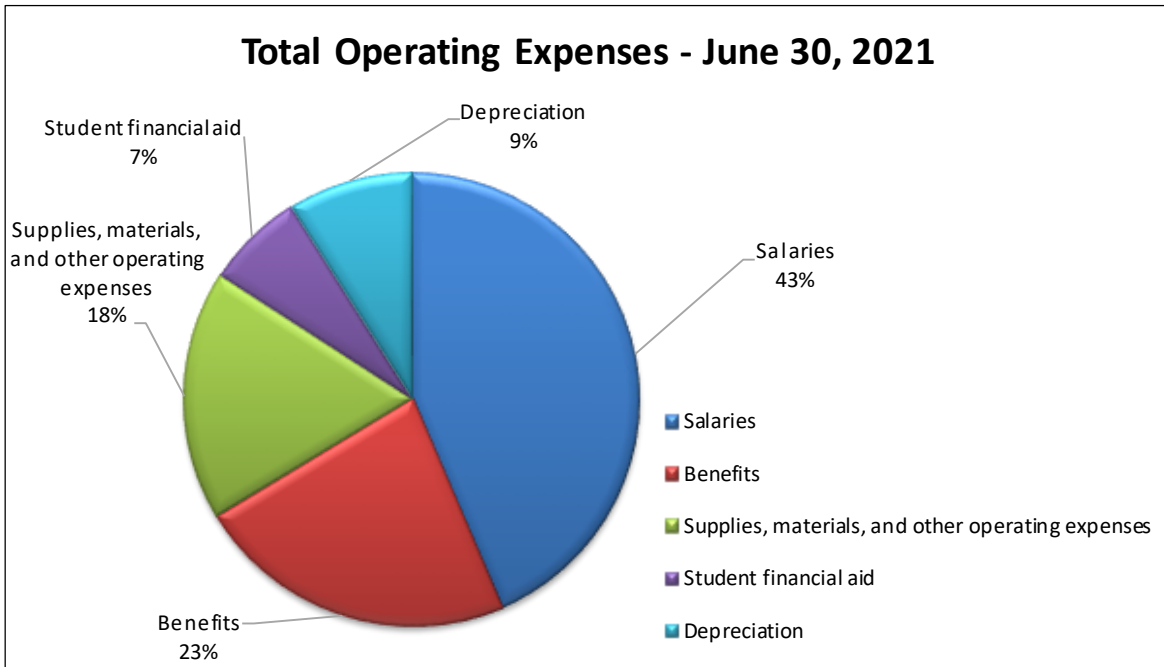


Revenues and expenses changed mainly due to the following:

- Operating revenue experienced a decrease due to a decrease in tuition and fees associated with pandemic –related enrollment declines and fee refunds, as well as a reduction to auxiliary operation revenues due to campus closures as a result of the pandemic.
- Non-operating revenue increased mainly due to an increase in local property taxes, State as well as federal grants.
- Due to the transition from the former auditor, Crowe LLP, certain revenue and expenses have been reclassified. For example, in 2019-20 Crowe LLP categorized State Apportionment as State Taxes and Other revenue while CWDL categorized as State Apportionment in 2020-21.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Operating Expenses by Accounts



The following are explanatory remarks regarding the above graph:

- Salaries and benefits expenses represent the largest percentage of the District's operating expenses.
- 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 using 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

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

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 and 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, and auxiliary enterprise sales. Cash outlays include payment of salaries, benefits, supplies, and operating expenses.
- State apportionments, property taxes, and grants are the primary source of non-capital financing.
- For capital financing activities, the main sources are from special state apportionments and general obligation bond.

Cash from investing activities consists of interest from the County Investment Pool, the institutional investment pool, certificates of deposits, general obligation bonds, and the Local Agency Investment Fund (LAIF).

Cash Provided by (Used in)	2021	2020	Change
Operating activities	\$ (292,710,759)	\$ (240,222,667)	\$ (52,488,092)
Noncapital financing activities	278,079,233	312,609,260	(34,530,027)
Capital financing activities	(61,934,937)	(153,632,767)	91,697,830
Investing activities	(1,985,701)	17,336,000	(19,321,701)
Net Increase (Decrease) in Cash	<u>\$ (78,552,164)</u>	<u>\$ (63,910,174)</u>	<u>\$ (14,641,990)</u>

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENTS DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Economic Factors and the FY 2021-22 Budget

Being community-supported, the District's revenues primarily consist of property tax revenues and student fees and are relatively predictable. The County Assessor's Office has stated that the combined roll's assessed valuation increased 4.16% countywide in FY 2021-22 over prior year. Accordingly, the District has projected property tax revenues in FY 2021-22 to increase by 4.16%. This coupled with solid reserves of 15% and state, federal, and local dollars designated for response to pandemic-related expenditures puts the District on solid financial footing. The District continues to build multi-year financial plans and has planned for balanced budgets through FY 2023-24.

Construction Planning FY 2021-22 and Beyond

The District continues to revise and update its master schedule and the master budget associated with the Capital Improvement Program to coincide with funding and programming requirements. For several years, the District experienced a decline in State Capital Outlay funds for projects due to the fact that the State had failed to approve an educational facilities bond. However, with the passage of Proposition 51, a \$9.1 billion statewide education facilities bond, in November 2016, the District is receiving \$23M for the Skyline College Workforce and Economic Development Prosperity Center. Local matching funds are provided from Measure H.

Compilations of site-specific activities, which are currently in design or construction phase, are listed below:

Cañada College:

- Building 9 Reconfiguration
- Building 9 & 22 Roof Replacement
- Building 13 Multiple Program Instructional Center
- Building 16 & 18 Swing/Secondary Effects
- Building 22 Swing Spaces, Classroom Upgrades, and Public Safety Department Relocation

College of San Mateo:

- Building 3 Theatre Modernization
- Water Supply Tank Replacement
- Building 19 Facelift
- Building 36 Mechanical Engineering Upgrade

Skyline College:

- Building 1 Social Science and Creative Arts Building Facelift Phase 1 – Ceramics Lab, Piano/Midi Lab, Animation Lab, Sculpture Lab, 25 offices, Co-gen demo, Restroom Demo and Practice Room Refresh
- Building 6 Fireside Furniture Refresh and Technology Upgrade
- Building 1 Social Science and Creative Arts Building Facelift Phase 2
- Building 2 Workforce and Economic Development Prosperity Center

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT MANAGEMENTS DISCUSSION AND ANALYSIS JUNE 30, 2021

Construction Planning FY 2021-22 and Beyond, continued

Districtwide:

- Districtwide Information Telephone System Upgrades
- Districtwide UPS Device (MDF/IDF) Replacement
- Districtwide Firewall Network Switch Replacement
- Districtwide Video Camera Replacement
- Half Moon Bay Oil Well Removed
- Districtwide Facilities Master Plan
- Districtwide ADA Transition

The District is fortunate in having legislative authority to use a variety of construction delivery methods to best suit each project's character and bring best value to the colleges and community, including design- build, multiple-prime contracting, as well as the traditional design-bid-build delivery method.

Staff and Faculty Housing

In response to regional housing costs that are among the highest in the country, the District has undertaken initiatives to assist faculty and staff with the high cost of housing. The District currently owns and operates 104 housing units at its College of San Mateo and Cañada College, and a third complex with 30 units is under development at Skyline College. Employees are eligible to live in these units for up to seven years and pay rent that is well below market rate. Residents of the employee housing program are strongly encouraged to save the money from their reduced rent to apply towards a down payment to buy housing in the area. The District also has a second loan program for first-time homebuyers that will supplement employees' down payment savings up to \$150,000 with a closing cost grant of up to a \$1,000.

Locations

College Vista, located on the College of San Mateo campus, is a two and three-story complex with 44 units built on a 2-acre site with stunning views of the South Bay.



**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENTS DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Locations, continued

Cañada Vista, located at Cañada College, consists of two three-story residential buildings with 60 units on 3.3 acres overlooking mountain views.



College Ridge, located at Skyline College, has completed initial site work development and it is anticipated that a contractor will be selected by late 2020 to begin construction on the 30-unit development. Anticipated opening of the new complex is spring 2022.



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 illustrate the District's accountability for funding it receives. Questions or concerns about this report or requests for additional financial information should be addressed to Bernata Slater, Chief Financial Officer, by phone at 650-358- 6755 or by e-mail at slaterb@smccd.edu.

FINANCIAL SECTION

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2021

ASSETS	
Current Assets:	
Cash and investments	\$ 177,481,541
Restricted investments	239,200,962
Accounts receivable, net	23,994,879
Inventory	3,497,425
Prepaid expenses	3,543,824
Total Current Assets	<u>447,718,631</u>
Noncurrent Assets:	
Other noncurrent assets	375,547
Net OPEB asset	40,256,406
Capital assets, net	814,238,561
Total Noncurrent Assets	<u>854,870,514</u>
TOTAL ASSETS	<u>1,302,589,145</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to bond refundings	16,894,977
Deferred outflows related to OPEB	9,967,899
Deferred outflows related to pensions	49,695,066
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>76,557,942</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 1,379,147,087</u>
LIABILITIES	
Current Liabilities:	
Accounts payable	\$ 22,487,903
Interest payable	9,288,687
Unearned revenue	14,448,075
Lease payable	14,443,454
Compensated absences, current portion	1,126,743
Long-term debt, current portion	45,364,042
Total Current Liabilities	<u>107,158,904</u>
Noncurrent Liabilities:	
Net pension liability	220,379,366
Compensated absences, noncurrent portion	7,225,542
Long-term debt, noncurrent portion	1,012,545,391
Total Noncurrent Liabilities	<u>1,240,150,299</u>
TOTAL LIABILITIES	<u>1,347,309,203</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred charge on refunding	4,341,458
Deferred inflows related to OPEB	32,817,506
Deferred inflows related to pensions	7,952,437
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>45,111,401</u>
NET POSITION	
Net investment in capital assets	8,083,609
Restricted for:	
Debt service	59,112,355
Capital projects	152,083,118
Educational programs	22,998,807
Other special purposes	7,124,552
Unrestricted	<u>(262,675,958)</u>
TOTAL NET POSITION	<u>(13,273,517)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 1,379,147,087</u>

See accompanying notes to the financial statements.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021**

OPERATING REVENUES	
Tuition and fees	\$ 21,498,459
Less: Scholarship discounts and allowances	(5,612,644)
Net tuition and fees	<u>15,885,815</u>
Auxiliary enterprise sales and charges	
Bookstore	2,725,684
Cafeteria	17,631
Fitness Center	3,753,255
Other sales and charges	1,018
Associated student sales	252,773
TOTAL OPERATING REVENUES	<u>22,636,176</u>
OPERATING EXPENSES	
Salaries	153,266,146
Employee benefits	78,370,691
Supplies, materials, and other operating expenses and services	61,647,852
Student aid	23,291,835
Depreciation	31,424,019
TOTAL OPERATING EXPENSES	<u>348,000,543</u>
OPERATING LOSS	<u>(325,364,367)</u>
NON-OPERATING REVENUES (EXPENSES)	
State apportionments, noncapital	3,980,945
Local property taxes	179,304,163
Taxes levied for other specific purposes	59,600,022
State taxes and other revenues	23,423,044
Investment income (loss), noncapital	(2,810,712)
Interest expense on capital asset-related debt	(44,941,072)
Grants and Contracts, noncapital:	
Federal	31,187,042
State	24,408,207
Local grants and other non-operating income	16,233,786
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>290,385,425</u>
INCOME BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES	<u>(34,978,942)</u>
State revenues, capital	447,505
Gain (loss) on disposal of fixed assets	40,426
TOTAL OTHER REVENUES	<u>487,931</u>
CHANGE IN NET POSITION	<u>(34,491,011)</u>
NET POSITION, BEGINNING OF YEAR	19,807,228
PRIOR YEAR ADJUSTMENT (SEE NOTE 15)	1,410,266
NET POSITION, END OF YEAR	<u>\$ (13,273,517)</u>

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021**

CASH FLOWS FROM OPERATING ACTIVITIES

Tuition and fees	\$ 15,885,815
Payments to vendors	(66,097,322)
Payments to or on behalf of employees	(226,116,235)
Payments to students	(23,133,378)
Auxiliary and other sales and charges	6,750,361
Net Cash Provided (Used) by Operating Activities	<u>(292,710,759)</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

State apportionments	3,980,945
Federal grants and contracts	30,499,150
State grants and contracts	18,635,457
Property taxes - non debt related	179,304,163
State taxes and other apportionments	23,423,044
Local grants and other non-operating revenues	22,236,474
Net Cash Provided (Used) by Non-capital Financing Activities	<u>278,079,233</u>

CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES

Purchase of capital assets	(68,824,634)
Proceeds from capital debt	18,998,152
State revenue, capital projects	447,505
Property taxes - related to capital debt	59,600,022
Principal paid on capital debt	(18,193,843)
Interest paid on capital debt	(53,962,139)
Net Cash Provided (Used) by Capital Financing Activities	<u>(61,934,937)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest received from investments	(1,985,701)
Net Cash Provided (Used) by Investing Activities	<u>(1,985,701)</u>

NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS

(78,552,164)

CASH & CASH EQUIVALENTS, BEGINNING OF YEAR

495,234,667

CASH & CASH EQUIVALENTS, END OF YEAR

\$ 416,682,503

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021**

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

Operating loss	\$ (325,364,367)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation expense	31,424,019
Changes in Assets and Liabilities:	
Accounts receivables, net	1,000,116
Inventory and prepaid expenses	926,840
Net OPEB asset	(29,717,413)
Deferred outflows of resources	4,924,967
Accounts payable and accrued liabilities	(3,967,564)
Unearned revenue	(841,659)
Compensated absences	1,126,743
Net pension liability	11,276,366
Deferred inflows of resources	16,501,193
Total Adjustments	<u>32,653,608</u>
Net Cash Used By Operating Activities	<u>\$ (292,710,759)</u>

CASH AND CASH EQUIVALENTS CONSIST OF THE FOLLOWING:

Cash and cash equivalents	\$ 177,481,541
Restricted cash and cash equivalents	<u>239,200,962</u>
Total Cash and Cash Equivalents	<u>\$ 416,682,503</u>

NON-CASH TRANSACTIONS:

Amortization of premiums	\$ 3,586,488
Accretion of interest	\$ 24,285,551
Amortization of deferred (gain) loss on refunding	\$ 748,963

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2021**

	OPEB Trust Fund
ASSETS	
Investments	\$ 157,435,660
Total Assets	<u>157,435,660</u>
LIABILITIES	
Accounts payable	<u>247,645</u>
Total Liabilities	<u>247,645</u>
NET POSITION	
Restricted	<u>157,188,015</u>
Total Net Position	<u>\$ 157,188,015</u>

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021**

	OPEB Trust Fund
OPERATING REVENUES:	
Local revenue	\$ 7,300,799
Interest and investment income	29,016,556
Total Operating Revenues	<u>36,317,355</u>
OPERATING EXPENSES:	
Retiree benefits	7,300,799
Administrative expenses	350,400
Total Operating Expenses	<u>7,651,199</u>
Net Change in Net Position	28,666,156
Net Position - Beginning of Year	<u>128,521,859</u>
Net Position - End of Year	<u>\$ 157,188,015</u>

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
STATEMENT OF FINANCIAL POSITION - DISCRETELY PRESENTED COMPONENT UNIT
EDUCATIONAL HOUSING CORPORATION
JUNE 30, 2021**

ASSETS

Cash and cash equivalents	\$	65,691
Due from District		<u>122,000</u>
Total Assets	\$	<u>187,691</u>

LIABILITIES AND NET ASSETS

Liabilities:

Accounts payable	\$	145,458
Unearned rent		3,846
Rent security deposits		<u>670</u>
Total Liabilities		<u>149,974</u>

Net Assets:

Net assets without donor restriction		<u>37,717</u>
Total Liabilities and Net Assets	\$	<u>187,691</u>

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
STATEMENT OF ACTIVITIES - DISCRETELY PRESENTED COMPONENT UNIT
EDUCATIONAL HOUSING CORPORATION
FOR THE YEAR ENDED JUNE 30, 2021**

REVENUES:	
Rental income	\$ 1,149,510
Total Revenues	<u>1,149,510</u>
EXPENSES:	
Operating expenses	819,001
Transfer to District	<u>328,000</u>
Total Operating Expenses	<u>1,147,001</u>
Net Change in Net Position	2,509
Net Position - Beginning of Year	<u>35,208</u>
Net Position - End of Year	<u>\$ 37,717</u>

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
STATEMENT OF CASH FLOWS - DISCRETELY PRESENTED COMPONENT UNIT
EDUCATIONAL HOUSING CORPORATION
FOR THE YEAR ENDED JUNE 30, 2021**

Cash flow from operating activities:	
Change in net assets	\$ 2,509
Changes in assets and liabilities	
Accounts receivable	286
Accounts payable	145,458
Unearned rent	(16,130)
Rent security deposits	(101,903)
Net cash provided (used) by operating activities	<u>30,220</u>
Net change in cash and cash equivalents	30,220
Cash and cash equivalents, beginning of year	<u>35,471</u>
Cash and cash equivalents, end of year	<u>\$ 65,691</u>

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - ORGANIZATION

San Mateo County Community College District (the "District") was established in 1922 as a political subdivision of the State of California and is a comprehensive, public, two-year institution offering post-secondary educational services to residents of San Mateo County and surrounding areas. The District operates under a locally elected five-member Board of Trustees form of government, which establishes the policies by which the District operates. The Board must approve the annual budgets for the General Fund, special revenue funds, and capital project funds, but these budgets are managed at the department level. Currently, the District operates three college campuses located in the cities of San Mateo, San Bruno, and Redwood City, California. While the District is a political subdivision of the State of California, it is not a component unit of the State in accordance with the provisions of Governmental Accounting Standards Board (GASB) Codification Section (Cod. Sec.) 2100.101. The District is classified as a state instrumentality under Internal Revenue Code Section 115.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The decision to include potential component units in the reporting entity was made by applying the criteria set forth in accounting principles generally accepted in the United States of America and GASB Cod. Sec. 2100. The three criteria for requiring a legally separate, tax-exempt organization to be presented as a component unit are the "direct benefit" criterion, the "entitlement/ability to access" criterion, and the "significance" criterion. The District identified the following potential component units:

- San Mateo County Community College District Financing Corporation
- San Mateo County Community College Educational Housing Corporation
- San Mateo County Community College Foundation

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 of the District as if the activity was the District's. This activity is accounted for in the District's COP Payment Fund and COP Construction Fund. Individually-prepared financial statements are not prepared for the Corporation.

The San Mateo County Community Colleges Educational Housing Corporation (the Housing Corp.) is a non-profit organization under IRS Code Section 501(c)(3). The Housing Corp. meets the criteria of the governing authority's ability to significantly influence operations and accountability for fiscal matters and the criteria for inclusion in the District's reporting entity. Its purpose is to operate staff and faculty housing. The financial activity of the Housing Corp. is reported as a separate discretely presented component unit. Individually-prepared financial statements are not prepared for the Housing Corp.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Financial Reporting Entity, continued

The *San Mateo County Community Colleges Foundation* (the Foundation) is a non-profit organization under IRS Code Section 501(c)(3). The District has determined that the Foundation does not meet the criteria of the governing authority's ability to significantly influence operations and accountability for fiscal matters and the criteria for inclusion in the District's report entity. It is dedicated to providing assistance to the students, teachers, and programs of the Colleges. The financial activity of the Foundation is not included in this report. Individually-prepared financial statements can be obtained from the Foundation at: <https://foundation.smccd.edu/>.

Basis of Presentation and Accounting

For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities as defined by GASB. Under this model, the District's financial statements provide a comprehensive entity-wide perspective at the District's financial position and 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 recognized when earned and expenses are recorded when the obligation has been incurred. All significant intra-agency transactions have been eliminated. The budgetary and financial accounts of the District are recorded and maintained in accordance with the Chancellor's Office's *Budget and Accounting Manual*.

Fiduciary funds for which the District acts only as an agent or trust are not included in the business-type activities of the District. These funds are reported in the Statement of Fiduciary Net Position and Statement of Change in Fiduciary Net Position at the fund financial statement level.

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be unrestricted cash on hand, demand deposits, and short-term unrestricted investments with original maturities of three months or less from the date of acquisition. Cash equivalents also include unrestricted cash with county treasury balances for purposes of the Statement of Cash Flows. Restricted cash and cash equivalents represent balances restricted by external sources such as grants and contracts or specifically restricted for the repayment of capital debt or construction of capital assets.

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. This allowance is based upon a five-year average ratio over actual revenues. The allowance was estimated at \$1,975,194 as of June 30, 2021.

Prepaid Expenses

Prepaid expenses represent payments made to vendors and others for services that will benefit periods beyond June 30.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Inventory

Inventory consists primarily of bookstore merchandise and supplies held for resale at each 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, construction-in-progress, buildings, leasehold improvements, and equipment. The District maintains an initial unit cost capitalization threshold of \$5,000 for equipment and \$100,000 for land, buildings and improvements. 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 acquisition value at the date of donation. Improvements to buildings and land that significantly increase the value or extend the useful life of the asset are capitalized; the costs of routine maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are charged as an operating expense in the year in which the expense was incurred. Major outlays for capital improvements are capitalized as construction-in-progress as the projects are constructed.

Depreciation of capital assets is computed and recorded utilizing 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.

Unearned Revenue

Revenue from Federal, State and local special projects and programs is recognized when qualified expenditures have been incurred. Tuition, fees and other support received but not earned are recorded as unearned revenue until earned.

Postemployment Benefits Other Than Pensions (OPEB)

For purpose of measuring the net OPEB liability, information about the fiduciary net position of the Other Postemployment Benefit Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and interest-earning investment contracts that are reported at cost. The Plan is included in the District's financial report and separately presented as a fiduciary fund. Separate financial statements are also prepared for the Plan and may be obtained by contacting the San Mateo County Community College District.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s), and as such will not be recognized as an outflow of resources (expense/expenditures) until then. The District has recognized a deferred loss on refunding reported in the Statement of Net Position. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter life of the refunded or refunding debt. Additionally, the District has recognized a deferred outflow of resources related to the recognition of the pension liability and OPEB liability reported in the Statement of Net Position.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and as such, will not be recognized as an inflow of resources (revenue) until that time. The District has recognized a deferred inflow of resources related to the recognition of the net pension liability and net OPEB (asset) liability reported which is in the Statement of Net Position.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the State Teachers' Retirement Plan (STRP) program of CalSTRS and Public Employers Retirement Fund B (PERF B) a program of CalPERS, and additions to/deductions from STRP's and PERF B's fiduciary net position have been determined on the same basis as they are reported by STRP and PERF B. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Certain investments are reported at fair value.

Compensated Absences

Accumulated unpaid employee vacation benefits are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the entity-wide financial statements. The District also participates in "load-banking" with eligible academic employees whereby the employee may teach extra courses in one period in exchange for time off in another period.

Sick leave is accumulated without limit for each employee based upon negotiated contracts. 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, retirement credit for unused sick leave is applicable to all classified school members who retire after January 1, 1999. At retirement, each classified member will receive .004 year of service credit for each day of unused sick leave. Retirement credit for unused sick leave is applicable to all academic employees and is determined by dividing the number of unused sick days by the number of base service days required to complete the last school year, if employed full time.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Net Position

GASB Statements No. 34 and No. 35 report equity as "Net Position" and represents the difference between assets and liabilities. The net position is classified according to imposed restrictions or availability of assets for satisfaction of District obligations according to the following net asset categories:

Net investment in capital assets: This represents the District's total investment in capital assets, net of associated outstanding debt obligations related to those capital assets and deferred outflows of resources. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

Restricted net position: Restricted expendable net position includes resources in which the District is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties. Nonexpendable restricted net position consists of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal. At June 30, 2021 there is no balance of nonexpendable restricted net position.

Unrestricted net position: Unrestricted net position represents resources derived from student tuition and fees, State apportionments, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the District, and may be used at the discretion of the governing board to meet current expenses for any purpose.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the District's policy is to first apply the expense toward restricted resources, and then towards unrestricted resources.

On-Behalf Payments

GASB Statement No. 24 requires that direct on-behalf payments for fringe benefits and salaries made by one entity to a third-party recipient for the employees of another legally separate entity be recognized as revenue and expenditures by the employer government. The State of California makes direct on-behalf payments for retirement benefits to the State Teachers' on behalf of all Community Colleges in California. The government-wide conversion entries relating to the pension reporting requirements of GASB Statement No. 68 rely on Local Educational Agencies (LEAs) having recognized the state's on-behalf pension contribution in their funds. Prior to the issuance of GASB Statement No. 68, the District recorded this entry at the consolidation entry level for GASB Statement No. 35 business-type activity reporting.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Classification of Revenues and Expenses

The District has classified its revenues as either operating or nonoperating revenues. Certain significant revenue streams relied upon for operations are recorded as nonoperating revenues, as defined by GASB Cod. Sec. Co5.101 including State appropriations, local property taxes, and investment income. Nearly all the District's expenses are from exchange transactions. Revenues and expenses are classified according to the following criteria:

Operating revenues and expenses

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. All expenses are considered operating expenses except for interest expense on capital related debt.

Nonoperating revenues and expenses

Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as Pell grants, most Federal, State and local grants and contracts and Federal appropriations, gifts and contributions, and other revenue sources described in GASB Cod. Sec. Co5.101, such as State appropriations and investment income. Interest expense on capital related debt is a non-operating expense.

State Apportionments

Certain current year apportionments from the State are based on financial and statistical information of the previous year. Any corrections due to the recalculation of the apportionment are made in February of the subsequent year. When known and measurable, these calculations and corrections are accrued in the year in which the measurements are generated.

Property Taxes

Secured property taxes attach as an enforceable lien on property as of January 1. The County Assessor is responsible for assessment of all taxable real property. 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 is on the Teeter Plan, which means that the District receives the property taxes that are owed to the District, regardless of the taxes actually collected by the County.

The voters of the District passed General Obligation Bonds in 2001, 2005, and 2014 for the acquisition, construction, and remodeling of certain District property. As a result of the passage of the Bonds, property taxes are assessed on the property within the District specifically for the repayment of the debts incurred. The taxes are billed and collected as noted above and remitted to the District when collected.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

California Promise Grant

Student tuition and fee revenue is reported net of allowances and fee waivers approved by the Board of Governors through the California Promise Grant in the Statement of Revenues, Expenditures, and Change in Net Position. Allowances represent the difference between stated charges for enrollment fees and the amount that is paid by students or third parties making payments on the students' behalf. To the extent that fee waivers and payments have been used to satisfy tuition and fee charges, the District has recorded an allowance.

Estimates

The preparation of the financial statement 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.

Interfund Activity

Interfund transfers and interfund receivables and payables are eliminated during the consolidation process in the Primary Government and Fiduciary Funds' financial statements, respectively.

Component Unit - Educational Housing Corporation Financial Statement Presentation

The Educational Housing Corporation (the "Housing Corp.") presents its financial statements in accordance with the FASB Accounting Standards Codification. Under these reporting requirements, the Corporation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restriction, and net assets with donor restriction.

The assets, liabilities, and net assets of the Housing Corp. are reported as unrestricted funds, which represent the portion of resources that are available for general purpose of the Housing Corp.'s operations.

Revenues and expenses are recorded when incurred in accordance with the accrual basis of accounting. Revenues are reported as increases in the unrestricted net assets classification unless use of the related assets is limited by donor-imposed restrictions.

Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

The Corporation is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and related California Franchise Tax Codes.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 - CASH AND CASH EQUIVALENTS

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.

Summary of Cash and Cash Equivalents: Cash and cash equivalents of the District as of June 30, 2021 consisted of the following:

	Primary Government	Fiduciary Funds	Educational Housing Corporation
Cash in County Treasury	\$ 383,208,456	\$ -	\$ -
Cash on hand and in banks	640,783	-	65,691
Cash in revolving	70,000	-	-
Cash with fiscal agent	32,763,264	157,435,660	-
Total Deposits and Investments	\$ 416,682,503	\$ 157,435,660	\$ 65,691

Cash in County Treasury

In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the County Treasury. The District is considered to be an involuntary participant in an external investment pool. The District's investment in the pool is reported in the financial statements at amounts based upon the District's pro-rata share of the fair value by the County Treasurer for the entire 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.

Because the District's deposits are maintained in a recognized pooled investment fund under the care of a third party and the District's share of the pool does not consist of specific, identifiable investment securities owned by the District, no disclosure of the individual deposits and investments or related custodial risk classifications is required.

The District's deposits in the fund are considered to be highly liquid. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool. The County Treasurer has indicated that there are no derivatives in the pool as of June 30, 2021.

Cash with Fiscal Agent

Cash with Fiscal Agent represents bond funds to be used in the future. At June 30, 2021, the funds are held with a bank in a money market account and recorded at fair value.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 - CASH AND CASH EQUIVALENTS, continued

Custodial Credit Risk - Deposits and Certificate of Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned. The District does not have a deposit policy for custodial credit risk. The District limits custodial credit risk by ensuring uninsured balances are collateralized by the respective financial institution. Cash balances held in banks are insured up to \$250,000 by the Federal Deposit Insurance Corporation ("FDIC") and are collateralized by the respective financial institution. At June 30, 2021, the carrying amount of the District's cash in banks was \$640,783. The bank balance was fully insured. At June 30, 2021, certificates of deposits totaling \$488,998 were fully insured by the FDIC.

The California Government Code requires California banks and savings and loan associations to secure the District's deposits by pledging government securities as collateral. The market value of pledged securities must equal 110 percent of an agency's deposits. California law also allows financial institutions to secure an agency's deposits by pledging first trust deed mortgage notes having a value of 150 percent of an agency's total deposits and collateral is considered to be held in the name of the District. All cash held by the financial institutions that is not insured is collateralized.

NOTE 4 - INVESTMENTS - OPEB TRUST

The District's OPEB (the "Trust") Trust fund, a fiduciary fund, has adopted an internally developed investment policy that is governed by the standards established in the California Constitution. In addition, the Trust has written investment policies regarding the type of investments that may be made specifically for the Trust and the amount, which may be invested in any one financial institution or amounts that may be invested in long-term instruments. Management believes the Trust has complied with the provisions of statutes pertaining to the types of investments held, institutions in which deposits were made, and security requirements.

The fair values of the Trust's individual investments as of June 30, 2021 consisted of the following:

Mutual funds - fixed income	\$	77,879,358
Mutual funds - domestic equities		54,947,060
Mutual funds - equity		14,310,785
Mutual funds - real estate		10,298,457
Total investments	\$	<u>157,435,660</u>

During the fiscal year ended as of June 30, 2021, the Trust's investments (including gains and losses on investments bought and sold as well as held during the year) appreciated as follows:

Dividends and other	\$	5,149,569
Realized gains, net		3,647,474
Unrealized gains, net		20,393,738
Administrative expense		(524,625)
Total Investment Income, net	\$	<u>28,666,156</u>

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 4 - INVESTMENTS - OPEB TRUST, continued

Custodial Credit Risk

The California Government Code requires California banks and savings and loan associations to secure the Trust's deposits by pledging government securities as collateral. The market value of pledged securities must equal 110 percent of an agency's deposits. California law also allows financial institutions to secure an agency's deposits by pledging first trust deed mortgage notes having a value of 150 percent of an agency's total deposits and collateral is considered to be held in the name of the Trust. All cash held by financial institutions is entirely insured or collateralized.

Credit Risk

The Trust's investment policy requires all fixed income investments to be of investment grade quality or higher at purchase; that is, at the time of purchases, rated no lower than "BBB" by Standard and Poor's. The Trust Board, at their discretion, may impose a higher standard on an individual investment manager basis as circumstances or investment objectives dictate. At June 30, 2021, the Trust investments consisted of open-end mutual funds, therefore there are no credit ratings to disclose.

Interest Rate Risk

The Trust's investments consisted of open and closed-end mutual funds, therefore, there are no significant interest rate risk related to the investments held, as there are no maturities related to the mutual funds held.

Fair Value of Financial Instruments

The following methods and assumptions were used by the Trust to estimate the fair value of its financial instruments at June 30, 2021.

Fair Value Hierarchy

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1 – Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2 – Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 – Significant unobservable inputs that reflect a company's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 4 - INVESTMENTS - OPEB TRUST, continued

Assets Recorded at Fair Value

The following table presents information about the District's assets measured at fair value on a recurring basis:

	June 30, 2021			
	Total	Level 1	Level 2	Level 3
OPEB Investments				
Mutual funds - fixed income	\$ 77,879,358	\$ 77,879,358	\$ -	\$ -
Mutual funds - domestic equities	54,947,060	54,947,060	-	-
Mutual funds - equity	14,310,785	14,310,785	-	-
Mutual funds - real estate	10,298,457	10,298,457	-	-
Total	<u>\$ 157,435,660</u>	<u>\$ 157,435,660</u>	<u>\$ -</u>	<u>\$ -</u>

Mutual funds were valued at closing prices from securities exchanges and are classified as Level 1 investments.

During the year ended June 30, 2021, there were no significant transfers in or out of Level 1.

There were no assets or liabilities measured at fair value on a non-recurring basis at June 30, 2021.

NOTE 5 - ACCOUNTS RECEIVABLE

Accounts receivables for the District as of June 30, 2021, consisted primarily of intergovernmental grants, entitlements, interest, and other local sources. The accounts receivable are as follows:

Federal Government	
Categorical aid	\$ 3,331,937
State Government	
Categorical aid	8,334,475
Lottery	853,960
Local Sources	
Interest	972,043
Financial aid receivables	850,114
Student receivables	959,024
Other local sources	10,668,520
Subtotal	<u>25,970,073</u>
Less: allowance for bad debt	<u>(1,975,194)</u>
Total	<u>\$ 23,994,879</u>

As of June 30, 2021, receivables from other local sources includes \$375,547 for loans made to District employees to purchase houses. All full-time employees who purchase a home and contribute at least 20 percent of the purchase price are eligible to receive loans of up to \$150,000 per employee. Repayment terms and interest rates are: no payments due in years 1 through 5, payments of principal and interest in years 6-10, with final payment of any remaining balance, as well as shared appreciation, in year 10. 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. As of June 30, 2021, the District had over \$5.1 million available for new loans.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the District consists of the following at June 30, 2021:

	Balance July 1, 2020	Adjustments	Additions	Deductions	Balance June 30, 2021
Capital Assets Not Being Depreciated					
Land	\$ 20,586,318	\$ -	\$ -	\$ -	\$ 20,586,318
Construction in progress	198,055,266	-	66,148,562	102,519,867	161,683,961
Total Capital Assets Not Being Depreciated	218,641,584	-	66,148,562	102,519,867	182,270,279
Capital Assets Being Depreciated					
Land improvements	140,420,080	-	-	-	140,420,080
Buildings and improvements	718,888,688	-	102,519,867	-	821,408,555
Furniture, equipment and vehicles	29,120,145	1,037,281	2,577,991	532,717	32,202,700
Total Capital Assets Being Depreciated	888,428,913	1,037,281	105,097,858	532,717	994,031,335
Total Capital Assets	1,107,070,497	1,037,281	171,246,420	103,052,584	1,176,301,614
Less Accumulated Depreciation					
Land improvements	56,266,489	-	6,637,571	-	62,904,060
Buildings and improvements	254,127,923	-	22,554,904	-	276,682,827
Furniture, equipment and vehicles	19,878,565	889,794	2,231,544	523,737	22,476,166
Total Accumulated Depreciation	330,272,977	889,794	31,424,019	523,737	362,063,053
Net Capital Assets	\$ 776,797,520	\$ 147,487	\$ 139,822,401	\$ 102,528,847	\$ 814,238,561

NOTE 7 - ACCOUNTS PAYABLE

Accounts payable for the District as of June 30, 2021, consisted of the following:

Vendor invoices	\$ 5,622,812
Payroll related	6,027,529
Construction	8,572,505
Workers' compensation	2,208,000
Federal	57,057
Total	<u>\$ 22,487,903</u>

The accounts payable of the Fiduciary Fund consists primarily of funds held for student clubs. The accounts payable of the Educational Housing Corporation consists of local vendor payables.

NOTE 8 - UNEARNED REVENUE

Unearned revenue as of June 30, 2021, consisted of the following:

State categorical aid	\$ 7,824,357
Student fees	2,140,068
Other local	4,483,650
Total	<u>\$ 14,448,075</u>

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 – LONG TERM LIABILITIES

The long-term liabilities activity for the year ended June 30, 2021, is as follows:

	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021	Due Within One Year
General obligation bonds	\$ 766,683,503	\$ 188,200,000	\$ 193,577,542	\$ 761,305,961	\$ 27,408,777
Unamortized premiums	60,856,091	-	22,500,085	38,356,006	14,368,777
Accreted Interest	246,399,374	24,285,551	12,437,459	258,247,466	3,586,488
Net pension liability	209,103,000	11,276,366	-	220,379,366	-
Compensated absences	7,225,542	5,011,290	3,884,547	8,352,285	1,126,743
Total	\$ 1,290,267,510	\$ 228,773,207	\$ 232,399,633	\$ 1,286,641,084	\$ 46,490,785

On June 4, 2002, the District issued \$96,857,613 of General Obligation Bonds Series 2001A. The Bonds were issued to finance the acquisition, construction and modernization of certain District property and facilities. The Current Interest Bonds of \$53,335,000 were refunded during the fiscal year ended June 30, 2012. Capital Appreciation Bonds of \$18,045,613 mature September 1, 2016 through September 1, 2026 with interest accruing at an average 5.55% compounded semiannually each year and due upon maturity.

Unamortized premiums and accreted interest on the capital appreciation bonds were \$115,535 and \$17,901,675 at June 30, 2021, respectively.

The following is a schedule of future payments as of June 30, 2021 for the Series 2001A Capital Appreciation Bonds:

Year End	Principal	Interest	Total
2022	\$ 1,750,547	\$ 3,304,454	\$ 5,055,001
2023	1,771,959	3,678,042	5,450,001
2024	1,499,173	3,415,827	4,915,000
2025	1,522,960	3,792,040	5,315,000
2026	1,546,328	4,188,672	5,735,000
2027	1,571,078	4,608,920	6,179,998
Total	\$ 9,662,045	\$ 22,987,955	\$ 32,650,000

On February 9, 2005, the District issued \$69,995,132 of General Obligation Bonds Series 2001B. The Bonds were issued to finance the acquisition, construction and modernization of certain District property and facilities. The Current Interest Bonds of \$22,375,000 were refunded during the fiscal years ended June 30, 2012 and 2015. Capital Appreciation Bonds of \$23,095,132 mature September 1, 2021 through September 1, 2028 with interest accruing at an average 4.78% compounded semiannually each year and due upon maturity.

Unamortized premiums and accreted interest on the capital appreciation bonds were \$311,800 and \$26,472,567 at June 30, 2021, respectively.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 – LONG TERM LIABILITIES, continued

The following is a schedule of future payments as of June 30, 2021 for the Series 2001B Capital Appreciation Bonds:

Year End	Principal	Interest	Total
2022	\$ 2,127,124	\$ 2,367,876	\$ 4,495,000
2023	2,126,338	2,623,663	4,750,001
2024	2,123,259	2,896,741	5,020,000
2025	2,117,544	3,187,456	5,305,000
2026	2,107,112	3,492,888	5,600,000
2027-2029	12,493,755	25,366,244	37,859,999
Total	\$ 23,095,132	\$ 39,934,868	\$ 63,030,000

On April 11, 2006, the District issued \$40,124,660 of General Obligation Bonds Series 2001C. The Bonds were issued to finance the acquisition, construction and modernization of certain District property and facilities. The Current Interest Bonds of \$7,500,000 were partially refunded during the fiscal year ended June 30, 2015 with the remaining bonds maturing during the year ended June 30, 2016. Capital Appreciation Bonds of \$25,469,660 mature September 1, 2016 through March 30, 2031 with interest accreting at an average 4.90% compounded semiannually each year and due upon maturity.

Unamortized premiums and accreted interest on the capital appreciation bonds were \$101,878 and \$23,061,781 at June 30, 2021, respectively.

The following is a schedule of future payments as of June 30, 2021 for the Series 2001C Capital Appreciation Bonds:

Year End	Principal	Interest	Total
2022	\$ 874,686	\$ 950,314	\$ 1,825,000
2023	879,786	1,055,214	1,935,000
2024	883,714	1,166,286	2,050,000
2025	884,316	1,280,684	2,165,000
2026	887,729	1,407,271	2,295,000
2027-2031	16,757,210	37,272,791	54,030,001
Total	\$ 21,167,441	\$ 43,132,560	\$ 64,300,001

On April 11, 2006, the District issued \$135,429,395 of General Obligation Bonds Series 2005A. The Bonds were issued to finance the acquisition, construction and modernization of certain District property and facilities. The Current Interest Bonds of \$61,795,000 matured during the fiscal year ended June 30, 2015. Capital Appreciation Bonds of \$73,634,395 mature September 1, 2015 through September 1, 2030 with interest accreting at an average 4.86% compounded semiannually each year and due upon maturity.

Unamortized premiums and accreted interest on the capital appreciation bonds were \$537,989 and \$47,905,056 at June 30, 2020, respectively.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 – LONG TERM LIABILITIES, continued

The following is a schedule of future payments as of June 30, 2021 for the Series 2005A Capital Appreciation Bonds:

Year End	Principal	Interest	Total
2022	\$ 4,658,602	\$ 5,061,398	\$ 9,720,000
2023	4,617,174	5,537,826	10,155,000
2024	4,571,603	6,033,397	10,605,000
2025	4,525,737	6,554,263	11,080,000
2026	4,477,326	7,097,674	11,575,000
2027-2031	21,800,673	44,459,327	66,260,000
Total	\$ 44,651,115	\$ 74,743,885	\$ 119,395,000

On December 12, 2006, the District issued \$332,570,194 of General Obligation Bonds Series 2005B. The Bonds were issued to finance the acquisition, construction and modernization of certain District property and facilities. The Current Interest Bonds of \$41,155,000 were partially refunded during the fiscal years ended June 30, 2012 and 2015. The remaining Current Interest Bonds of \$6,865,000 matured during the fiscal year ending June 30, 2017. Capital Appreciation Bonds of \$163,005,194 mature September 1, 2020 through September 1, 2038 with interest accreting at an average 4.58% compounded semiannually each year and due upon maturity.

Unamortized premiums and accreted interest on the capital appreciation bonds were \$3,694,196 and \$142,906,386 at June 30, 2021, respectively.

The following is a schedule of future payments as of June 30, 2021 for the Series 2005B Capital Appreciation Bonds:

Year End	Principal	Interest	Total
2022	\$ 4,957,819	\$ 4,687,181	\$ 9,645,000
2023	5,244,307	5,430,693	10,675,000
2024	5,502,657	6,217,343	11,720,000
2025	5,754,962	7,070,038	12,825,000
2026	6,004,040	7,995,960	14,000,000
2027-2031	33,567,769	56,557,231	90,125,000
2032-2036	58,925,829	139,219,171	198,145,000
2037-2039	38,357,845	115,852,155	154,210,000
Total	\$ 158,315,228	\$ 343,029,772	\$ 501,345,000

On April 26, 2012, the District issued \$107,595,000 of 2012 General Obligation Refunding Bonds. Proceeds were used to refund portions of the outstanding Series 2001A General Obligation Bonds, Series 2001B General Obligation Bonds, and Series 2005B General Obligation Bonds. The 2012 Refunding Bonds are general obligations of the District payable solely from ad valorem property taxes. The 2012 Refunding Bonds mature through September 1, 2022 and bear interest at rates ranging from 2.00% to 5.00% with interest due annually on September 1. For financial reporting purposes, the refunded debt has been considered defeased and therefore removed from the District's financial statements. On June 30, 2021, \$42,925,000 of bonds outstanding are considered defeased.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 – LONG TERM LIABILITIES, continued

Unamortized premiums on the 2012 Refunding Bonds were \$2,804,647 as of June 30, 2020.

The following is a schedule of the future payments as of June 30, 2021 for the 2012 Refunding Bonds:

Year End	Principal	Interest	Total
2022	\$ 5,945,000	\$ 400,150	\$ 6,345,150
2023	6,225,000	140,625	6,365,625
Total	\$ 12,170,000	\$ 540,775	\$ 12,710,775

On May 27, 2015, the District issued \$127,000,000 of General Obligation Bonds Series 2014A. The Bonds were issued to finance the acquisition, construction and modernization of certain District property and facilities. The General Obligation Bonds Series 2014A mature September 1, 2016 through September 1, 2025 and bear interest at rates ranging from 3.00% to 5.00% with interest due semiannually on September 1 and March 1.

The premiums on the 2015 General Obligation Bonds Series 2014A were defeased during 2021 with the issuance of the 2021 General Obligation Refunding Bonds.

The following is a schedule of future payments as of June 30, 2021 for the Series 2014A General Obligation Bonds:

Year End	Principal	Interest	Total
2022	\$ -	\$ 98,000	\$ 98,000
2023	205,000	92,875	297,875
2024	385,000	78,125	463,125
2025	580,000	54,000	634,000
2026	790,000	19,750	809,750
Total	\$ 1,960,000	\$ 342,750	\$ 2,302,750

On September 4, 2014, the District issued \$121,805,000 of 2014 General Obligation Refunding Bonds. Proceeds were used to refund portions of the outstanding Series 2001B General Obligation Bonds, Series 2001C General Obligation Bonds, and Series 2005B General Obligation Bonds. The 2014 Refunding Bonds are general obligations of the District payable solely from ad valorem property taxes. The 2014 Refunding Bonds mature September 1, 2015 through September 1, 2024 and bear interest at rates ranging from 2.00% to 5.00% with interest due annually on September 1.

Unamortized premiums on the 2014 Refunding Bonds were \$2,665,130 as of June 30, 2021.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 – LONG TERM LIABILITIES, continued

The following is a schedule of the future payments as of June 30, 2021 for the 2014 Refunding Bonds:

Year End	Principal	Interest	Total
2022	\$ 515,000	\$ 217,150	\$ 732,150
2023	535,000	196,150	731,150
2024	255,000	180,350	435,350
2025	3,505,000	87,625	3,592,625
Total	\$ 4,810,000	\$ 681,275	\$ 5,491,275

On October 30, 2018, the District issued \$261,000,000 of 2018 General Obligation Bonds Series 2018B. The Bonds were issued to finance the acquisition, construction, and modernization of certain District property and facilities. The 2018 General Obligation Bonds Series 2018B mature September 1, 2019 through September 1, 2045 and bear interest at rates ranging from 3.75% to 5.00% with interest due semiannually on September 1 and March 1.

Unamortized premiums on the 2018 General Obligation Bonds Series 2018B were \$24,508,023 as of June 30, 2021.

The following is a schedule of the future payments as of June 30, 2021 for the 2018B Refunding Bonds:

Year End	Principal	Interest	Total
2022	\$ 3,905,000	\$ 11,154,000	\$ 15,059,000
2023	-	11,056,375	11,056,375
2024	370,000	11,047,125	11,417,125
2025	845,000	11,016,750	11,861,750
2026	1,360,000	10,961,625	12,321,625
2027-2031	17,535,000	52,793,750	70,328,750
2032-2036	38,995,000	46,060,100	85,055,100
2037-2041	70,010,000	35,019,113	105,029,113
2042-2046	107,865,000	14,474,875	122,339,875
Total	\$ 240,885,000	\$ 203,583,713	\$ 444,468,713

On October 30, 2018 the District issued \$33,665,000 of 2018 General Obligation Refunding Bonds. Proceeds were used to refund portions of the outstanding principal amount of the District's 2014 General Obligation Refunding Bonds. The 2018 Refunding Bonds mature September 1, 2035 through September 1, 2038 and bear interest at rates ranging from 3.75% to 4.00% with interest due semiannually on September 1 and March 1.

Unamortized premiums on the 2014 Refunding Bonds were \$863,427 as of June 30, 2021.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 – LONG TERM LIABILITIES, continued

The following is a schedule of the future payments as of June 30, 2021 for the 2018 Refunding Bonds:

Year End	Principal	Interest	Total
2022	\$ -	\$ 1,325,388	\$ 1,325,388
2023	-	1,325,388	1,325,388
2024	-	1,325,388	1,325,388
2025	-	1,325,388	1,325,388
2026	-	1,325,388	1,325,388
2027-2031	-	6,626,938	6,626,938
2032-2036	8,330,000	6,460,338	14,790,338
2037-2039	25,335,000	1,470,469	26,805,469
Total	\$ 33,665,000	\$ 21,184,685	\$ 54,849,685

On October 30, 2018 the District issued \$22,725,000 of 2018 General Obligation Bonds (2018 Forward Delivery Refunding Bonds). Proceeds were used to refund portions of the outstanding principal amount of the District's 2015 General Obligation Bonds Series 2014A. The 2019 Forward Delivery Refunding Bonds mature September 1, 2036 through September 1, 2040 and bear interest at 5.00% with interest due annually on September 1.

There was no accrued interest or sinking fund resources related to the new debt proceeds. Unamortized premiums on the 2018 Forward Delivery Bonds were \$2,607,616 as of June 30, 2021.

The following is a schedule of the future payments as of June 30, 2021 for the 2018 Forward Delivery Bonds:

Year End	Principal	Interest	Total
2022	\$ -	\$ 1,136,250	\$ 1,136,250
2023	-	1,136,250	1,136,250
2024	-	1,136,250	1,136,250
2025	-	1,136,250	1,136,250
2026	-	1,136,250	1,136,250
2027-2031	-	5,681,250	5,681,250
2032-2036	-	5,681,250	5,681,250
2037-2041	22,725,000	3,100,375	25,825,375
Total	\$ 22,725,000	\$ 20,144,125	\$ 42,869,125

On March 24, 2021 the District issued \$188,200,000 of 2021 General Obligation Refunding Bonds. Proceeds were used to refund portions of the outstanding principal amounts of the District's 2012 General Obligation Refunding Bonds, 2014 General Obligation Refunding Bonds and 2015 General Obligation Refunding Bonds. The 2021 Refunding Bonds mature September 1, 2021 through September 1, 2045 and bear interest at rates ranging from 0.15% to 2.86% with interest due semiannually on September 1 and March 1.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 9 – LONG TERM LIABILITIES, continued

The following is a schedule of the future payments as of June 30, 2021 for the 2021 Refunding Bonds:

Year End	Principal	Interest	Total
2022	\$ 2,675,000	\$ 3,034,766	\$ 5,709,766
2023	3,455,000	3,441,377	6,896,377
2024	11,010,000	3,423,420	14,433,420
2025	7,330,000	3,390,507	10,720,507
2026	11,170,000	3,321,470	14,491,470
2027-2031	58,110,000	14,356,416	72,466,416
2032-2036	54,975,000	8,181,527	63,156,527
2037-2041	-	5,742,153	5,742,153
2042-2046	39,475,000	3,051,425	42,526,425
Total	\$ 188,200,000	\$ 47,943,061	\$ 236,143,061

NOTE 10 - RISK MANAGEMENT

Insurance Coverage

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 the year ending June 30, 2021, the District contracted with Risk Strategies, Inc., an insurance broker, to manage the District's insurance claims. The District is self-insured for the first \$150,000. Settled claims have not exceeded this commercial coverage. The District has an Owner-Controlled Insurance Program (OCIP) that covers its capital projects over \$1 million.

Workers' Compensation

For the fiscal year, the District contracted with Andreini and Company for placement of excess workers' compensation insurance program. The District is self-insured for the first \$350,000.

Employee Medical Benefits

The District has contracted with the CalPERS to provide employee medical and surgical benefits. CalPERS 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 CalPERS 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 CalPERS members.

The District records an estimated liability for indemnity torts and other claims against the District. Claims liabilities are based on estimates of the ultimate costs of reported claims (including future claim adjustment expenses) and an estimate for claims incurred, but not reported based on historical experience.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 10 - RISK MANAGEMENT, continued

Claim Liabilities

The District establishes a liability for both reported and unreported events, which includes estimates of both future payments of losses and related claim adjustment expenses. The following represent the changes in approximate aggregate liabilities for the District from July 1, 2019 to June 30, 2021:

	Workers' Compensation
Liability Balance, July 1, 2019	\$ 2,211,000
Claims and changes in estimates	3,478,965
Claims payments	<u>(3,516,965)</u>
Liability Balance, June 30, 2020	<u>2,173,000</u>
Claims and changes in estimates	4,893,742
Claims payments	<u>(4,747,742)</u>
Liability Balance, June 30, 2021	<u>\$ 2,319,000</u>
Assets available to pay claims at June 30, 2021.	<u>\$ 7,197,105</u>

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Academic employees are members of CalSTRS and classified employees are members of CalPERS.

For the fiscal year ended June 30, 2021, the District reported its proportionate share of the net pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources for each of the above plans as follows:

Pension Plan	Collective Net Pension Liability	Collective Deferred Outflows of Resources	Collective Deferred Inflows of Resources	Collective Pension Expense
CalSTRS	\$ 94,163,889	\$ 24,520,708	\$ 7,500,433	\$ 11,432,857
CalPERS	126,215,477	25,174,358	452,004	23,893,694
Total	<u>\$ 220,379,366</u>	<u>\$ 49,695,066</u>	<u>\$ 7,952,437</u>	<u>\$ 35,326,551</u>

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS, continued

California State Teachers’ Retirement System (CalSTRS)

Plan Description

The District contributes to the State Teachers’ Retirement Plan (STRP) administered by the California State Teachers’ Retirement System (CalSTRS). STRP is a cost-sharing multiple employer public employee retirement system defined benefit pension plan. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers’ Retirement Law.

Benefits Provided

The STRP provides retirement, disability and survivor benefits to beneficiaries. Benefits are based on members’ final compensation, age and years of service credit. Members hired on or before December 31, 2012, with five years of credited service are eligible for the normal retirement benefit at age 60. Members hired on or after January 1, 2013, with five years of credited service are eligible for the normal retirement benefit at age 62. The normal retirement benefit is equal to 2.0% of final compensation for each year of credited service. The STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program, and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the state is the sponsor of the STRP and obligor of the trust. In addition, the state is both an employer and nonemployer contributing entity to the STRP.

The District contributes to the STRP Defined Benefit Program and STRP Defined Benefit Supplement Program, thus disclosures are not included for the other plans.

The STRP provisions and benefits in effect at June 30, 2021, are summarized as follows:

	STRP Defined Benefit Plan	
	On or before December 31, 2012	On or after January 1, 2013
Hire date	December 31, 2012	January 1, 2013
Benefit formula	2% at 60	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	60	62
Monthly benefits as a percentage of eligible compensation	2.0% - 2.4%	2.0% - 2.4%
Required employee contribution rate	10.25%	9.205%*
Required employer contribution rate	16.15%	16.15%
Required state contribution rate	10.328%	10.328%

*The rate imposed on CalSTRS 2% at 62 members assuming no change in the normal cost of benefits.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS, continued

Contributions

Required member, District, and state of California contribution rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contributions rates are expressed as a level percentage of payroll using the entry age normal actuarial method. The contribution rates for each plan for the year ended June 30, 2021 are presented above and the total District contributions were \$9,539,697.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for state pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	94,163,889
State's proportionate share of the net pension liability associated with the District		48,541,103
Total	\$	<u>142,704,992</u>

The net pension liability was measured as of June 30, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the state, actuarially determined. At June 30, 2020, the District's proportion was 0.097% which is a decrease of 0.002% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense of \$11,432,857. In addition, the District recognized revenue and corresponding expense of \$4,950,332 for support provided by the state. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	\$ 2,236,208	\$ -
Differences between expected and actual experience	166,155	2,653,917
Changes in assumptions	9,180,648	-
Net changes in proportionate share of net pension liability	3,398,000	4,846,516
District contributions subsequent to the measurement date	9,539,697	-
Total	<u>\$ 24,520,708</u>	<u>\$ 7,500,433</u>

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS, continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, continued

The net difference between projected and actual earnings on plan investments is amortized over a five-year period on a straight-line basis. All other deferred outflows of resources and deferred inflows of resources are amortized over the expected average remaining service life (EARSL) of the plan participants. The EARSL for the STRP for the June 30, 2020 measurement date is seven years.

The remaining amount will be recognized to pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2022	\$ 187,221
2023	2,397,556
2024	3,814,060
2025	1,484,800
2026	(412,221)
Thereafter	9,162
	\$ 7,480,578

Actuarial Methods and Assumptions

Total pension liability for STRP was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2019, and rolling forward the total pension liability to June 30, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The financial reporting actuarial valuation as of June 30, 2019 used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2019
Measurement date	June 30, 2020
Experience study	July 1, 2015, through June 30, 2018
Actuarial cost method	Entry Age Normal
Discount rate	7.10%
Investment rate of return	7.10%
Consumer price inflation	2.75%
Wage growth	3.50%

CalSTRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among its members. The projection scale was set equal to 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP-2016) table, issued by the Society of Actuaries.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS, continued

Actuarial Methods and Assumptions, continued

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. The best estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant and adopted by the CalSTRS Board in January 2020 in conjunction with the most recent experience study. Best estimates of 20-year geometric real rates of return and the assumed asset allocation for each major asset class used as input to develop the actuarial investment rate of return are summarized herein.

Asset Class	Assumed Asset Allocation	Long-term Expected Real Rate of Return*
Global Equity	47%	6.30%
Fixed Income	12%	0.30%
Real Estate	13%	5.20%
Private Equity	13%	9.30%
Cash/Liquidity	2%	-1.00%
Absolute Return/Risk Mitigation Strategies	9%	2.90%
Inflation Sensitive	4%	3.80%
	100%	

*20-year geometric average

Discount Rate

The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at statutory contribution rates. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.10%) and assuming that contributions, benefit payments, and administrative expense occurred midyear. Based on these assumptions, the STRP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the District's proportionate share of the net pension liability calculated using the current discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
Plan's net pension liability	\$ 142,268,519	\$ 94,163,889	\$ 54,446,742

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS, continued

Plan Fiduciary Net Position

Detailed information about the STRP's plan fiduciary net position is available in a separate comprehensive annual financial report for CalSTRS. Copies of the CalSTRS annual financial report may be obtained from CalSTRS.

On-Behalf Payments

The District was the recipient of on-behalf payments made by the State of California to CalSTRS for community college education. These payments consist of state general fund contributions of approximately \$6,871,169 to CalSTRS.

California Public Employees Retirement System (CalPERS)

Plan Description

Qualified employees are eligible to participate in the Schools Pool Plan under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Law.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of service credit, a benefit factor, and the member's final compensation. Members hired on or before December 31, 2012, with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. Members hired on or after January 1, 2013, with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The Basic Death Benefit is paid to any member's beneficiary if the member dies while actively employed. An employee's eligible survivor may receive the 1957 Survivor Benefit if the member dies while actively employed, is at least age 50 (or 52 for members hired on or after January 1, 2013), and has at least 5 years of credited service. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS, continued

The CalPERS provisions and benefits in effect at June 30, 2021 are summarized below:

	School Employer Pool (CalPERS)	
	On or before December 31, 2012	On or after January 1, 2013
Hire date	December 31, 2012	January 1, 2013
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	55	62
Monthly benefits as a percentage of eligible compensation	1.1% - 2.5%	1.0% - 2.5%
Required employee contribution rate	7.000%	6.500%
Required employer contribution rate	20.70%	20.70%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. Total plan contributions are determined through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contributions rates are expressed as percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2021 are as presented above and the total District contributions were \$13,470,217.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

As of June 30, 2021, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling \$126,215,477. The net pension liability was measured as of June 30, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating districts, actuarially determined. At June 30, 2020, the District's proportion was 0.411% which is an decrease 0.001% from its proportion measured as of June 30, 2019. For the year ended June 30, 2020, the District recognized pension expense of \$23,893,694. In addition, At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	\$ 2,627,404	\$ -
Differences between expected and actual experience	6,259,900	-
Changes in assumptions	462,837	-
Net changes in proportionate share of net pension liability	2,354,000	452,004
District contributions subsequent to the measurement date	13,470,217	-
Total	\$ 25,174,358	\$ 452,004

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS, continued

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions, continued

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. The net difference between projected and actual earnings on plan investments is amortized over a five-year period on a straight-line basis.

All other deferred outflows of resources and deferred inflows of resources are amortized over the expected average remaining service life (EARSL) of the plan participants. The EARSL for the CalPERS Schools Pool Plan for the June 30, 2020 measurement date is 4.1 years. The remaining amount will be recognized in pension expense as follows:

Year Ended June 30,	Outflows/(Inflows) of Resources
2022	\$ 4,645,456
2023	3,459,366
2024	2,005,673
2025	1,141,642
	\$ 11,252,137

Actuarial Methods and Assumptions

Total pension liability for the Schools Pool Plan was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2019, and rolling forward the total pension liability to June 30, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The financial reporting actuarial valuation as of June 30, 2019 used the methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2019
Measurement date	June 30, 2020
Experience study	July 1, 1997, through June 30, 2015
Actuarial cost method	Entry Age Normal
Discount rate	7.15%
Investment rate of return	7.15%
Consumer price inflation	2.50%
Wage growth	Varies by entry age and service

Mortality assumptions are based on mortality rates resulting from the most recent CalPERS experience study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include 15 years of mortality improvements using 90% of scale MP 2016 published by the Society of Actuaries.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS, continued

Actuarial Methods and Assumptions, continued

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized herein.

Asset Class*	Assumed Asset Allocation	Real Return Years 1 - 10**	Real Return Years 11+***
Global Equity	50%	4.80%	5.98%
Fixed Income	28%	1.00%	2.62%
Inflation Assets	0%	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Assets	13%	3.75%	4.93%
Liquidity	1%	0.00%	-0.92%
	100%		

*In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

**An expected inflation of 2.0% used for this period

***An expected inflation of 2.92% used for this period

Discount Rate

The discount rate used to measure the total pension liability was 7.15% and reflects the long-term expected rate of return for the Schools Pool Plan net of investment expenses and without reduction for administrative expenses. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Based on these assumptions, the Schools Pool Plan fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

The following presents the District's proportionate share of the net pension liability calculated using the current discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
Plan's net pension liability	\$ 181,457,764	\$ 126,215,477	\$ 80,367,151

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS, continued

Plan Fiduciary Net Position

Detailed information about CalPERS Schools Pool Plan fiduciary net position is available in a separate comprehensive annual financial report. Copies of the CalPERS annual financial report may be obtained from the CalPERS.

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)

For the fiscal year ended June 30, 2021, the District reported net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense for the following plans:

OPEB Plan	Liability (Asset)	of Resources	of Resources	Expense
District Plan	\$ (40,256,406)	\$ 9,967,899	\$ 32,817,506	\$ (9,331,524)

Plan Description

In addition to the pension benefits described in Note 11, the District provides postemployment health care benefits (OPEB) for retired employees in accordance with negotiated contracts with the various bargaining units of the District. The Other Postemployment Benefit Plan (the "Plan") is a single-employer defined benefit healthcare plan administered by the San Mateo County Community College District. The District provides the OPEB benefits through a single employer defined benefit OPEB plan that is administered by Benefit Trust Company. OPEB provisions are established and amended per contractual agreement with employee groups. The plan does issue separate financial statements, which are produced by the District and available upon request. The following is a description of the current retiree benefit plan:

Academic Employees

Employees of the San Mateo County Community College District, upon meeting the years of District service requirement and the "Magic 75" which is employee's Age plus Years of District service, will qualify for retiree benefits as indicated in their union contract. Retiree Benefits package may differ depending on hire date. The years of District service required are 10 years if hired prior to September 8, 1993 and 20 years if hired on or after September 8, 1993.

CSEA & All Non-represented Employees

Employees of the San Mateo County Community College District, upon meeting the years of District service requirement and the "Magic 75" which is employee's Age plus Years of District service, will qualify for retiree benefits as indicated in their union contract. Retiree Benefits package may differ depending on hire date. The years of District service required are 10 years if hired prior to July 1, 1992 and 20 years if hired on or after July 1, 1992.

AFCSME Employees

Employees of the San Mateo County Community College District, upon meeting the years of District service requirement and the "Magic 75" which is employee's Age plus Years of District service, will qualify for retiree benefits as indicated in their union contract. Retiree Benefits package may differ depending on hire date. The years of District service required are 10 years if hired prior to July 1, 1992 and 20 years if hired on or after July 1, 1992.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021**

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued

Benefit Payments

The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. The Plan is included in the District's financial report and separately presented as a fiduciary fund. Separate financial statements are also prepared for the Plan and may be obtained by contacting the San Mateo County Community College District.

During the year ended June 30, 2010 the District signed an irrevocable trust (the Trust) agreement. The District appointed a Board of Authority with authority to establish and amend benefits terms under the plan and make decisions on behalf of the District with respect to the Futuris Public Entity Investment Trust Program. The Benefit Trust Company was appointed as the custodian and trustee to administer the Futuris Public Entity Investment Trust.

Employees Covered by Benefit Term

The following is a table of plan participants at June 30, 2021 (measurement date):

	Number of Participants
Inactive Employees Receiving Benefits	667
Active Employees	1,021
	<u>1,688</u>

Contributions

California Government Code specifies that the District's contribution requirements for covered employees are established and may be amended by the Governing Board. Eligible employees are not permitted to make contributions to the Trust. The Plan administrator shall, on behalf of the employer, make all contributions to the Trustee. All contributions shall be paid to the Trustee for investment and reinvestment pursuant to the terms of the trust agreement. The District does not have contractually required contributions rates, but contributes in an amount sufficient to fully fund the Net OPEB obligation over a period not to exceed 30 years. The District did not make any contributions to the Trust during the year ended June 30, 2021. As of June 30, 2021, the District's OPEB liability is fully funded.

OPEB Plan Investments

The plan discount rate of 6.5% was determined using the following asset allocation and assumed rate of return:

Asset Class	Percentage of Portfolio	Assumed Gross Return*
Fixed Income	50%	5%
Equities	50%	8%

*Geometric average

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued

OPEB Plan Investments, continued

Rolling periods of time for all asset classes in combination we used to appropriately reflect correlation between asset classes. This means that the average returns for any asset class do not necessarily reflect the averages over time individually, but reflect the return for the asset class for the portfolio average. Additionally, the historic 28-year real rates of return for each asset class along with the assumed long-term inflation assumption was used to set the discount rate. The investment return was offset by assumed investment expenses of 25 basis points. It was further assumed that contributions to the plan would be sufficient to fully fund the obligation over a period not to exceed 28 years.

Actuarial Assumptions

The total OPEB liability in the June 30, 2021 actuarial valuation was determine using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Valuation date	June 30, 2021
Measurement date	June 30, 2021
Actuarial cost methods	Entry age actuarial cost method
Inflation rate	2.75%
Investment rate of return	6.50%
Health care cost trend rate	4.00%
Payroll increase	2.75%
Mortality	For certificated employees the 2020 CalSTRS mortality tables were used. For classified employees the 2017 CalPERS active mortality for miscellaneous and school employees were used.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued

Changes in the Net OPEB (Asset) Liability

	Increase/(Decrease)		
	Total OPEB Liability	Total Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a) - (b)
Balance July 1, 2020	\$ 117,982,866	\$ 128,521,859	\$ (10,538,993)
Changes for the year:			
Service cost	3,028,055	-	3,028,055
Interest on TOL	7,528,114	-	7,528,114
Employer contributions	-	7,300,799	(7,300,799)
Change in assumptions	6,009,752	-	6,009,752
Expected investment income	-	29,190,781	(29,190,781)
Experience gains/losses	(10,257,675)	-	(10,257,675)
Administrative expense	-	(524,625)	524,625
Expected benefit payments	(7,359,503)	(7,300,799)	(58,704)
Net change	(1,051,257)	28,666,156	(29,717,413)
Balance June 30, 2021	\$ 116,931,609	\$ 157,188,015	\$ (40,256,406)

Fiduciary Net Position as a percentage of the Total OPEB Liability, at June 30, 2021 was 134%.

Sensitivity of the net pension liability to assumptions:

The following presents the net OPEB liability calculated using the discount rate of 6.5 percent. The schedule also shows what the net OPEB liability and net OPEB asset would be if it were calculated using a discount rate that is 1 percent lower (5.5 percent) and 1 percent higher (7.5 percent):

	Discount Rate 1% Lower (5.5%)	Discount Rate (6.5%)	Discount Rate 1% Higher (7.5%)
Net OPEB liability	\$ (26,657,085)	\$ (40,256,406)	\$ (51,602,017)

The following table presents the net OPEB liability calculated using the health care cost trend rate of 4 percent. The schedule also shows what the net OPEB liability would be if it were calculated using a health care cost trend rate that is 1 percent lower (3 percent) and 1 percent higher (5 percent):

	Health Care Trend Rate 1% Lower (3.0%)	Health Care Trend Rate Rate (4.0%)	Health Care Trend Rate 1% Higher (5.0%)
Net OPEB liability	\$ (53,194,140)	\$ (40,256,406)	\$ (24,404,453)

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021**

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued

OPEB Expense

For the year ended June 30, 2021, the District recognized OPEB expense of (\$9,331,524).

OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>of Resources</u>	<u>of Resources</u>
Differences between projected and actual earnings on plan investments	\$ -	\$ 13,739,368
Differences between expected and actual experience	222,090	19,078,138
Change in assumptions	9,745,809	-
	<u>\$ 9,967,899</u>	<u>\$ 32,817,506</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended June 30,</u>	<u>Outflows/(Inflows) of Resources</u>
2022	\$ (4,594,765)
2023	(4,830,782)
2024	(5,265,434)
2025	(5,830,275)
2026	(1,695,472)
Thereafter	(632,879)
	<u>\$ (22,849,607)</u>

See required supplementary information following the notes to the basic financial statements, which presents multi-year trend information on whether assets are increasing or decreasing over time relative to the plan liabilities.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 – 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.

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.

Operating Leases

The District has entered into various operating leases for equipment with no lease terms in excess of one year. None of these agreements contain purchase options. All agreements contain a termination clause providing for cancellation after a specified number of days written notice to lessors, but it is unlikely that the District will cancel any of the agreements prior to the expiration date.

Construction Commitments

As of June 30, 2021, the District has approximately \$28,351,552 in outstanding commitments on construction contracts. The projects are funded through a combination of general obligation bonds and capital project apportionments from the State Chancellor's Office.

NOTE 14 – JOINT POWER AGREEMENTS

The District participates in joint ventures under joint power agreements with the following joint powers authorities (JPAs): School Excess Liability Fund (SELF) and San Mateo County School Insurance Group (SMCSIG). There have been no significant reductions in insurance coverage from the prior year. The relationship between the District and the JPAs is such that the JPAs are not component units of the District for financial reporting purposes. The JPAs arrange for and provide property, liability, workers' compensation, dental, vision, and excess liability coverage for their members. Each member pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to its participation in the JPA. Settled claims have not exceeded commercial insurance coverage in any of the past three years.

Each JPA is governed by a board consisting of representatives from the members. The boards control the operations of the JPAs, including selection of management and approval of operating budgets, independent of any influence by the members beyond their representation on the boards. Each member pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to its participation in the JPA. The District's share of year end assets, liabilities, or fund equity is not calculated by the JPA's. Separately issued financial statements can be requested from each JPA.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021**

NOTE 14 – JOINT POWER AGREEMENTS, continued

Condensed financial information of the JPAs for the most recent year available is as follows:

	SELF	SMCSIG
	June 30, 2020	June 30, 2020
Total assets	\$ 174,621,313	\$ 30,122,943
Total deferred outflows of resources	\$ 312,483	\$ 399,381
Total liabilities	\$ 141,193,559	\$ 10,321,639
Total deferred inflows of resources	\$ 64,325	\$ 92,715
Net position	\$ 33,675,912	\$ 20,107,970
Total revenues	\$ 77,945,029	\$ 47,186,957
Total expenses	\$ 64,133,389	\$ 42,682,077
Change in net position	\$ 13,811,640	\$ 4,504,880

NOTE 15 – PRIOR PERIOD ADJUSTMENT

Beginning net position increased by \$1,410,266 due to the implementation of GASB Statement No. 84, *Fiduciary Activities* for implementation of a change in accounting principal of \$1,264,369 and an adjustment to capital assets of \$145,897 to bring on the District’s auxiliary funds and associated students capital asset balances.

REQUIRED SUPPLEMENTARY INFORMATION

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2021**

	2021	2020	2019	2018
Total OPEB liability				
Service cost	\$ 3,028,055	\$ 2,593,072	\$ 3,414,487	\$ 3,359,195
Interest	7,528,114	7,015,191	8,335,093	7,957,577
Change in assumptions	6,009,752	5,910,554	-	-
Experience gains/losses	(10,257,675)	293,734	(15,800,542)	-
Benefit payments	(7,359,503)	(7,409,326)	(7,432,730)	(7,222,945)
Net change in total OPEB liability	(1,051,257)	8,403,225	(11,483,692)	4,093,827
Total OPEB liability, beginning of year	117,982,866	109,579,641	121,063,333	116,969,506
Total OPEB liability, end of year (a)	\$ 116,931,609	\$ 117,982,866	\$ 109,579,641	\$ 121,063,333
Plan fiduciary net position				
Employer contributions	\$ 7,300,799	\$ 7,409,326	\$ 10,032,730	\$ 19,422,945
Expected investment income	29,190,781	5,930,257	5,948,263	6,028,034
Administrative expense	(524,625)	(450,368)	(419,134)	(376,812)
Expected benefit payments	(7,300,799)	(7,409,326)	(7,432,730)	(7,222,945)
Change in plan fiduciary net position	28,666,156	5,479,889	8,129,129	17,851,222
Fiduciary trust net position, beginning of year	128,521,859	123,041,970	114,912,841	97,061,619
Fiduciary trust net position, end of year (b)	\$ 157,188,015	\$ 128,521,859	\$ 123,041,970	\$ 114,912,841
Net OPEB liability (asset), ending (a) - (b)	\$ (40,256,406)	\$ (10,538,993)	\$ (13,462,329)	\$ 6,150,492
Covered payroll	\$ 100,583,668	\$ 102,312,968	\$ 98,883,699	\$ 91,765,187
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	134%	109%	112%	95%
Net OPEB asset as a percentage of covered payroll	-40%	-10%	-14%	7%

This is a 10 year schedule, however the information in this schedule is not required to be presented retrospectively.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CONTRIBUTIONS - OPEB
FOR THE YEAR ENDED JUNE 30, 2021**

	2021	2020	2019	2018
Actuarially determined contribution	\$ 7,300,799	\$ 7,409,326	\$ 10,032,730	\$ 19,422,945
Contributions in relations to the actuarially determined contribution	7,300,799	7,409,326	10,032,730	19,422,945
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 100,583,668	\$ 102,312,968	\$ 98,883,699	\$ 91,765,187
Contribution as a percentage of covered-employee payroll	7.26%	7.24%	10.15%	21.17%

This is a 10 year schedule, however the information in this schedule is not required to be presented retrospectively.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2021**

	Reporting Fiscal Year (Measurement Date)			
	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)
CalSTRS				
District's proportion of the net pension liability	0.097%	0.099%	0.100%	0.093%
District's proportionate share of the net pension liability	\$ 94,163,889	\$ 89,111,000	\$ 91,965,000	\$ 85,792,000
State's proportionate share of the net pension liability associated with the District	48,541,103	48,616,000	52,654,000	50,754,000
Total	\$ 142,704,992	\$ 137,727,000	\$ 144,619,000	\$ 136,546,000
District's covered - employee payroll	\$ 51,023,000	\$ 53,033,000	\$ 53,265,000	\$ 47,739,000
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	184.55%	168.03%	172.66%	179.71%
Plan fiduciary net position as a percentage of the total pension liability	71.80%	72.56%	70.99%	69.46%
	Reporting Fiscal Year (Measurement Date)			
	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)
CalPERS				
District's proportion of the net pension liability	0.411%	0.412%	0.397%	0.380%
District's proportionate share of the net pension liability	\$ 126,215,477	\$ 119,992,000	\$ 105,725,000	\$ 91,241,000
District's covered - employee payroll	\$ 56,870,000	\$ 57,027,000	\$ 52,301,000	\$ 48,676,000
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	221.94%	210.41%	202.15%	187.45%
Plan fiduciary net position as a percentage of the total pension liability	70.00%	70.05%	70.85%	71.87%

Note: In the future, as data becomes available, ten years of information will be presented.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2021**

	Reporting Fiscal Year (Measurement Date)		
	2017 (2016)	2016 (2015)	2015 (2014)
CalSTRS			
District's proportion of the net pension liability	0.092%	0.105%	0.105%
District's proportionate share of the net pension liability	\$ 74,125,000	\$ 70,426,000	\$ 60,122,504
State's proportionate share of the net pension liability associated with the District	42,202,000	37,248,000	37,062,000
Total	<u>\$ 116,327,000</u>	<u>\$ 107,674,000</u>	<u>\$ 97,184,504</u>
District's covered - employee payroll	\$ 45,675,000	\$ 48,554,000	\$ 46,781,000
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	162.29%	145.05%	128.52%
Plan fiduciary net position as a percentage of the total pension liability	70.04%	74.02%	76.52%
	Reporting Fiscal Year (Measurement Date)		
	2017 (2016)	2016 (2015)	2015 (2014)
CalPERS			
District's proportion of the net pension liability	0.370%	0.363%	0.358%
District's proportionate share of the net pension liability	\$ 72,981,000	\$ 53,485,000	\$ 40,542,482
District's covered - employee payroll	\$ 44,332,000	\$ 40,172,000	\$ 37,548,000
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	164.62%	133.14%	107.98%
Plan fiduciary net position as a percentage of the total pension liability	73.89%	79.43%	83.38%

Note: In the future, as data becomes available, ten years of information will be presented.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CONTRIBUTIONS - PENSIONS
FOR THE YEAR ENDED JUNE 30, 2021**

CalSTRS	Reporting Fiscal Year			
	2021	2020	2019	2018
Statutorily required contribution	\$ 9,539,697	\$ 9,250,546	\$ 8,821,372	\$ 7,433,405
District's contributions in relation to the statutorily required contribution	9,539,697	9,250,546	8,821,372	7,433,405
District's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 59,069,331	\$ 51,023,000	\$ 54,185,000	\$ 51,514,000
District's contributions as a percentage of covered-employee payroll	16.15%	17.10%	16.28%	14.43%
CalPERS	Reporting Fiscal Year			
	2021	2020	2019	2018
Statutorily required contribution	\$ 13,470,217	\$ 11,215,354	\$ 10,306,432	\$ 8,137,083
District's contributions in relation to the statutorily required contribution	13,470,217	11,215,354	10,306,432	8,137,083
District's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 65,073,512	\$ 56,870,000	\$ 57,061,000	\$ 52,393,000
District's contributions as a percentage of covered-employee payroll	20.70%	19.72%	18.06%	15.53%

Note: In the future, as data becomes available, ten years of information will be presented.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CONTRIBUTIONS - PENSIONS
FOR THE YEAR ENDED JUNE 30, 2021**

CaI STRS	Reporting Fiscal Year		
	2017	2016	2015
Statutorily required contribution	\$ 6,005,598	\$ 4,900,874	\$ 4,311,554
District's contributions in relation to the statutorily required contribution	6,005,598	4,900,874	4,311,554
District's contribution deficiency (excess)	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 47,739,000	\$ 45,675,000	\$ 48,554,000
District's contributions as a percentage of covered-employee payroll	12.58%	10.73%	8.88%

CaI PERS	Reporting Fiscal Year		
	2017	2016	2015
Statutorily required contribution	\$ 6,760,065	\$ 5,252,004	\$ 4,728,591
District's contributions in relation to the statutorily required contribution	6,760,065	5,252,004	4,728,591
District's contribution deficiency (excess)	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 48,676,000	\$ 44,332,000	\$ 40,172,000
District's contributions as a percentage of covered-employee payroll	13.89%	11.85%	11.77%

Note: In the future, as data becomes available, ten years of information will be presented.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021**

NOTE 1 - PURPOSE OF SCHEDULES

Schedule of Changes in Net OPEB Liability and Related Ratios

The Schedule of Changes in Net OPEB liability is presented to illustrate the elements of the District's Net OPEB liability. There is a requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Schedule of Contributions – OPEB

This schedule presents information on the District's actuarially determined contribution, contributions in relation to the actuarially determined contribution, and any excess or deficiency related to the actuarially determined contribution. In the future, as data becomes available, 10 years of information will be presented

Schedule of Proportionate Share of the Net Pension Liability

The Schedule of the District's Proportionate Share of the Net Pension Liability is presented to illustrate the elements of the District's Net Pension Liability. There is a requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Schedule of Contributions – Pensions

The Schedule of the District's Contributions is presented to illustrate the District's required contributions relating to the pensions. There is a requirement to show information for 10 years. However, until a full 10- year trend is compiled, governments should present information for those years for which information is available.

Changes of Benefit Terms

There are no changes in benefit terms reported in the Required Supplementary Information.

Changes of Assumptions

There are no changes in assumptions reported in the Required Supplementary Information.

SUPPLEMENTARY INFORMATION

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
DISTRICT ORGANIZATION
FOR THE YEAR ENDED JUNE 30, 2021**

The San Mateo County Community College District was established in 1922, and includes three college campuses located in San Mateo County. The District's boundaries have been and remain co-terminus with the borders of San Mateo County. The District's three colleges are each accredited by the Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges. The District is governed by a board of trustees, comprised of five members elected from designated areas for four-year terms, and a student trustee elected to a one-year term.

GOVERNING BOARD

MEMBER	OFFICE	TERM EXPIRES
Thomas A. Nuris	President	2022
Richard Holober	Vice President-Clerk	2022
Maurice Goodman	Trustee	2024
Lisa Petrides	Trustee	2024
John Pimentel	Trustee	2024
Ashley Garcia	Student Trustee	2022

DISTRICT ADMINISTRATION

Michael E. Claire
Chancellor

Dr. Richard Storti
Executive Vice Chancellor of Administrative Services

Bernata Slater
Chief Financial Officer

Kim Lopez
Interim President, Cañada College

Dr. Melissa Moreno
President, Skyline College

Dr. Jennifer Taylor-Mendoza
President, College of San Mateo

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Grant Number	Total Program Expenditures	Sub-recipient Award Amount
U.S. DEPARTMENT OF EDUCATION				
<i>Direct Program</i>				
Student Financial Assistance Cluster				
Federal Work Study Program	84.033	-	\$ 257,322	\$ -
Federal Pell Grant	84.063	-	9,791,618	-
Federal Supplemental Educational Opportunity Grant	84.007	-	611,750	-
Federal Direct Student Loans	84.268	-	651,956	-
Subtotal Student Financial Aid Cluster			11,312,646	-
TRIO Cluster				
Student Support Services	84.042A	-	799,922	-
Upward Bound	84.047A	-	276,410	-
Subtotal TRIO Cluster			1,076,333	-
Higher Education Program				
Higher Education-Institutional Aid HSI STEM	84.031C	-	2,323,895	-
Higher Education-Institutional Aid HSI Cooperative	84.031S	-	1,622,205	152,290
Subtotal Higher Education			3,946,100	152,290
Minority Science and Engineering Improvement				
	84.120A	-	41,392	-
Higher Education Emergency Relief Fund				
COVID-19 HEERF Student Portion	84.425E	-	2,863,822	-
COVID-19 HEERF Institutional Portion	84.425F	-	9,507,006	-
COVID-19 HEERF Minority Serving Institutions	84.425L	-	409,434	-
Subtotal Higher Education Emergency Relief Fund			12,780,262	-
<i>Passed through California Community Colleges Chancellor's Office</i>				
CTEA I-C Basic Grants to States	84.048A	20-C01-052	501,986	-
Total Department of Education			29,658,719	152,290
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
<i>Passed through California Community Colleges Chancellor's Office:</i>				
Temporary Assistance for Needy Families	93.558	-	85,260	-
Title IV-E Foster Care	93.658	-	28,817	-
<i>Passed through California Department of Education/CDTC:</i>				
Child Care Development Cluster				
Child Care and Development Block Grant	93.575	20-21-4553, 20-21-4047, CCTR0249	39,602	-
COVID 19 - Child Care and Development Block Grant	93.575	-	7,718	-
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	CCTR0249	15,703	-
Subtotal Child Care Development Cluster			63,023	-
Total Department of Health and Human Services			177,100	-
NATIONAL SCIENCE FOUNDATION				
Research Cluster				
<i>Direct Program</i>				
Education and Human Resources	47.076	-	550,461	49,403
<i>Passed through San Jose Evergreen Community College District</i>				
Education and Human Resources	47.076	SC-SUB-G1288	100	-
Total National Science Foundation Research Cluster			550,561	49,403
US DEPARTMENT OF THE TREASURY				
<i>Passed through California Community Colleges Chancellor's Office:</i>				
COVID-19 Coronavirus Relief Fund	21.019	-	742,060	-
<i>Passed through County of San Mateo</i>				
COVID-19 Coronavirus Relief Fund	21.019	-	55,000	-
Total Department of Treasury			797,060	-
Total Federal Programs			\$ 31,183,440	\$ 201,693

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

Program	Program Revenues			Total Revenue	Total Program Expenditures
	Cash Received*	Accounts Receivable	Deferred Revenue		
AB 77/DSPS	\$ 2,201,136	\$ -	\$ 59,575	\$ 2,141,561	\$ 2,141,561
Extended Opportunity Program	1,760,599	-	125,098	1,635,501	1,635,501
CARE/EOP	188,919	-	51,229	137,690	137,690
Foster & Kinship Care Education	56,670	-	-	56,670	56,670
AB602 FA Admin Allowance	760,558	-	-	760,558	760,558
T-Com and Technology	3,654	-	3,654	-	-
CalWORKs	447,906	-	78,876	369,030	369,030
AB1725 Staff Diversity	102,231	-	87,790	14,441	14,441
MESA CCCP/FSS	24,859	92,643	-	117,502	117,502
Lottery - Prop 20 - Instr Materials	510,839	480,923	-	991,762	752,157
YEP	(15,000)	15,000	-	-	-
UC Regents Puente Program-Skyline	-	2,500	-	2,500	2,500
UC Regents Puente Program-Canada	2,500	-	224	2,276	2,276
RSCCD CTE Data Unlocked Initiative	50,000	-	50,000	-	-
IEPI CCC Leadership Development	19,297	-	19,297	-	-
Feather River CCD IDRC Skyline	5,000	-	5,000	-	-
Guided Pathways Grant CCCCCO	563,075	-	198,727	364,348	364,348
Disaster Relief Emergency SF Aid	157,678	-	9,979	147,699	147,699
CCC Mental Health Services Grant	61,335	-	-	61,335	61,335
Innovation in Higher Education	1,246,681	-	258,826	987,855	987,855
Student Equity and Achievement Prog	1,446,542	5,436,550	-	6,883,092	6,883,092
Nursing Education Program Support	208,243	-	-	208,243	208,243
SMUHSD - ACCEL CAEP	150,014	-	-	150,014	150,014
CCCCO 1819 Strong Workforce Local	1,207,280	-	-	1,207,280	1,207,280
Student Success Completion Grant	1,395,526	-	24,867	1,370,659	1,370,659
CCCCO Financial Aid Technology	370,159	-	140,948	229,211	229,211
Veteran Res Center Grant Prog	(2,182)	2,239	-	57	57
UC Regents Puente Program CSM	2,794	-	-	2,794	2,794
SBDC-HSUSPF GO-Biz TAEP 1819	(20)	20	-	-	-
Mental Health Support 2018-20	25,171	-	-	25,171	25,171
Veteran Resource Center 1819 approp	63,775	-	97	63,678	63,678
Incarcerated Students Reentry Prog	(1,551)	4,888	-	3,337	3,337
Classified Prof Dev 1819, apport	108,368	-	108,368	-	-
Umoja Program	6,100	-	-	6,100	6,100
SMUHSD- ACCEL CAEP 12/31/21	513,467	-	159,511	353,956	353,956
Cabrillo CCD Strong Workforce Reg	(8,449)	1,348,622	-	1,340,173	1,340,173
FHDA CCD, CCCCCO Online CTE Pathways	356,426	-	-	356,426	356,426
RSCCD DSN Global Trade	(51,034)	98,644	-	47,610	47,610
RSCCD DSN Health	(13,884)	34,919	-	21,035	21,035
Veteran Resource Center 1920 approp	224,588	-	141,208	83,380	83,380
California College Promise 1920	154,721	-	-	154,721	154,721
CCCCO 1920 Strong Workforce Local	2,393,494	-	1,288,132	1,105,362	1,105,362
RSCCD DSN Energy Constr & Util 1920	58,266	-	-	58,266	58,266
Hunger Free Campus Support 2019-21	33,710	-	-	33,710	33,710
Cabrillo CCD 1920 Strong Workforce	-	862,232	-	862,232	862,232
SCCCD IEPI Equity Institute	200,000	-	-	200,000	200,000
Adult Ed Program - ACCEL 20-21	517,504	-	476,616	40,888	40,888
Veteran Resource Center 20-21	224,588	-	208,821	15,767	15,767
Strong Workforce Local CCCCCO 20-21	2,356,943	-	2,356,943	-	-
California College Promise 20-21	1,597,541	-	120,646	1,476,895	1,476,895
COVID-19 Response Block Grant - ST	910,888	-	303,074	607,814	607,814
Umoja Program 2020-21	18,000	-	3,537	14,463	14,463
RSCCD RD Energy Constr & Util 2021	-	133,163	-	133,163	133,163
Dreamer Resource Liaisons 20-21	116,222	-	105,811	10,411	10,411
Veteran Resource Center One Time	108,028	-	108,028	-	-
RSCCD RD Global Trade	-	125,000	29,565	95,435	95,435
Immediate Action Emergency FA	1,048,208	-	1,048,208	-	-
Immediate Action Student Outreach	249,528	-	247,384	2,144	2,144
Immediate Action CalFresh Outreach	38,627	-	38,627	-	-
RSCCD RD Special Projects	-	134,726	-	134,726	134,726
Capital Outlay Projects	239,940	26,107	-	266,047	260,726
CDE Child Development	185,325	6,564	22,002	169,887	169,887
Cal Grant	1,311,351	10,657	5,181	1,316,827	1,316,827
Total	\$ 25,912,154	\$ 8,815,397	\$ 7,885,849	\$ 26,841,702	\$ 26,596,776

*Cash received includes funds received in prior years

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
SCHEDULE OF WORKLOAD MEASURES FOR STATE GENERAL APPORTIONMENT – ANNUAL
ATTENDANCE
FOR THE YEAR ENDED JUNE 30, 2021**

CATEGORIES	Reported Data	Audit Adjustment	Audited Data
A. Summer Intersession (Summer 2020 only)			
1. Noncredit	2.13	-	2.13
2. Credit	2,436.32	-	2,436.32
B. Summer Intersession (Summer 2021 - Prior to July 1, 2021)			
1. Noncredit	-	-	-
2. Credit	-	-	-
C. Primary Terms (Exclusive of Summer Intersession)			
1. Census Procedure Courses			
(a) Weekly Census Contact Hours	5,493.60	-	5,493.60
(b) Daily Census Contact Hours	266.55	-	266.55
2. Actual Hours of Attendance Procedure Courses			
(a) Noncredit	9.21	-	9.21
(b) Credit	457.95	-	457.95
3. Independent Study/Work Experience			
(a) Weekly Census Contact Hours	4,450.05	-	4,450.05
(b) Daily Census Contact Hours	993.65	-	993.65
(c) Noncredit Independent Study/Distance Education Courses	-	-	-
D. Total FTES	14,109.46	-	14,109.46
Supplemental Information (subset of above information)			
E. In-service Training Courses	-	-	-
H. Basic Skills Courses and Immigrant Education			
1. Credit	134.82	-	134.82
2. Noncredit	12.60	-	12.60
Total Basic Skills FTES	147.42	-	147.42

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT (CCFS-311) WITH AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

There were no adjustments to the Annual Financial and Budget Report (CCFS-311) which required reconciliation to the audited financial statements at June 30, 2021.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021**

Total Fund Equity - District Funds Included in the Reporting Entity

General fund	\$	86,854,739	
Debt service fund		59,112,355	
Capital project funds		235,990,508	
Internal service funds		19,582,225	
Auxiliary funds		8,161,434	
Student financial aid fund		81,380	
Student activity funds		<u>1,470,916</u>	\$ 411,253,557
Assets recorded within the statements of net position not included in the District fund financial statements:			
Capital assets	\$	1,175,264,333	
Accumulated depreciation		<u>(361,121,129)</u>	814,143,204
Unmatured Interest			(9,288,687)
Lease payable			(14,443,454)
Deferred outflows recorded within the statement of net position not included in the District fund financial statements:			
Deferred outflows related to bond refundings			16,894,977
Deferred outflows related to OPEB			9,967,899
Deferred outflows related to pensions			49,695,066
Liabilities recorded within the statement of net position not recorded in the District fund financial statements:			
General obligation bonds	\$	761,305,961	
Unamortized bond premiums		38,356,006	
Accreted interest		258,247,466	
Compensated absences		8,352,285	
Net OPEB liability/(asset)		(40,256,406)	
Net pension liability		<u>220,379,366</u>	(1,246,384,678)
Deferred inflows recorded within the statement of net position not included in the District fund financial statements:			
Deferred charge on refunding			(4,341,458)
Deferred inflows related to OPEB			(32,817,506)
Deferred inflows related to pensions			<u>(7,952,437)</u>
Net Assets Reported Within the Statement of Net Position			\$ (13,273,517)

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
RECONCILIATION OF EDUCATION CODE SECTION 84362 (50 PERCENT LAW) CALCULATION
FOR THE YEAR ENDED JUNE 30, 2021**

	Object/ TOP Codes	Activity (ESCA) ECS 84362 A Instructional Salary Cost AC 0100-5900 & AC 6100			Activity (ECSB) ECS 84362 B Total CEE AC 0100-6799		
		Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
<u>Academic Salaries</u>							
Instructional Salaries							
Contract or Regular	1100	28,052,761	-	28,052,761	28,052,761	-	28,052,761
Other	1300	18,989,613	-	18,989,613	18,989,613	-	18,989,613
Total Instructional Salaries		47,042,374	-	47,042,374	47,042,374	-	47,042,374
Non-Instructional Salaries							
Contract or Regular	1200	-	-	-	18,082,817	-	18,082,817
Other	1400	-	-	-	2,485,950	-	2,485,950
Total Non-Instructional Salaries		-	-	-	20,568,767	-	20,568,767
Total Academic Salaries		47,042,374	-	47,042,374	67,611,141	-	67,611,141
<u>Classified Salaries</u>							
Non-Instructional Salaries							
Regular Status	2100	-	-	-	38,591,262	-	38,591,262
Other	2300	-	-	-	2,024,007	-	2,024,007
Total Non-Instructional Salaries		-	-	-	40,615,269	-	40,615,269
Instructional Aides							
Regular Status	2200	2,349,251	-	2,349,251	2,533,413	-	2,533,413
Other	2400	867,150	-	867,150	867,813	-	867,813
Total Instructional Aides		3,216,401	-	3,216,401	3,401,226	-	3,401,226
Total Classified Salaries		3,216,401	-	3,216,401	44,016,495	-	44,016,495
Employee Benefits	3000	19,395,192	-	19,395,192	43,105,428	-	43,105,428
Supplies and Materials	4000	-	-	-	1,541,079	-	1,541,079
Other Operating Expenses	5000	28,591	-	28,591	14,795,902	-	14,795,902
Equipment Replacement	6420	-	-	-	-	-	-
Total Expenditures Prior to Exclusions		69,682,558	-	69,682,558	171,070,045	-	171,070,045
<u>Exclusions</u>							
Activities to Exclude							
Inst. Staff-Retirees' Benefits and Incentives	5900	-	-	-	-	-	-
Std. Health Svcs. Above Amount Collected	6441	-	-	-	866,790	-	866,790
Student Transportation	6491	-	-	-	32,169	-	32,169
Non-inst.Staff-Retirees' Benefits and Incentives	6740	-	-	-	-	-	-
Object to Exclude							
Rents and Leases	5060	-	-	-	118,888	-	118,888
Lottery Expenditures		-	-	-	-	-	-
Academic Salaries	1000	-	-	-	2,457,549	-	2,457,549
Classified Salaries	2000	-	-	-	-	-	-
Employee Benefits	3000	-	-	-	-	-	-
Supplies and Materials	4000	-	-	-	-	-	-
Software	4100	-	-	-	-	-	-
Books, Magazines & Periodicals	4200	-	-	-	-	-	-
Instructional Supplies & Materials	4300	-	-	-	-	-	-
Non-inst. Supplies & Materials	4400	-	-	-	-	-	-
Total Supplies and Materials		-	-	-	-	-	-
Other Operating Expenses and Services	5000	-	-	-	-	-	-
Capital Outlay	6000	-	-	-	-	-	-
Library Books	6300	-	-	-	-	-	-
Equipment	6400	-	-	-	-	-	-
Equipment - Additional	6410	-	-	-	-	-	-
Equipment - Replacement	6420	-	-	-	-	-	-
Total Equipment		-	-	-	-	-	-
Total Capital Outlay		-	-	-	-	-	-
Other Outgo	7000	-	-	-	-	-	-
Total Exclusions		\$ -	\$ -	\$ -	\$ 3,475,396	\$ -	\$ 3,475,396
Total for ECS 84362, 50% Law		\$ 69,682,558	\$ -	\$ 69,682,558	\$ 167,594,649	\$ -	\$ 167,594,649
Percent of CEE (Instructional Salary Cost/Total CEE)		41.58%	0.00%	41.58%	100.00%	0.00%	100.00%
50% of Current Expense of Education		\$ -	\$ -	\$ -	\$ 83,797,325	\$ -	\$ 83,797,325

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
 EDUCATION PROTECTION ACCOUNT (EPA) EXPENDITURE REPORT
 FOR THE YEAR ENDED JUNE 30, 2021**

EPA Revenue	1,525,427
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Activity Classification	Activity Code	Salaries and Benefits	Operating Expenses	Capital Outlay	Total
		(Obj 1000-3000)	(Obj 4000-5000)	(Obj 6000)	
Instructional Activities	0100-5900	1,181,953	-	-	1,181,953
Media	6130	111,448	-	-	111,448
Custodial Services	6530	150,787	-	-	150,787
Management Information Systems	6780	81,239	-	-	81,239
Total		1,525,427	-	-	1,525,427

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTE TO SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021**

NOTE 1 - PURPOSE OF SCHEDULES

District Organization

This schedule provides information about the District's governing board members and administration members.

Schedule of Expenditures of Federal Awards

The Schedule of Expenditure of Federal Awards includes the federal award activity of San Mateo Community College District, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-21, Cost Principles for Educational Institutions or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Schedule of Expenditures of State Awards

The accompanying Schedule of State Financial Awards includes State grant activity of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented to comply with reporting requirements of the California Community College Chancellor's Office.

Schedule of Workload Measures for State General Apportionment – Annual Attendance

Full-time equivalent students is a measurement of the number of students 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 annual attendance measurements of students throughout the District.

Reconciliation of Annual Financial and Budget Report (CCFS-311) with Audited Financial Statements

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

Reconciliation of Governmental Funds to the Statement of Net Position

This schedule provides the information necessary to reconcile the fund balances to the audited financial statements.

Reconciliation of Education Code Section 84362 (50 Percent Law) Calculation

ECS 84362 requires the District to expend a minimum of 50 percent of the unrestricted General Fund monies on salaries of classroom instructors. This is reported annually to the State Chancellor's Office. This schedule provides a reconciliation of the amount reported to the State Chancellor's Office and the impact of any audit adjustments and/or corrections noted during the audit.

Education Protection Account (EPA) Expenditure Report

This schedule provides information about the District's EPA proceeds and summarizes how the EPA proceeds were spent.

OTHER INDEPENDENT AUDITORS' REPORTS



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

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

We have audited, in accordance with the 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, the financial statements of the business-type activities, the fiduciary activities and the discretely presented component unit of San Mateo County Community College District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise San Mateo County Community College District's basic financial statements, and have issued our report thereon dated December 1, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered San Mateo County Community College District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of San Mateo County Community College District's internal control. Accordingly, we do not express an opinion on the effectiveness of San Mateo County Community College District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether San Mateo County Community College District's financial statements are free from 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 financial statements. 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CWDL, Certified Public Accountants

San Diego, California
December 1, 2021



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND
REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

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

Report on Compliance for Each Major Federal Program

We have audited San Mateo County Community College District's compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of San Mateo County Community College District's major federal programs for the year ended June 30, 2021. San Mateo County Community College District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the Federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of San Mateo County Community College District's major federal programs based on our audit of the types of compliance requirements referred to above. 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; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance 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 San Mateo County Community College 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 on compliance for each major federal program. However, our audit does not provide a legal determination of San Mateo County Community College District's compliance.

Opinion on Each Major Federal Program

In our opinion, San Mateo County Community College District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of San Mateo County Community College District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered San Mateo County Community College District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of San Mateo County Community College District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



San Diego, California
December 1, 2021



INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

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

Report on State Compliance

We have audited San Mateo County Community College District's (the District) compliance with the types of compliance requirements described in the *California Community Colleges Contracted District Audit Manual (CDAM) 2020-21*, issued by the California Community Colleges Chancellor's Office for the year ended June 30, 2021.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on San Mateo County Community College District's compliance with the requirements referred to above. 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; and the *California Community Colleges Contracted District Audit Manual (CDAM) 2020-21*, issued by the California Community Colleges Chancellor's Office. Those standards 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 the state programs noted below. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such procedures as we consider necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

Opinion of State Compliance

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that are applicable to the programs noted below that were audited for the year ended June 30, 2021.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the 2020-21 Contracted District Audit Manual, published by the California Community Colleges Chancellor's Office, and which is described in the accompanying schedule of findings and questioned costs as item #2021-001. Our opinion on each state program is not modified with respect to these matters.

The District's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Procedures Performed

In connection with the audit referred to above, we selected and tested transactions and records to determine the District's compliance with State laws and regulations applicable to the following:

- Section 411 – SCFF Data Management Control Environment
- Section 412 – SCFF Supplemental Allocation Metrics
- Section 413 – SCFF Success Allocation Metrics
- Section 421 – Salaries of Classroom Instructors (50 Percent Law)
- Section 423 – Apportionment for Activities Funded From Other Sources
- Section 424 – Student Centered Funding Formula Base Allocation: FTES
- Section 425 – Residency Determination for Credit Courses
- Section 426 – Students Actively Enrolled
- Section 427 – Dual Enrollment (CCAP and Non-CCAP)
- Section 430 – Scheduled Maintenance Program
- Section 431 – Gann Limit Calculation
- Section 435 – Open Enrollment
- Section 444 – Apprenticeship Related and Supplemental Instruction (RSI) Funds
- Section 475 – Disabled Student Programs and Services (DSPS)
- Section 479 – To Be Arranged Hours (TBA)
- Section 490 – Propositions 1D and 51 State Bond Funded Projects
- Section 491 – Education Protection Account Funds
- Section 499 – COVID-19 Response Block Grant Expenditures

Purpose of this Report

The purpose of this report on state compliance is solely to describe the results of testing based on the requirements of the California Community Colleges Contracted District Audit Manual (CDAM) 2020-21. Accordingly, this report is not suitable for any other purpose.

CWDL, Certified Public Accountants

San Diego, California
December 1, 2021

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
JUNE 30, 2021**

Section I – Schedule of Audit Findings and Questioned Costs

FINANCIAL STATEMENTS

Type of auditors' report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified not considered to be material weaknesses?	<u>None reported</u>
Non-compliance material to financial statements noted?	<u>No</u>

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified not considered to be material weaknesses?	<u>None reported</u>
Type of auditors' report issued on compliance for major programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards	<u>No</u>
Identification of major programs:	

<u>CFDA Numbers</u>	<u>Name of Federal Program of Cluster</u>
<u>84.033, 84.063, 84.007, 84.268</u>	<u>Student Financial Aid Cluster</u>
<u>84.425E, 84.425F, 84.425L</u>	<u>Higher Education Emergency Relief Funds</u>
<u>21.019</u>	<u>COVID-19 Coronavirus Relief Fund</u>

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 935,503</u>
Auditee qualified as low-risk auditee?	<u>Yes</u>

STATE AWARDS

Internal control over State programs:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified not considered to be material weaknesses?	<u>Yes</u>
Type of auditors' report issued on compliance for State programs:	<u>Unmodified</u>

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
FINANCIAL STATEMENT FINDINGS AND RECOMMENDATIONS
JUNE 30, 2021**

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards.

There were no financial statement findings or recommendations identified during 2020-21.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
JUNE 30, 2021**

Section III – Federal Award Findings and Questioned Costs

This section identifies the audit findings required to be reported by the Uniform Guidance (e.g., deficiencies, significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs).

There were no federal award findings or questioned costs identified during 2020-21.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
STATE AWARD FINDINGS AND QUESTIONED COSTS
JUNE 30, 2021**

Section IV – State Award Findings and Questioned Costs

This section identifies the audit findings pertaining to noncompliance with state program rules and regulations.

FINDING #2021-001 – STATE COMPLIANCE – SALARIES OF CLASSROOM INSTRUCTORS (50 PERCENT LAW) (30000)

Criteria

Education Code Section 84362, commonly known as the 50 Percent Law, requires that a minimum of 50 percent of the district's Current Expense of Education (CEE) be expended during each fiscal year for "Salaries of Classroom Instructors."

Condition

The District failed to meet the required 50 percent minimum.

Effect

Less than 50 percent of the District's Current Expense of Education (CEE) was expended for salaries of classroom instructors, thereby the District is not in compliance with Education Code Section 84362.

Cause

The District expended more on non-instructional costs than instructional costs in the Current Expense of Education.

Fiscal Impact

None. The District is primarily funded from property taxes.

Recommendation

The District should come into compliance with the 50 Percent Law by expending a higher amount of the District's CEE for salaries of classroom instructors, or by reducing non- instructional costs.

Views of Responsible Officials

The District closely monitors spending and the requirements of the 50% law and proactively evaluates resources and spending options designed to address the gap from compliance. Recent allocation decisions demonstrate the District's commitment in reducing the compliance gap with direct investment in instruction. Included in the 2020-21 Adopted Budget was a \$.7 million investment in on-going resources to convert part-time faculty to full-time faculty. In addition, the District also allocated \$.6 million in 2020-21 and \$1.5 million in 2021-22 in additional instructional resources addressing part-time faculty pay.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
JUNE 30, 2021**

FINDING #2020-001 – STATE COMPLIANCE – SALARIES OF CLASSROOM INSTRUCTORS (50 PERCENT LAW) (30000)

Criteria

Education Code Section 84362, commonly known as the 50 Percent Law, requires that a minimum of 50 percent of the district's Current Expense of Education (CEE) be expended during each fiscal year for "Salaries of Classroom Instructors."

Condition

The District failed to meet the required 50 percent minimum.

Effect

Less than 50 percent of the District's Current Expense of Education (CEE) was expended for salaries of classroom instructors, thereby the District is not in compliance with Education Code Section 84362.

Cause

The District expended more on non-instructional costs than instructional costs in the Current Expense of Education.

Fiscal Impact

Not determinable.

Recommendation

The District should come into compliance with the 50 Percent Law by expending a higher amount of the District's CEE for salaries of classroom instructors, or by reducing non- instructional costs.

Views of Responsible Officials

The District allocated \$.7 million in on-going funds in 2020-21 Adopted Budget to convert part- time faculty to full-time faculty as follows: four teaching faculty at Skyline College, three teaching faculty at the College of San Mateo, and three teaching faculty at Cañada College. The colleges have begun the process of prioritizing and will fill these new full-time positions as soon as possible. The District will continue monitoring the issue of 50% law compliance as new ongoing funding is identified and approved to bring the District closer to compliance with the law.

Current Status

See finding #2021-001.

BOARD REPORT NO. 21-12-104B

TO: Members of the Board of Trustees
FROM: Michael Claire, Chancellor
PREPARED BY: Bernata Slater, Chief Financial Officer

RECEIPT AND ACCEPTANCE OF THE 2020-2021 KCSM AUDIT REPORT

Attached are copies of the audits of KCSM-FM financial records, prepared by the Board-approved firm of CWDL LLP. The audits were based upon the fiscal year ending June 30, 2021. A representative of the auditing firm will be present at this meeting to respond to questions about the audit in general and about the firm's findings and recommendations.

RECOMMENDATION

It is recommended that the Board of Trustees receive and accept the 2020-21 audit reports for KCSM-FM, which will be filed with the Corporation for Public Broadcasting prior to the January 31, 2022 due date.



See what's possible.

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

**FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

KCSM-FM
A PUBLIC COMMUNICATIONS ENTITY OPERATED AS A PROGRAM OF THE
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of KCSM-FM (a public telecommunications entity operated as a program of the San Mateo County Community College District), as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise KCSM-FM's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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, 2021 and 2020, and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements of KCSM-FM are intended to present the financial position, the change in financial position, and cash flows of only that portion of the San Mateo County Community College District that is attributable to the transactions of the program. They do not purport to, and do not, present fairly the financial position of San Mateo County Community College District as of June 30, 2021 and 2020, the changes in its financial position, or its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 1, 2021 on our consideration of the KCSM-FM'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 that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering KCSM-FM's internal control over financial reporting and compliance.



San Diego, California
December 1, 2021

**KCSM-FM
A PUBLIC COMMUNICATIONS ENTITY OPERATED AS A PROGRAM OF THE
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Introduction

The San Mateo County Community College District's (the District) Annual Financial Report presents management's discussion and analysis of KCSM-FM's financial activities during the fiscal years ended June 30, 2021 and June 30, 2020. 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 KCSM-FM's financial activities as a whole. These statements are:

- Statements of Net Position
- Statements of Revenues, Expenses and Change in Net Position
- Statements of Cash Flows

Financial Overview Summary

Compared with the prior year balance, total net position increased by over \$225 thousand, and ended in excess of \$2.3 million as of June 30, 2021. The increase in net position was primarily due to an increase in CPB Community Service Grants funding.

Reporting for the District and KCSM-FM as a Whole

Economic position of the District with the State

The District continues its community-supported status for the eleventh consecutive year (since FY 2011-12). When the State sets the District's revenue limit (determining how many students the District is funded to serve) and deducts from the revenue limit local property taxes, student fees, funds received from the Education Protection Account, and an on-going allocation since FY 2015-16 for full-time faculty hiring, there is no need for State apportionment to sum to the revenue limit. This means that the District has more resources than it would normally receive as a revenue limit district and is no longer subject to the State's budgetary constraints for general apportionment resources. The District is now firmly in community-supported status and anticipates receiving upwards of \$88 million in FY 2021-22 in excess of what the District would have received had it been subject to the revenue limit established by the State. In addition to an increase in property taxes, the District continues to receive funds from the dissolution of Redevelopment Agencies (RDAs). As fewer property taxes divert to the RDAs, the District receives more revenue. The former RDAs are also slowly selling assets, which brings additional one-time resources to the District's coffers. The District's revenues have steadily increased over the years; however, the impact of the pandemic on property taxes and thus this revenue stream for the District is uncertain. Given the District's community-supported status and its reliance on property taxes, which is dependent on assessed valuation (an economic lagging indicator), the District is anticipating lower property tax revenue increases over the next couple years and budgeting accordingly to ensure a balanced budget. The FY 2021-22 Final Budget anticipates an increase of 4.16%, which is consistent with data from the Assessor's Office.¹ However, even with this reduction in projected property tax revenue the District still projects a balanced budget for the next three fiscal years.

¹ <https://www.smcacre.org/assessor-clerk-recorder-press-releases-0>

**KCSM-FM
A PUBLIC COMMUNICATIONS ENTITY OPERATED AS A PROGRAM OF THE
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Reporting for the District and KCSM-FM as a Whole, continued

Economic position of the District with the State, continued

KCSM-FM is one of a handful of all-Jazz stations remaining in the nation. The station is funded mostly by listener contributions - 80%. In 2020/21, the station continued to increase the number of on-going monthly contributions (sustainers). The efforts to modify and improve the fund-drive process has produced incremental revenue to the station, as KCSM-FM consistently meets or exceeds its pledge-drive goals. This year staff continues to work with the Digital Media Department at the College of San Mateo in support of an alternative on-air stream that allows students to run and operate their own radio station. This is part of a concerted effort to strengthen the link between the radio station and the campus, as well as to be actively supportive of the Digital Media Department and the student body. KCSM-FM identified its biggest opportunity for audience growth to be outside of KCSM's designated market area, with continued efforts underway to cast a wider net through its desktop player and dedicated app, where the station has been able to increasingly reach a newer audience nationally and overseas.

**KCSM-FM
A PUBLIC COMMUNICATIONS ENTITY OPERATED AS A PROGRAM OF THE
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

STATEMENTS OF NET POSITION

	2021	2020
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 2,373,880	\$ 2,087,047
Accounts receivable	2,400	9,725
Prepaid expenses	2,856	4,477
Total current assets	<u>2,379,136</u>	<u>2,101,249</u>
Noncurrent Assets		
Capital assets, net	90,138	104,317
Total Noncurrent Assets	<u>90,138</u>	<u>104,317</u>
Total Assets	<u>2,469,274</u>	<u>2,205,566</u>
LIABILITIES		
Current Liabilities		
Accounts payable	49,620	83,975
Other liabilities	72,582	-
Total Liabilities	<u>122,202</u>	<u>83,975</u>
NET POSITION		
Investment in capital assets	90,138	104,317
Unrestricted	2,256,934	2,017,274
Total net position	<u>\$ 2,347,072</u>	<u>\$ 2,121,591</u>

The Statement of Net Position above includes all assets and liabilities of KCSM-FM using the accrual basis of accounting, which is similar to the accounting basis used by private companies. Net Position, the difference between total assets and total liabilities, is one way to measure the financial condition of KCSM-FM. The following are explanatory remarks for the statement:

- Cash and cash equivalents consist of cash in the San Mateo County Investment Pool.
- Accounts receivable primarily consists of revenues from local sources from which KCSM-FM had earnings but which were not received as of the fiscal year's closing date.
- Capital assets, net of depreciation, are the net historical value of equipment less accumulated depreciation.
- Accounts payable consist of payables to the local vendors which KCSM-FM incurred but for which payments were not issued as of the end of the fiscal year.
- According to GASB Statements, equity is reported as Net Position rather than Fund Balance. KCSM-FM's net position is classified as follows:
 - Investment in Capital Assets: this represents KCSM-FM's total investment in capital assets, net of accumulated depreciation and any liabilities issued to acquire the capital assets.
 - Unrestricted Net Position: this includes resources from fees, District support, and other services. These resources are used for transactions relating to the general operations of KCSM-FM and may be used at the discretion of the Board of Trustees to meet current expenses for any purpose.

**KCSM-FM
A PUBLIC COMMUNICATIONS ENTITY OPERATED AS A PROGRAM OF THE
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The Statement of Revenues, Expenses and Change in Net Position shown below consists of operating and non-operating results of KCSM-FM. Operating revenues represent all revenues from exchange transactions, in which each party gives and receives essentially equal value. Non-operating revenue consists of non-exchange transactions including support received from the District.

	2021	2020
Operating Revenues		
Direct Income		
Business and industry	\$ (1,365)	\$ 64,000
Other sales	11,821	8,475
Indirect Support		
San Mateo County Community College District	330,858	294,065
Total Operating Revenues	<u>341,314</u>	<u>366,540</u>
Operating Expenses		
Programming and production	668,159	816,014
Broadcasting	376,668	320,597
Program information and promotion	218,730	203,750
Management and general	782,869	566,737
Fundraising support	245,555	137,787
Underwriting and grant solicitation	-	15,551
Total Operating Expenses	<u>2,291,981</u>	<u>2,060,436</u>
Loss From Operations	<u>(1,950,667)</u>	<u>(1,693,896)</u>
Non-Operating Revenues		
Membership and donations	2,034,765	1,646,201
CPB community service grants	141,383	225,465
Total Non-Operating Revenues	<u>2,176,148</u>	<u>1,871,666</u>
Change in Net Position	225,481	177,770
Net Position, Beginning of Year	<u>2,121,591</u>	<u>1,943,821</u>
Net Position, End of Year	<u>\$ 2,347,072</u>	<u>\$ 2,121,591</u>

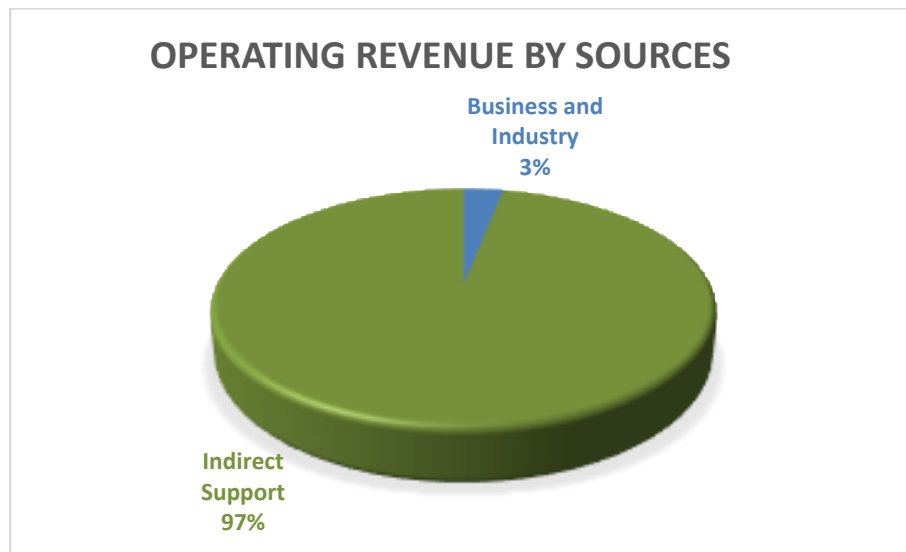
**KCSM-FM
A PUBLIC COMMUNICATIONS ENTITY OPERATED AS A PROGRAM OF THE
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

STATEMENTS OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION, continued

Explanatory information for the statement is as follows:

- CPB Community Service Grants: Payment from Corporation for Public Broadcasting designated to help provide a non-commercial, educational program stream to the community.
- Other Sales: Income that does not fit into other categories (e.g., gifts, donations, sales of tapes and videos).
- Business and Industry: Financial support from companies and corporations to support the station's operations.
- Membership and Donations: Financial support from individuals to support the operations of the station.
- Indirect Support: Expenses or facilities paid by the San Mateo County Community College District.

Below is an illustration of KCSM-FM operating revenues by source:



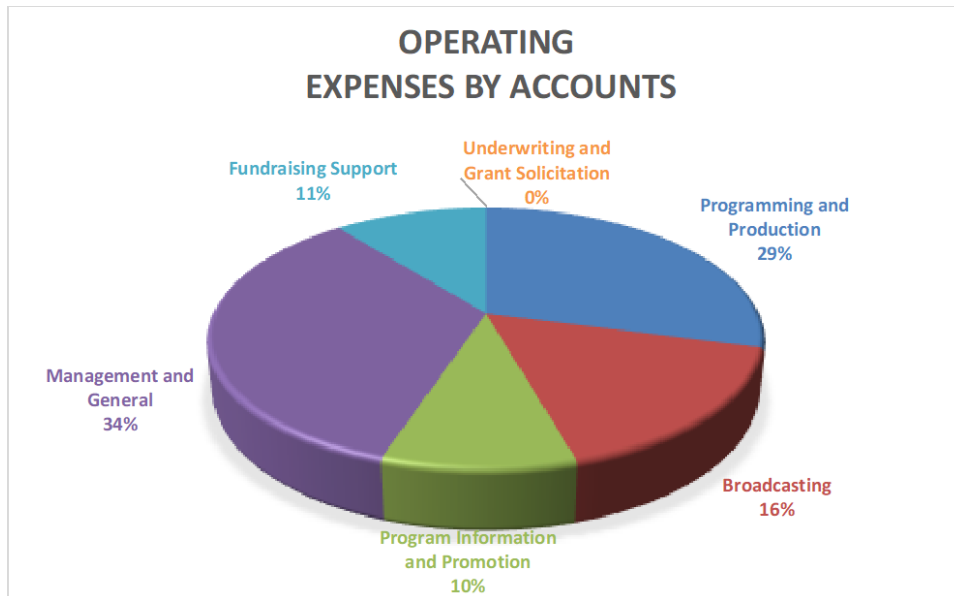
Revenues and expenses changed mainly due to the following:

- Revenue increased mainly due to an increase in membership and donations.
- Expenses increased mainly due to personnel cost increases adjusted for cost-of-living offset slightly by a decrease in broadcasting operational costs because of the campus closures brought upon by the pandemic.

**KCSM-FM
A PUBLIC COMMUNICATIONS ENTITY OPERATED AS A PROGRAM OF THE
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

STATEMENTS OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION, continued

Below is an illustration of KCSM-FM operating expenses by source:



KCSM-FM’s operating expenses are shown in the chart above. The following are explanatory comments for the Statement of Operating Expenses by Accounts:

- Programming and Production: Expenses incurred to purchase, schedule, produce and prepare programs for broadcast.
- Broadcasting: Expenses incurred to prepare, store, check quality, verify automation asset management, play out, and monitor program streams. Also included in this category is the maintenance, repair, design and installation of equipment necessary for the technical operations of the station. All costs for transmission such as rent and power are accounted for in this category.
- Program Information and Promotions: Expenses for all labor and costs to maintain the website; and design, outsource production of, and procurement of promotional materials.
- Management and General: Expenses for management services such as station manager(s), accounting, and administrative and legal services. Also included in this account is depreciation.
- Depreciation of capital assets is computed and recorded by the straight-line method. KCSM-FM 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
- Fundraising Support: All costs for pledge premiums, membership administrative services, and database management costs.
- Underwriting and Grant Solicitation: Expenses for costs incurred for underwriting solicitation and other solicitations from organizational support for the station.

**KCSM-FM
A PUBLIC COMMUNICATIONS ENTITY OPERATED AS A PROGRAM OF THE
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

STATEMENT OF 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 KCSM-FM's ability to generate net cash flows, and its ability to meet obligations as they come due or KCSM-FM's need for assistance via external financing. KCSM-FM 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 and non-operating activities consist of subscriptions and memberships, District support and CPB grants. Cash outlays include payment of salaries, benefits, supplies, programming, production and operating expenses.

	2021	2020
Cash Flows from Operating Activities		
Business and industry	\$ (1,365)	\$ 114,527
Other sales	11,821	8,474
District support	403,440	294,065
Payments to suppliers	(842,607)	(889,579)
Payments to employees	(1,460,604)	(1,110,078)
Net cash provided (used) by operating activities	<u>(1,889,315)</u>	<u>(1,582,591)</u>
Cash Flows from Financing Activities		
Memberships and donations	2,034,765	1,646,201
CPB community service grants	141,383	225,465
Net cash provided (used) by financing activities	<u>2,176,148</u>	<u>1,871,666</u>
Net change in cash and cash equivalents	286,833	289,075
Cash and Cash Equivalents, Beginning of Year	<u>2,087,047</u>	<u>1,797,972</u>
Cash and Cash Equivalents, End of Year	<u>\$ 2,373,880</u>	<u>\$ 2,087,047</u>

**KCSM-FM
A PUBLIC COMMUNICATIONS ENTITY OPERATED AS A PROGRAM OF THE
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Economic Factors and the 2021-22 Budget

Being community supported, the District's revenues primarily consist of property tax revenues and student fees and are relatively predictable. The County Assessor's Office has stated that the property tax base increased 4.16% county-wide as compared to 2020/21, which means the projected property tax revenues in 2021/22 are 4.16% higher than the prior year. This puts the District on solid financial footing for 2021/22 and beyond, albeit revenue increases are lower than in the past few years. Given uncertainty brought by the pandemic, the District is anticipating lower property tax revenue increases over the next couple of years and is planning accordingly by setting aside one-time funding to buttress against a potential economic downturn. The District continues to build multi-year financial plans and has planned balanced budgets through 2023/24.

KCSM FM: The station continues to focus on controlling costs and increasing revenue. Because of these efforts, sustainerships continue to grow, this year at a rate of 15% over the previous year. Because of the pandemic, underwriting practically disappeared in the last fiscal year. Most of underwriting revenue has dried up due to the pandemic and the impact to underwriting revenue has been deep and will likely be long-lasting.

In the face of negative market forces beyond the station's control, KCSM FM continues to explore new technologies and processes to improve productivity, efficiency, and control costs.

Contacting the Financial Management Office

This financial report is designed to provide citizens, taxpayers, students, investors and creditors with a general overview of KCSM-FM's finances and to illustrate the District's accountability for funding received. Questions or concerns about this report or requests for additional financial information should be addressed to Bernata Slater, Chief Financial Officer, by phone at 650-358-6755 or by e-mail at slaterb@smccd.edu.

FINANCIAL SECTION

KCSM-FM
A PUBLIC COMMUNICATIONS ENTITY OPERATED AS A PROGRAM OF THE
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
STATEMENTS OF NET POSITION
JUNE 30, 2021 AND 2020

ASSETS	2021	2020
Current Assets		
Cash and cash equivalents	\$ 2,373,880	\$ 2,087,047
Accounts receivable	2,400	9,725
Prepaid expenses	2,856	4,477
Total current assets	<u>2,379,136</u>	<u>2,101,249</u>
Noncurrent Assets		
Capital assets, net	<u>90,138</u>	104,317
Total Noncurrent Assets	<u>90,138</u>	<u>104,317</u>
Total Assets	<u>2,469,274</u>	<u>2,205,566</u>
 LIABILITIES		
Current Liabilities		
Accounts payable	49,620	83,975
Other liabilities	72,582	-
Total Liabilities	<u>122,202</u>	<u>83,975</u>
 NET POSITION		
Investment in capital assets	90,138	104,317
Unrestricted	<u>2,256,934</u>	<u>2,017,274</u>
Total net position	<u>\$ 2,347,072</u>	<u>\$ 2,121,591</u>

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

KCSM-FM
A PUBLIC COMMUNICATIONS ENTITY OPERATED AS A PROGRAM OF THE
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
Operating Revenues		
Direct Income		
Business and industry	\$ (1,365)	\$ 64,000
Other sales	11,821	8,475
Indirect Support		
San Mateo County Community College District	330,858	294,065
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Fundraising support	245,555	137,787
Underwriting and grant solicitation	-	15,551
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KCSM-FM
A PUBLIC COMMUNICATIONS ENTITY OPERATED AS A PROGRAM OF THE
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
Cash Flows from Operating Activities		
Business and industry	\$ (1,365)	\$ 114,527
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Cash and Cash Equivalents, Beginning of Year	<u>2,087,047</u>	<u>1,797,972</u>
Cash and Cash Equivalents, End of Year	<u>\$ 2,373,880</u>	<u>\$ 2,087,047</u>
Reconciliation of operating loss to net cash provided (used) by operating activities:		
Operating loss	\$ (1,950,667)	\$ (1,693,896)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation	14,179	19,035
Changes in assets and liabilities:		
Accounts receivable	7,325	50,528
Prepaid expenses	1,621	(4,477)
Accounts payable and other liabilities	<u>38,227</u>	<u>46,219</u>
Net cash provided (used) by operating activities	<u>\$ (1,889,315)</u>	<u>\$ (1,582,591)</u>

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

**KCSM-FM
A PUBLIC COMMUNICATIONS ENTITY OPERATED AS A PROGRAM OF THE
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: KCSM-FM is a public telecommunications radio station operated as a program of the 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).

For financial reporting purposes, San Mateo County Community College District is considered a special purpose government engagement only in business-type activities. Accordingly, KCSM-FM's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

Net Position: KCSM-FM's net position is classified as follows:

Net investment in capital assets – this represents KCSM-FM's total investment in capital assets, net of accumulated depreciation and any liabilities issued to acquire the capital assets.

Unrestricted net position – this includes resources from fees, District support, and other services. These resources are used for transactions relating to the general operations of KCSM-FM and may be used at the discretion of the Board of Trustees to meet current expenses for any purpose.

Classifications of Revenues and Expenses: Operating revenue includes activities that have the characteristics of exchange transactions, such as sales and services of auxiliary enterprises, and District Support. Non-operating revenue includes activities that have the characteristics of non-exchange transactions, such as local grants, and gifts and contributions. Operating expenses are those expenses directly attributable to the operations of KCSM-FM.

Capital Assets: 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 acquisition value at the date of donation. KCSM-FM maintains a capitalization threshold of \$5,000. 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 10 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.

KCSM-FM
A PUBLIC COMMUNICATIONS ENTITY OPERATED AS A PROGRAM OF THE
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

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

Income Taxes: KCSM-FM is a program of the San Mateo County Community College District. The 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, 2021 and 2020, are classified in the accompanying financial statements in the amount of \$2,373,880 and \$2,087,047, respectively. Cash accounts maintained by KCSM-FM are held by the San Mateo County Community College District in pooled amounts in the San Mateo County Investment Pool.

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 the San Mateo 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.

Because the District's deposits are maintained in a recognized pooled investment fund under the care of a third party and the District's share of the pool does not consist of specific, identifiable investment securities owned by the District, no disclosure of the individual deposits and investments or related custodial risk classifications is required.

The District's deposits in the fund are considered to be highly liquid. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool. The County Treasurer has indicated that there are no derivatives in the pool as of June 30, 2021.

KCSM-FM
A PUBLIC COMMUNICATIONS ENTITY OPERATED AS A PROGRAM OF THE
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 2 – DEPOSITS AND INVESTMENTS, continued

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 Issuer	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	7 years	100%	100%
Obligations of U.S. Agencies or Government			
Sponsored Enterprises	7 years	40%	100%
U.S Agency Securities	7 years	25%	100%
Commercial Paper	270 days	40%	5%
Negotiable Certificates of Deposit	5 years	30%	5%
Banker's Acceptance	180 days	15%	5%
Collateralized Time Deposits	1 year	15%	5%
Mortgage Backed Securities/CMO's	5 years	20%	5%
Asset Backed Securities	5 years	20%	5%
Corporate Bonds, Medium Term Notes & Covered Bonds	5 years	30%	5%
US Instrumentalities	5 years	30%	None
CA Municipal Obligations	5 years	30%	5%
Repurchase Agreements	92 days	100%	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Mutual Funds	N/A	20%	10%
Local Government Investments (LGIPs)	N/A	20%	10%

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 manage 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 \$2,373,880 as of June 30, 2021 and \$2,087,047 as of June 30, 2020. The fair value of this investment at June 30, 2021 and June 30, 2020 is approximately \$2,382,877 and \$2,126,800, respectively, with a weighted average maturity of approximately 1.81 years and 1.75 years respectively.

**KCSM-FM
A PUBLIC COMMUNICATIONS ENTITY OPERATED AS A PROGRAM OF THE
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 3 – CAPITAL ASSETS

Changes in equipment are summarized as follows as of June 30, 2021:

	Balance			Balance
	July 1, 2020	Additions	Deductions	June 30, 2021
Equipment	\$ 482,537	\$ -	\$ -	\$ 482,537
Less: Accumulated depreciation	378,220	14,179	-	392,399
Net Capital Assets	\$ 104,317	\$ (14,179)	\$ -	\$ 90,138

Changes in equipment are summarized as follows as of June 30, 2020:

	Balance			Balance
	July 1, 2019	Additions	Deductions	June 30, 2020
Equipment	\$ 550,649	\$ -	\$ 68,112	\$ 482,537
Less: Accumulated depreciation	427,297	19,035	68,112	378,220
Net Capital Assets	\$ 123,352	\$ (19,035)	\$ -	\$ 104,317

Depreciation expense for the years ended June 30, 2021, and June 30, 2020 was \$14,179 and \$19,035 respectively, and is included in management and general expenses.

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.

NOTE 5 – RELATED PARTY TRANSACTIONS

During the year, KCSM-FM received indirect administrative support from the College District totaling \$330,858 for the year ended June 30, 2021 and \$294,065 for the year ended June 30, 2020. This consisted of licensee indirect costs as agreed upon under the terms of a signed memorandum of understanding.

NOTE 6 – COVID-19 IMPACTS

In December 2019, a novel strain of coronavirus surfaced (COVID-19) and spread around the world, with resulting business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. The extent to which the coronavirus may impact business activity will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus or treat its impact, among others.

OTHER INDEPENDENT AUDITORS' REPORT



**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**

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

We have audited, in accordance with the 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, the financial statements of KCSM-FM a program of the San Mateo County Community College District as of and for the year ended June 30 2021, and the related notes to the financial statements, which collectively comprise KCSM-FM's financial statements, and have issued our report thereon dated December 1, 2021. The financial statement of KCSM-FM do not purport to present fairly the financial position of San Mateo County Community College District as of June 30, 2021, the changes in its position, or its cash flows, thereof for the year then ended.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered KCSM-FM's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of KCSM-FM's internal control. Accordingly, we do not express an opinion on the effectiveness of KCSM-FM's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether KCSM-FM's financial statements are free from 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CWDL, Certified Public Accountants

San Diego, California
December 1, 2021

BOARD REPORT NO. 21-12-105B

TO: Members of the Board of Trustees
FROM: Michael Claire, Chancellor
PREPARED BY: Bernata Slater, Chief Financial Officer

**RECEIPT AND ACCEPTANCE OF THE 2020-21
GENERAL OBLIGATION BOND FINANCIAL AND PERFORMANCE AUDITS**

Attached is a copy of the General Obligation Bond financial and performance audits for the San Mateo County Community College District, prepared by the Board-approved firm of CDWL LLP. The audits were based upon the fiscal year ending June 30, 2021. 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. Representatives of the Bond Oversight Committee will receive copies of the audit reports at their next meeting.

RECOMMENDATION

It is recommended that the Board of Trustees receive and accept the 2020-21 audit reports for the General Obligation Bond funds.



See what's possible.

**SAN MATEO COUNTY
COMMUNITY COLLEGE DISTRICT
MEASURE H
2014 ELECTION GENERAL OBLIGATION BONDS
FINANCIAL STATEMENTS**

**FOR THE FISCAL YEARS ENDED
JUNE 30, 2021 AND 2020**

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MEASURE H GENERAL OBLIGATION BONDS
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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of San Mateo County Community College District (the "District") Measure H General Obligation Bond activity included in the Measure H Bond Fund of the District as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Measure H General Obligation Bond activity of San Mateo County Community College District, as of June 30, 2021 and 2020, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the District's Measure H General Obligation Bond Fund and do not purport to, and do not, present fairly the financial position of the District as of June 30, 2021 and 2020, and the changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 1, 2021 on our consideration of the District's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts and other matters for the Measure H General Obligation Bond Fund. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance for the Measure H General Obligation Bond Fund. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering San Mateo County Community College District's internal control over financial reporting and compliance for the Measure H General Obligation Bond Fund.

CWDL, Certified Public Accountants

San Diego, California
December 1, 2021

FINANCIAL SECTION

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
 MEASURE H GENERAL OBLIGATION BONDS
 BALANCE SHEET
 JUNE 30, 2021 AND 2020**

	2021	2020
ASSETS		
Cash	\$ 83,907,390	\$ 156,659,932
Accounts receivable	305,048	1,007,332
Due from the District	-	134,597
Prepaid expenditures	74,791	375,081
	<hr/>	<hr/>
Total Assets	84,287,229	158,176,942
	<hr/>	<hr/>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	4,849,815	10,751,643
Total Liabilities	4,849,815	10,751,643
	<hr/>	<hr/>
Fund Balance		
Nonspendable	375,081	375,081
Restricted - capital projects	79,062,333	147,050,218
Total Fund Balance	79,437,414	147,425,299
	<hr/>	<hr/>
Total Liabilities and Fund Balance	\$ 84,287,229	\$ 158,176,942
	<hr/>	<hr/>

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

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MEASURE H GENERAL OBLIGATION BONDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

	2021	2020
REVENUES		
Interest income	\$ 1,532,121	\$ 3,231,042
Unrealized gain (loss) on cash in county	(2,732,329)	3,041,642
Total Revenues	<u>(1,200,208)</u>	<u>6,272,684</u>
EXPENDITURES		
Salaries and benefits	2,824,100	3,760,035
Supplies and materials	5,862,553	2,137,882
Capital construction and improvements	58,101,024	77,653,427
Total Expenditures	<u>66,787,677</u>	<u>83,551,344</u>
Net Change in Fund Balance	<u>(67,987,885)</u>	<u>(77,278,660)</u>
Restricted & Nonspendable Fund Balance, beginning of year	147,425,299	224,703,959
Restricted & Nonspendable Fund Balance, end of year	<u>\$ 79,437,414</u>	<u>\$ 147,425,299</u>

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

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MEASURE H GENERAL OBLIGATION BONDS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the San Mateo County Community College District's (the "District") Measure H Bond Fund (the "Measure H Bond Fund") conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The Measure H Bond Fund accounts for financial transactions in accordance with the policies and procedures of the California College Budget and Accounting Manual.

Financial Reporting Entity: The financial statements include only the Measure H Bond Fund of the District used to account for Measure H projects. This Measure H Bond Fund was established to account for the expenditures of general obligation bonds issued under the General Obligation Bonds Election of 2014. These financial statements are not intended to present fairly the financial position and results of operations of the San Mateo County Community College District in compliance with accounting principles generally accepted in the United States of America.

Basis of Accounting: Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

The financial statements represent the Measure H Bond Fund of the District and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

Due to/from District: At June 30, 2021, the balance due from the District was \$0. The balance due from the District at June 30, 2020 was \$134,597.

Fund Balance: Restricted fund balance includes resources which are legally or contractually restricted by external third parties. Fund balance is restricted for capital projects of the Measure H Bond Fund in accordance with the Bond Project List for Measure H General Obligation Bonds.

Accounting Estimates: The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
 MEASURE H GENERAL OBLIGATION BONDS
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021 AND 2020**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Encumbrances: Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid.

Reclassifications: Certain reclassification have been made to conform to the current year presentation. The reclassifications have no effect on the previously reported fund balance or change in fund balance.

NOTE 2 – CASH

Policies and Practices: The Measure H Bond Fund is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State: U.S. Treasury instrument; 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 agreement; 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: The Measure H Bond Fund is considered to be an involuntary participant in an external investment pool as the Measure H Bond Fund is required to deposit all receipts and collections of monies with San Mateo County Treasurer ("County Treasurer") (Education Code Section 41001). The Measure H Bond Fund's investment in the pool is reported in the accounting financial statement at amounts based upon the Measure H Bond Fund'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.

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
County Pooled Investment Funds	N/A	None	None

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MEASURE H GENERAL OBLIGATION BONDS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 2 – CASH, continued

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 is to changes in market interest rates. The Measure H Bond Fund manages its exposure to interest rate risk by depositing substantially all of its funds in the County Treasury Pool. The fair value of the Measure H Bond Fund's deposits at the County Treasury, at June 30, 2021 and 2020, was \$83,907,390 and \$156,659,932, respectively, and the weighted average maturity of the pool was 661 and 639 days, respectively.

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. The Measure H Bond Fund only invests in county pooled investments which are not required to be rated.

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2021 and 2020 consisted of \$305,048 and \$1,007,332, respectively, due from the County for interest income.

NOTE 4 – ACCOUNTS PAYABLE

Accounts payable at June 30, 2021 and 2020 consisted of \$4,849,815 and \$10,751,643, respectively, in vendor payables.

NOTE 5 – FUND BALANCE CLASSIFICATION

Governmental Accounting Standards Board Codification Sections 1300 and 1800, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB Cod. Sec. 1300 and 1800) implements a five-tier fund balance classification hierarchy that depicts the extent to which a government is bound by spending constraints imposed on the use of its resources. The five classifications are nonspendable, restricted, committed, assigned and unassigned. The nonspendable fund balance reflects amounts that are not in a spendable form, such as prepaid expenditures in the Bond Fund. The remaining fund balance of the Measure H General Obligation Bonds is restricted, as described below.

The restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws or regulations of other governments, or may be imposed by law through constitutional provisions or enabling legislation.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MEASURE H GENERAL OBLIGATION BONDS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 6 – PURPOSE OF BOND ISSUANCE

Bond Authorization: The general obligation bonds associated with Measure H Bonds were issued pursuant to the Constitution and laws of the State of California (the State), including the provisions of Chapters 1 and 1.5 of Part 10 of the California Education Code, and other applicable provisions of law. The Bonds are authorized to be issued by a resolution adopted by the Board of Trustees of the District on July 23, 2014 (the "Bond Resolution").

The District received authorization at an election held on November 4, 2014, to issue bonds of the District in an aggregate principal amount not to exceed \$388,000,000 to provide financing for the specific school facilities projects listed in the Bond Project List approved by the voters. The proposition required approval by at least 55 percent of the votes cast by eligible voters within the District.

Purpose of Bonds: The proceeds of the Bonds may be used to prepare College of San Mateo, Cañada College and Skyline College students for universities and high- demand jobs; modernize math and science classrooms and labs; upgrade computer, biotechnology and job training facilities; upgrade access for disabled students; ensure classrooms meet earthquake, fire and safety requirements; and replace aging infrastructure with energy efficient systems.

NOTE 7 – GENERAL OBLIGATION BOND ISSUANCES

The Bonds are general obligations of the District, and San Mateo County is obligated to levy ad valorem taxes for the payment of and interest on, the principal of the Bonds. The Bond Interest and Redemption Fund is maintained by the County Treasurer and is used to account for both the accumulation of resources from ad valorem tax levies and the payment of interest and redemption of principal of the bonds issued by the District.

In May 2015, the District issued Measure H General Obligation Bonds, Series A, in the amount of \$127,000,000.

In November 2018, the District Issued Measure H General Obligation Bonds, Series B, in the amount of \$261,000,000.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
 MEASURE H GENERAL OBLIGATION BONDS
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021 AND 2020**

NOTE 8 – COMMITMENTS AND CONTINGENCIES

As of June 30, 2021 and 2020, the Measure H Bond Fund had the following commitments with respect to unfinished capital projects:

	Remaining Construction Commitment	Expected Date of Completion
<u>2021</u>		
Districtwide projects	\$ 768,081	Within 2 years
Skyline projects	2,927,215	Within 2 years
CSM projects	2,130,614	Within 1 year
Cañada projects	2,272,791	Within 2 years
	<u>\$ 8,098,700</u>	
<u>2020</u>		
Districtwide projects	\$ 1,003,746	Within 1 year
Skyline projects	2,579,601	Within 2 years
CSM projects	5,316,797	Within 1 year
Cañada projects	32,605,830	Within 2 years
	<u>\$ 41,505,974</u>	

NOTE 9 – COVID-19 IMPACT

In December 2019, a novel strain of coronavirus surfaced (COVID-19) and spread around the world, with resulting business and social disruption. In response to the pandemic and in compliance with various state and local ordinances, the District closed physical campuses and transitioned to a distance learning model.

The operations and business results of the District could be materially adversely affected in the future including a reduction in the level of funding and impact to the timing of cash flows. In addition, significant estimates may be materially adversely impacted by national, state and local events designed to contain the coronavirus. Debt ratings for outstanding issuances may further be impacted. For the 2022 school year, the District is offering instruction in formats consistent with local health guidelines. Throughout the pandemic the District has put into practice a number of safety measures to protect students and employees and will continue to revise them as needed.

OTHER REPORTS



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

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

We have audited, in accordance with the 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, the financial statements of San Mateo County Community College District (the "District") Measure H General Obligation Bond Fund as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, and have issued our report thereon dated December 1, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over Measure H General Obligation Bond Fund's financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting for the Measure H General Obligation Bonds.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the San Mateo County Community College District's Measure H General Obligation Bond Fund financial statements are free of material misstatement, we performed tests of the Bonds' compliance with certain provisions of laws, regulations, and contracts, 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.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance for the Measure H General Obligations Bond Fund. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance for the Bond. Accordingly, this communication is not suitable for any other purpose.

CWDL, Certified Public Accountants

San Diego, California
December 1, 2021

FINDINGS AND RESPONSES SECTION

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MEASURE H GENERAL OBLIGATION BONDS
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

This section identifies the deficiencies, significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

There were no financial statement findings or questioned costs identified during 2020-21.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MEASURE H GENERAL OBLIGATION BONDS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

There were no financial statement findings or questioned costs identified during 2019-20.



See what's possible.

**SAN MATEO COUNTY
COMMUNITY COLLEGE DISTRICT
MEASURE H GENERAL OBLIGATION BONDS
PERFORMANCE AUDIT**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2021**

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MEASURE H GENERAL OBLIGATION BONDS
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JUNE 30, 2021**

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INDEPENDENT AUDITORS' REPORT

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

We have conducted a performance audit of the San Mateo County Community College District (the "District") Measure H General Obligation Bond Fund for the year ended June 30, 2021.

We conducted our performance audit in accordance with Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our conclusion based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our conclusions based on our audit objectives.

Our audit was limited to the objectives listed on page 3 of this report which includes determining the compliance with the performance requirements for the Proposition 39 Measure H General Obligation Bond Fund under the applicable provisions of Section 1(b)(3)(C) of Article XIII A of the California Constitution and Proposition 39 as they apply to the bonds and the net proceeds thereof. Management is responsible for San Mateo County Community College District's compliance with those requirements.

Solely to assist us in planning and performing our performance audit, we obtained an understanding of the internal controls of San Mateo County Community College District, to determine if internal controls were adequate to help ensure the District's compliance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution. Accordingly, we do not express any assurance on the internal controls.

The results of our tests indicated that, in all significant respects, San Mateo County Community College District expended Measure H General Obligation Bond funds for the year ended June 30, 2021 only for specific projects developed by the District's Board of Trustees and approved by the voters, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution.

CWDL, Certified Public Accountants

San Diego, California
December 1, 2021

PERFORMANCE AUDIT

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MEASURE H GENERAL OBLIGATION BONDS
BACKGROUND
JUNE 30, 2021**

LEGISLATIVE HISTORY

On November 7, 2000, California voters approved Proposition 39, the Smaller Classes, Safer Schools and Financial Accountability Act. Proposition 39 amended portions of the California Constitution to provide for the issuance of general obligation bonds by school districts, "for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities", upon approval by 55 percent of the electorate.

Education Code Section 15278 provides additional accountability measures:

1. A requirement that the school district establishes and appoints members to an independent citizens' oversight committee.
2. A requirement that the school district expend bond funds only for the purposes described in Section 1(b)(3) of Article XIII A of the California Constitution, and ensuring that no funds are used for any teacher or administrative salaries or other school operating expenses.
3. A requirement to conduct an annual independent performance audit required by Section 1(b)(3)C of Article XIII A of the California Constitution.
4. A requirement to conduct an annual independent financial audit required by Section 1(b)(3)D of Article XIII A of the California Constitution.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT MEASURE H GENERAL OBLIGATION BONDS

The San Mateo County Community College District Measure H General Obligation Bonds are issued pursuant to the Constitution and laws of the State of California, including the provisions of Chapters 1 and 1.5 of Part 10 of the California Education Code, and other applicable provisions of law. The Bonds are authorized to be issued by a resolution adopted by the Board of Trustees of the District on July 23, 2014.

The District received authorization for the Measure H Bonds at an election held on November 4, 2014, to issue bonds of the District in an aggregate principal amount not to exceed \$388,000,000. The proposition required approval by at least 55 percent of the votes cast by eligible voters within the District (the 2014 Authorization).

The Bonds were issued to finance the acquisition, construction and modernization of certain District property and facilities. The Bonds are general obligations of the District, payable solely from *ad valorem* property taxes. A summary of the text of the ballot language was as follows:

"To prepare College of San Mateo, Cañada College, and Skyline College students for universities and high demand jobs; modernize math and science classrooms and labs; upgrade computer, biotechnology and job training facilities; upgrade access for disabled students; ensure classrooms meet earthquake, fire and safety requirements; and replace aging infrastructure with energy efficient systems, shall San Mateo County Community College District be authorized to issue \$388,000,000 in bonds at interest rates within legal limits, with annual independent audits, Citizens' Oversight and all proceeds benefiting your local community colleges?"

In May 2015, the District issued Measure H General Obligation Bonds, Series A, in the amount of \$127,000,000. In November 2018, the District Issued Measure H General Obligation Bonds, Series B, in the amount of \$261,000,000.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MEASURE H GENERAL OBLIGATION BONDS
OBJECTIVES, SCOPE, METHODOLOGY AND CONCLUSION
JUNE 30, 2021**

OBJECTIVES OF THE AUDIT

The objective of our performance audit was to determine that the District expended Measure H General Obligation Bond funds for the year ended June 30, 2021 only for the purposes approved by the voters and only on the specific projects developed by the District's Board of Trustees, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)C of Article XIII A of the California Constitution.

SCOPE OF THE AUDIT

The District provided to us a list of all Measure H General Obligation Bond project expenditures for the year ended June 30, 2021 (the "List"). The transactions represented \$66,787,677 in expenditures from July 1, 2020 through June 30, 2021.

PROCEDURES PERFORMED

We performed the following procedures to the List of Measure H General Obligation Bond project expenditures for the year ended June 30, 2021:

- Verified the mathematical accuracy of the expenditures list.
- Reconciled the List to total bond expenditures as reported by the District in Measure H Bond Fund's audited financial statements for the year ended June 30, 2021.
- Selected a sample of 56 expenditures totaling \$24,905,899. The sample was selected to provide a representation across specific construction projects, vendors and expenditure amounts. Verified that the expenditures were for authorized projects, and were to repair, upgrade and construct facilities and expand college education centers.

CONCLUSION

The results of our tests indicated that, in all significant respects, the San Mateo County Community College District expended Measure H General Obligation Bond funds for the year ended June 30, 2021 only for the specific projects developed by the District's Board of Trustees and approved by the voters, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)C of Article XIII A of the California Constitution.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MEASURE H GENERAL OBLIGATION BONDS
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

There were no performance audit findings or questioned costs identified during 2020-21.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
MEASURE H GENERAL OBLIGATION BONDS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

There were no performance audit findings or questioned costs identified during 2019-20.

BOARD REPORT NO. 21-12-106B

TO: Members of the Board of Trustees
FROM: Michael Claire, Chancellor
PREPARED BY: Bernata Slater, Chief Financial Officer

**RECEIPT AND ACCEPTANCE OF THE 2020-21 RETIREMENT FUTURIS
PUBLIC ENTITY INVESTMENT TRUST AUDIT REPORT**

Attached is a copy of the audit of the Retirement Futuris Public Entity Investment Trust for the San Mateo County Community College District, prepared by the Board-approved firm of CWDL LLP. The audit was based upon the fiscal year ending June 30, 2021. A representative of the auditing firm will be present at this meeting to respond to questions about the audit in general and about the firm's findings and recommendations.

RECOMMENDATION

It is recommended that the Board of Trustees receive and accept the 2020-21 audit report for the Retirement Futuris Public Entity Investment Trust.



See what's possible.

**SAN MATEO COUNTY
COMMUNITY COLLEGE DISTRICT
RETIREMENT FUTURIS
PUBLIC ENTITY INVESTMENT TRUST**

**FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
RETIREMENT FUTURIS PUBLIC ENTITY INVESTMENT TRUST
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FINANCIAL STATEMENTS



INDEPENDENT AUDITORS' REPORT

The Retirement Board of Authority of the
San Mateo County Community College District
Retirement Futuris Public Entity Investment Trust
San Mateo, California

Report on the Financial Statements

We have audited the accompanying financial statements of San Mateo County Community College District Retirement Futuris Public Entity Investment Trust (the "Trust"), a fiduciary fund of San Mateo County Community College District (the "District") as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Trust's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of San Mateo County Community College District Retirement Futuris Public Entity Investment Trust, a fiduciary fund of San Mateo County Community College District as of June 30, 2021 and 2020, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the District's Trust, 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, 2021 and 2020, the changes in its financial position, or where applicable, its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Schedule of Changes in Net OPEB Liability and Related Ratios, and Schedule of Money-Weighted Rate of Return of OPEB Plan Investments on pages 12 - 14 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 1, 2021 on our consideration of the District's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters for the Trust. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance for the Trust. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering San Mateo County Community College District's internal control over financial reporting and compliance for the Trust.



San Diego, California
December 1, 2021

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
RETIREMENT FUTURIS PUBLIC ENTITY INVESTMENT TRUST
STATEMENTS OF TRUST NET POSITION
JUNE 30, 2021 AND 2020**

	2021	2020
ASSETS		
Investments:		
Mutual funds - fixed income	\$ 77,879,358	\$ 71,241,803
Mutual funds - equity	69,257,845	49,780,432
Mutual funds - real estate	10,298,457	7,859,063
Total Assets	<u>157,435,660</u>	<u>128,881,298</u>
LIABILITIES		
Accounts payable	<u>247,645</u>	<u>359,439</u>
NET POSITION		
Restricted for OPEB	<u>\$ 157,188,015</u>	<u>\$ 128,521,859</u>

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

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
RETIREMENT FUTURIS PUBLIC ENTITY INVESTMENT TRUST
STATEMENTS OF CHANGES IN TRUST NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021 AND 2020**

	2021	2020
ADDITIONS		
Employer contributions	\$ 7,300,799	\$ 7,409,326
Net investment income:		
Dividends and other income	5,149,569	4,919,681
Realized and unrealized gains, net	24,041,212	1,010,576
Administrative expense	(524,625)	(450,368)
Total Additions	<u>35,966,955</u>	<u>12,889,215</u>
DEDUCTIONS		
Retiree benefits	<u>7,300,799</u>	<u>7,409,326</u>
Change in net position	28,666,156	5,479,889
Net position, beginning of the year	128,521,859	123,041,970
Net position, end of the year	<u>\$ 157,188,015</u>	<u>\$ 128,521,859</u>

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

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
RETIREMENT FUTURIS PUBLIC ENTITY INVESTMENT TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following information of the San Mateo County Community College District Retirement Futuris Public Entity Investment Trust (the "Trust"), a fiduciary fund of the San Mateo County Community College District (the "District"), provides only general information of the Trust's provisions. Readers should refer to the Trust agreement for a more complete description. These financial statements include only the resources of the Trust and are not intended to present fairly the financial position and results of operations of the District in compliance with accounting principles generally accepted in the United States of America.

Organization: The Trust is a contributory single-employer defined benefit healthcare plan trust administered by the San Mateo County Community College District through a third party. The Trust provides medical insurance benefits to eligible retirees and their spouses. Membership consists of 667 retirees and beneficiaries currently receiving benefits and 1,021 active plan members. The Trust is a governmental plan that is not subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Basis of Accounting: The accompanying financial statements are presented on the accrual basis of accounting. Contributions are recognized as revenue in the period in which contributions are due, pursuant to formal commitments as well as statutory or contractual commitments. Benefits and refunds of contributions are recognized when due and payable under the provisions of the Trust.

The financial statements of the Trust have been prepared in accordance with accounting principles generally accepted (GAAP) in the United States of America. In the U.S. the Governmental Accounting Standards Board (GASB) is the established and recognized standard-setting body for governmental accounting and financial reporting. The financial statements have been prepared consistent with GASB Codification Po50, Postemployment Benefit Plans Other than Pension Plans.

Funded Status and Funding Progress: Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, investment returns, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the Trust and the annual required contributions of the District are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Plan Description: The District provides postemployment health care benefits (OPEB) for retired employees in accordance with negotiated contracts with the various bargaining units of the District. The Other Postemployment Benefit Plan (the "Plan") is a single-employer defined benefit healthcare plan. During the year ended June 30, 2010 the District signed an irrevocable trust (the "Trust") agreement. The District appointed a Retirement Board of Authority with authority to make decisions on behalf of the District with respect to the Futuris Public Entity Investment Trust Program. The Benefit Trust Company was appointed as the custodian and trustee to administer the Futuris Public Entity Investment Trust. OPEB provisions are established and amended per contractual agreement with employee groups. Management of the Plan is vested in the Retirement Board of Authority, which consists of five members.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
RETIREMENT FUTURIS PUBLIC ENTITY INVESTMENT TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Plan Description, continued: The following is a description of the current retiree benefit plan.

	AFSCME	Certificated Management	Certificated	Classified	Classified Management
Benefit types provided *	Medical, Part B	Medical, Part B	Medical, Part B	Medical, Part B	Medical, Part B
Duration of Benefits	Lifetime	Lifetime	Lifetime	Lifetime	Lifetime
Minimum Age	Retirement from	Retirement from	Retirement from	Retirement from	Retirement from
Required Service	Applicable	Applicable	Applicable	Applicable	Applicable
	Retirement	Retirement	Retirement	Retirement	Retirement
	System	System	System	System	System
Dependent Coverage	Yes	Yes	Yes	Yes	Yes
District Contribution %	100%	100%	100%	100%	100%
District Cap**	Active Single Cap	\$450 per month	\$450 per month	Active Single Cap	Active Single Cap

*Some grandfathered employees and retirees are eligible for employer paid dental benefits.

**The District contribution is changed periodically. Grandfathered employees and retirees receive benefits that may exceed this cap.

Plan membership: At June 30, 2021 and 2020, Plan membership consisted of the following:

	Number of Participants	
	2021	2020
Inactive Employees/Dependents Receiving Benefits	667	675
Active Employees	1,021	1,015
	1,688	1,690

Academic Employees: Employees of the San Mateo County Community College District, upon meeting the years of District service requirement and the “Magic 75” which is employee’s Age plus Years of District service, will qualify for retiree benefits as indicated in their Collective Bargaining agreement. Retiree Benefits package may differ depending on hire date. The years of District service required are 10 years if hired prior to September 8, 1993 and 20 years if hired on or after September 8, 1993.

CSEA, AFCSME, and All Non-represented Employees: Employees of the San Mateo County Community College District, upon meeting the years of District service requirement and the “Magic 75” which is employee’s Age plus Years of District service, will qualify for retiree benefits as indicated in their Collective Bargaining agreement. Retiree Benefits package may differ depending on hire date. The years of District service required are 10 years if hired prior to July 1, 1992 and 20 years if hired on or after July 1, 1992.

Benefit Payments: The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. The Plan is included in the District’s financial report and separately presented as a fiduciary fund.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
RETIREMENT FUTURIS PUBLIC ENTITY INVESTMENT TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Contributions: Eligible employees are not permitted to make contributions to the Trust. The Plan administrator shall, on behalf of the employer, make all contributions to the Trustee. All contributions shall be paid to the Trustee for investment and reinvestment pursuant to the terms of the trust agreement. The District does not have contractually required contributions rates, but contributes in an amount sufficient to fully fund the Net OPEB obligation over a period not to exceed 30 years. Contributions to the Trust from the District were \$7,300,799 and \$7,409,326 for the years ended June 30, 2021 and 2020, respectively.

Investment Options: Benefit Trust Company (“BTC”), the Asset Custodian, maintains the Trust’s investments in various mutual funds, and is the record keeper. BTC contracted with Morgan Stanley Smith Barney as the investment advisor. Funds allocated to the Asset Custodian are invested according to the investment policy statement (IPS) developed and approved by the Retirement Board of Authority in a combination of equity and fixed income investments.

Investment Valuation: Investments are reported at fair value based upon market prices, when available, or estimates of fair value, and unrealized and realized gains and losses are included in the Statement of Change in Trust Net Position.

Net OPEB Liability (Asset) of the Trust: The components of the net OPEB liability (asset) of the Trust at June 30, 2021 and 2020, were as follows:

	2021	2020
Total OPEB liability	\$ 116,931,609	\$ 117,982,866
Fiduciary net position	157,188,015	128,521,859
Net OPEB liability (asset)	<u>\$ (40,256,406)</u>	<u>\$ (10,538,993)</u>
 Fiduciary net position as a percentage of the total OPEB liability	 134%	 109%

Actuarial Assumptions: Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimations are made about the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculation.

In the June 30, 2021 actuarial measurement date, the entry age actuarial cost method was used. The actuarial assumptions included a 6.5% investment rate of return (net of administrative expenses), based on assumed long return on plan assets assuming 100% funding through the Trust. Healthcare cost trend rates were 4%. An inflation rate of 2.75% and an expected payroll increase of 2.75% were utilized. The average hire age for eligible employees is 37 and the average retirement is 61. The actuarial present value of projected benefit payments is added for all employees to get the actuarial present value of total projected benefits and estimates present value of all future retiree health benefits for all employees and retirees. Participation rates were noted at 100% for certificated and classified employees. Mortality rates for certificated employees were based on the 2020 CalSTRS mortality tables.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
RETIREMENT FUTURIS PUBLIC ENTITY INVESTMENT TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Actuarial Assumptions, continued: Mortality rates for classified employees were based on the 2017 CalPERS active mortality for miscellaneous employees.

All actuarial assumptions above were the same as those used for the June 30, 2020 actuarial measurement date.

Plan Investments: The plan discount rate of 6.5% as of June 30, 2021 and 6.5% as of June 30, 2020 was determined using the following asset allocation and assumed rate of return:

Asset Class	Percentage of Portfolio		Rate of Return	
	2021	2020	2021	2020
Fixed Income	50%	50%	5%	5%
Equities	50%	50%	8%	8%

Rolling periods of time for all asset classes in combination we used to appropriately reflect correlation between asset classes. This means that the average returns for any asset class do not necessarily reflect the averages over time individually, but reflect the return for the asset class for the portfolio average. Additionally, the historic 30 year real rates of return for each asset class along with the assumed long-term inflation assumption was used to set the discount rate. The investment return was offset by assumed investment expenses of 25 basis points. It was further assumed that contributions to the plan would be sufficient to fully fund the obligation over a period not to exceed 30 years.

Money-weighted rate of return on OPEB plan investments for the years ending June 30, 2021 and 2020 was 22.3% and 4.6%, respectively.

Sensitivity of the Net OPEB Liability (Asset) to Assumptions: The following presents the net OPEB liability (asset) calculated using the discount rate of 6.5% for June 30, 2021 and 6.5% for June 30, 2020. The schedule also shows what the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1% lower and 1% higher:

	Discount Rate		Discount Rate	
	1% Lower	Discount Rate	Discount Rate	1% Higher
June 30, 2021	(5.5%)	(6.5%)	(6.5%)	(7.5%)
Net OPEB liability (asset)	\$ (26,657,085)	\$ (40,256,406)	\$ (40,256,406)	\$ (51,602,017)
	Discount Rate		Discount Rate	
	1% Lower	Discount Rate	Discount Rate	1% Higher
June 30, 2020	(5.5%)	(6.5%)	(6.5%)	(7.5%)
Net OPEB liability (asset)	\$ 2,940,263	\$ (10,538,993)	\$ (10,538,993)	\$ (21,132,621)

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
RETIREMENT FUTURIS PUBLIC ENTITY INVESTMENT TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

The following table presents the net OPEB liability (asset) calculated using the health care cost trend rate of 4.0%. The schedule also shows what the net OPEB liability (asset) would be if it were calculated using a health care cost trend rate that is 1% lower and 1% higher:

	Health Care Trend Rate 1% Lower (3.0%)	Health Care Trend Rate Rate (4.0%)	Health Care Trend Rate 1% Higher (5.0%)
June 30, 2021			
Net OPEB liability (asset)	\$ (53,194,140)	\$ (40,256,406)	\$ (24,404,453)
	Health Care Trend Rate 1% Lower (3.0%)	Health Care Trend Rate Rate (4.0%)	Health Care Trend Rate 1% Higher (5.0%)
June 30, 2020			
Net OPEB liability (asset)	\$ (22,509,668)	\$ (10,538,993)	\$ 4,395,606

Plan Termination: In the event of Plan termination, the net position of the Trust would be allocated as prescribed in the Trust documents, generally to pay in the order indicated below:

- District's remaining retiree medical benefit liabilities.
- Reasonable expenses of administering the Trust.

Any assets remaining in the Trust after paying off the above liabilities shall revert back to the District.

NOTE 2 – INVESTMENTS

The Trust has adopted an internally developed investment policy that is governed by the standards established in the California Constitution. In addition, the Trust has written investment policies regarding the type of investments that may be made specifically for the Trust and the amount, which may be invested in any one financial institution or amounts that may be invested in long-term instruments. Management believes the Trust has complied with the provisions of statutes pertaining to the types of investments held, institutions in which deposits were made, and security requirements.

The fair values of the Trust's individual investments at June 30, 2021 and 2020, are as follows:

	2021	2020
Mutual funds - fixed income	\$ 77,879,358	\$ 71,241,803
Mutual funds - equity	69,257,845	49,780,432
Mutual funds - real estate	10,298,457	7,859,063
Total Investments	\$ 157,435,660	\$ 128,881,298

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
RETIREMENT FUTURIS PUBLIC ENTITY INVESTMENT TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 2 – INVESTMENTS, continued

During the fiscal years ended June 30, 2021 and 2020, the Trust's investments (including gains and losses on investments bought and sold as well as held during the year) appreciated as follows:

	2021	2020
Dividends and other	\$ 5,149,569	\$ 4,919,681
Realized gains, net	3,647,474	361,609
Unrealized gains, net	20,393,738	648,967
Administrative expense	(524,625)	(450,368)
Total Investment Income	<u>\$ 28,666,156</u>	<u>\$ 5,479,889</u>

Custodial Credit Risk: The California Government Code requires California banks and savings and loan associations to secure the Trust's deposits by pledging government securities as collateral. The market value of pledged securities must equal 110% of an agency's deposits. California law also allows financial institutions to secure an agency's deposits by pledging first trust deed mortgage notes having a value of 150% of an agency's total deposits and collateral is considered to be held in the name of the Trust.

Credit Risk: The Trust's investment policy requires all fixed income investments to be of investment grade quality or higher at purchase; that is, at the time of purchases, rated no lower than "BBB" by Standard and Poor's. The Retirement Board of Authority, at their discretion, may impose a higher standard on an individual investment manager basis as circumstances or investment objectives dictate. At June 30, 2021 and 2020, the Trust investments consisted of open-end mutual funds, therefore there are no credit ratings to disclose.

The OPEB Trust investments consisted of open and closed-end mutual funds, therefore, there are no significant interest rate risk related to the investments held, as there are no maturities related to the mutual funds held.

Fair Value of Financial Instruments: The following methods and assumptions were used by the Trust to estimate the fair value of its financial instruments at June 30, 2021 and 2020.

Fair Value Hierarchy: Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a company's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
RETIREMENT FUTURIS PUBLIC ENTITY INVESTMENT TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 2 – INVESTMENTS, continued

Assets Recorded at Fair Value: The following table presents information about the District's assets measured at fair value on a recurring basis as of June 30, 2021 and 2020:

June 30, 2021	Total	Level 1	Level 2	Level 3
Investments				
Mutual funds - fixed income	\$ 77,879,358	\$ 77,879,358	\$ -	\$ -
Mutual funds - equity	69,257,845	69,257,845	-	-
Mutual funds - real estate	10,298,457	10,298,457	-	-
Total	<u>\$ 157,435,660</u>	<u>\$ 157,435,660</u>	<u>\$ -</u>	<u>\$ -</u>
June 30, 2020	Total	Level 1	Level 2	Level 3
Investments				
Mutual funds - fixed income	\$ 71,241,803	\$ 71,241,803	\$ -	\$ -
Mutual funds - equity	49,780,432	49,780,432	-	-
Mutual funds - real estate	7,859,063	7,859,063	-	-
Total	<u>\$ 128,881,298</u>	<u>\$ 128,881,298</u>	<u>\$ -</u>	<u>\$ -</u>

Mutual funds were valued at closing prices from securities exchanges and are classified as Level 1 investments.

During the years ended June 30, 2021 and 2020, there were no significant transfers in or out of Level 1.

There were no assets or liabilities measured at fair value on a non-recurring basis at June 30, 2021 and 2020.

NOTE 3 – COVID-19 IMPACT

In December 2019, a novel strain of coronavirus surfaced and has spread around the world, with resulting business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. The operations and business results of the Trust may be materially affected by this global pandemic. The extent to which the coronavirus may impact future investment income, and other business activity will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus or treat its impact, among others.

REQUIRED SUPPLEMENTARY INFORMATION

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
RETIREMENT FUTURIS PUBLIC ENTITY INVESTMENT TRUST
SCHEDULE OF CHANGES IN NET OPEB LIABILITY (ASSET) AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2021 AND 2020**

	2021	2020	2019	2018	2017
Total OPEB liability					
Service cost	\$ 3,028,055	\$ 2,593,072	\$ 3,414,487	\$ 3,359,195	\$ 3,269,290
Interest	7,528,114	7,015,191	8,335,093	7,957,577	7,305,828
Change in assumptions	6,009,752	5,910,554	-	-	-
Experience gains/losses	(10,257,675)	293,734	(15,800,542)	-	-
Benefit payments	(7,359,503)	(7,409,326)	(7,432,730)	(7,222,945)	(7,230,215)
Net change in total OPEB liability	(1,051,257)	8,403,225	(11,483,692)	4,093,827	3,344,903
Total OPEB liability, beginning of year	117,982,866	109,579,641	121,063,333	116,969,506	113,624,603
Total OPEB liability, end of year (a)	\$ 116,931,609	\$ 117,982,866	\$ 109,579,641	\$ 121,063,333	\$ 116,969,506
Plan fiduciary net position					
Employer contributions	\$ 7,300,799	\$ 7,409,326	\$ 10,032,730	\$ 19,422,945	\$ 15,230,215
Investment income	29,190,781	5,930,257	5,948,263	6,028,034	9,043,304
Administrative expense	(524,625)	(450,368)	(419,134)	(376,812)	(337,684)
Expected benefit payments	(7,300,799)	(7,409,326)	(7,432,730)	(7,222,945)	(7,230,215)
Change in plan fiduciary net position	28,666,156	5,479,889	8,129,129	17,851,222	16,705,620
Fiduciary trust net position, beginning of year	128,521,859	123,041,970	114,912,841	97,061,619	80,355,999
Fiduciary trust net position, end of year (b)	\$ 157,188,015	\$ 128,521,859	\$ 123,041,970	\$ 114,912,841	\$ 97,061,619
Net OPEB liability (asset), ending (a) - (b)	\$ (40,256,406)	\$ (10,538,993)	\$ (13,462,329)	\$ 6,150,492	\$ 19,907,887
Covered payroll	\$ 100,583,668	\$ 102,312,968	\$ 98,883,699	\$ 91,765,187	\$ 83,799,966
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	134%	109%	112%	95%	83%
Net OPEB liability (asset) as a percentage of covered payroll	-40%	-10%	-14%	7%	24%

This is a 10 year schedule, however the information in this schedule is not required to be presented retrospectively.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
RETIREMENT FUTURIS PUBLIC ENTITY INVESTMENT TRUST
SCHEDULE OF CHANGES IN NET OPEB LIABILITY (ASSET) AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2021 AND 2020**

Valuation date	June 30, 2021
Measurement date	June 30, 2021
Census data	The census was provided by the District as of June 30, 2021
Actuarial cost method	Entry age actuarial cost method
Inflation rate	2.75%
Investment rate of return/discount rate	6.50%
Healthcare cost trend rate	4.00%
Payroll increase	2.75%
Participation rates	100% for certificated and classified employees
Mortality	For certificated employees the 2020 CalSTRS mortality tables were used. For classified employees the 2017 CalPERS active mortality for miscellaneous and schools employees were used.
Spouse relevance	To the extent not provided and when needed to calculate benefit liabilities, 80% of retirees assumed to be married at retirement. After retirement, the percentage married is adjusted to reflect mortality.
Spouse ages	To the extent spouse dates of birth are not provided and when needed to calculate benefit liabilities, female spouse assumed to be three years younger than male.
Turnover	For certificated employees the 2020 CalSTRS termination rates were used. For classified employees the 2017 CalPERS termination rates for school employees were used.
Retirement rates	For certificated employees the 2020 CalSTRS retirement rates were used. For classified employees the 2009 CalPERS retirement rates for school employees were used.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
RETIREMENT FUTURIS PUBLIC ENTITY INVESTMENT TRUST
SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN OF OPEB PLAN INVESTMENTS
FOR THE YEAR ENDED JUNE 30, 2021 AND 2020**

	2021	2020	2019	2018	2017
Money-weighted rate of return on OPEB plan investments	22.3%	4.6%	5.2%	6.1%	10.8%

This is a 10 year schedule, however the information in this schedule is not required to be presented retrospectively.

OTHER INDEPENDENT AUDITORS' REPORT



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

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

We have audited, 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, the accompanying financial statements of San Mateo County Community College Retirement Futuris Public Entity Investment Trust (the "Trust"), a fiduciary fund of San Mateo County Community College District as of and for the year ended June 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated December 1, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over the Trust's financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over the Trust's financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting for the Trust.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's Trust financial statements are free of material misstatement, we performed tests of the Trust's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance for the Trust. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance for the Trust. Accordingly, this communication is not suitable for any other purpose.

CWDL, Certified Public Accountants

San Diego, California
December 1, 2021

BOARD REPORT NO. 21-12-01C

TO: Members of the Board of Trustees
FROM: Michael Claire, Chancellor
PREPARED BY: Mitchell Bailey, Vice Chancellor/Chief of Staff

**UPDATE ON DEMOGRAPHER FINDINGS RELATING TO THE 2020 CENSUS AND
IMPACTS ON BOARD OF TRUSTEES AREA MAP**

At its meeting on October 27, 2021, the Board of Trustees awarded a contract to Davis Demographics to analyze the 2020 Census data to determine if any adjustments are necessary for the Trustee Area maps.

A representative from Davis Demographics will brief the Board on their findings.

BOARD REPORT NO. 21-12-02C

TO: Members of the Board of Trustees

FROM: Michael Claire, Chancellor

**DISCUSSION OF CREATION OF STANDING BOARD SUB-COMMITTEE
FOR FINANCE AND BUDGET**

The chancellor is recommending establishing a Board Subcommittee for Finance and Budget. Possible tasks for the subcommittee include: establishing an internal audit and performance audit schedule in collaboration with the internal auditor and the chancellor, monitoring audit findings and assuring follow-up on audit findings, reviewing independent audit reports with the external auditor, and working in collaboration with the chancellor and executive vice chancellor on long-term fiscal planning.

San Mateo County Community College District

December 15, 2021

BOARD REPORT NO. 21-12-03C

TO: Members of the Board of Trustees

FROM: Michael Claire, Chancellor

DISCUSSION OF CREATION OF AD-HOC COMMITTEE FOR LONG-TERM PLANNING

The pandemic has been a disruptive force on traditional societal institutions, including higher education. It is important that the colleges and our District anticipate the likely adjustments that our colleges and District will need to make in a post-pandemic environment. To that end, the chancellor plans to convene a task force of constituency leaders from among our students, faculty, classified personnel, and administrators. The chancellor requests that up to two Board members participate on this ad-hoc committee.

San Mateo County Community College District

December 15, 2021

BOARD REPORT NO. 21-12-04C

TO: Members of the Board of Trustees

FROM: Michael Claire, Chancellor

DISCUSSION OF BOARD RETREAT PLANNING

The Board Retreat is typically held in early February. The chancellor requests direction from the Board regarding retreat planning.

BOARD REPORT NO. 21-12-05C

TO: Members of the Board of Trustees
FROM: Michael Claire, Chancellor
PREPARED BY: Dr. Aaron McVean, Vice Chancellor for Educational Services and Planning

REVIEW OF FREE COMMUNITY COLLEGE INITIATIVE SITE ALLOCATION

On September 9, 2021, the Board of Trustees adopted the FY 2021-22 Budget which included an initial allocation of \$6.75M in one-time funding to support the implementation of the District's *Free Community College* strategic initiative. The allocation was designated for the expansion of three critical components of *Free Community College*: \$2.5M for Dual Enrollment, \$3M for the Promise Scholars Program, and \$1.25M for Open Educational Resources (OER) and Zero Textbook Cost (ZTC) programs. This report includes the allocation of funding to each of the colleges of the District in support of these components.

FREE COMMUNITY COLLEGE INITIATIVE ALLOCATIONS

AN SMCCCD STRATEGIC INITIATIVE

BACKGROUND

On September 9, 2021 the Board of Trustees adopted the FY 2021-22 Budget which included an initial allocation of **\$6.75M** in one-time funding to support the implementation of the District’s Free Community College strategic initiative. The allocation was designated for the expansion of three critical components of Free Community College: **\$2.5M** for Dual Enrollment, **\$3M** for the Promise Scholars Program, and **\$1.25M** for Open Educational Resources (OER) and Zero Textbook Cost (ZTC) programs.

Each of the colleges submitted budget requests outlining resources needed to achieve stated expansion goals over the next three fiscal years from 2021-22 to 2023-24. Direction was given to provide comprehensive resource requests outlining in totality what each program would need in order to achieve the stated targets. For the three fiscal year provided, the resource requests totaled just over **\$20M**.

The allocation of the **\$6.75M** initial investment in the expansion of the three specified components of the Free Community College strategic initiative is outlined in Table 1 below.

	Board Allocation	Skyline College Allocation	CSM Allocation	Cañada College Allocation	Total Allocations
Promise Scholars Program	\$ 3,000,000	\$ 1,451,273	\$ 794,182	\$ 679,123	\$2,924,578
Dual Enrollment	\$ 2,500,000	\$ 1,060,756	\$ 601,561	\$ 553,615	\$2,215,932
OER/ZTC	\$ 1,250,000	\$ 257,738	\$ 638,318	\$ 353,558	\$1,249,614
Total	\$ 6,750,000	\$ 2,769,767	\$ 2,034,061	\$ 1,586,296	\$6,390,124*

Table 1 - *NOTE: Remaining funds will be allocated

In general, the vast majority of the funds allocated to the colleges will go toward supporting the staffing infrastructure for each of the programs, including dedicated Program Services Coordinators, Retention Specialists, and Counseling Faculty. The focus of OER/ZTC funds is to support faculty coordination, dedicated faculty resource librarians, and incentive compensation for faculty participation in OER/ZTC development efforts. Because the initial investment of **\$6.75M** is one-time funding, colleges were allocated funds to support any position that was identified in the final allocation through FY 2023-24. The colleges and the District will work with the Board of Trustees to ensure ongoing funding to support these positions beyond FY 2023-24.

FY 2021-22 ADOPTED BUDGET TARGETS FOR FREE COMMUNITY COLLEGE INITIATIVE
SMCCCD Dual Enrollment Students – Current and Goal Targets

	2020-21 (Actuals)	2021-22 (Target)	2022-23 (Target)	2023-24 (Target)
Skyline College	2,669	2,850	3,000	3,000
College of San Mateo	129	500	1,500	3,000
Cañada College	0 (263 from Math ISAs)	250	500	1,000
SMCCCD	2,798	3,600	5,000	7,000
% of San Mateo County 11 th & 12 th Graders	19%	24%	34%	48%

Table 2 – NOTE: Projected numbers estimated on expected program expansion and San Mateo County population estimates provided by [California Department of Finance](#).

Promise Scholars Program (PSP) Goal Targets

	2019-20 (Actuals)	2020-21 (Actuals)	2021-22 (Target)	2022-23 (Target)	2023-24 (Target)
Skyline College	756	738	950	1,125	1,500
College of San Mateo	737	665	950	1,125	1,500
Cañada College	493	473	600	750	1,000
# SMCCCD Promise Students	1,986	1,876	2,500	3,000	4,000

Table 3 – Source: SAP Promise Cohort Counts 6/15/21

OER/ZTC Expansion Goal Targets – Number of Sections offered with OER/ZTC

	Spring 2021 Sections	2021-22 (Target)	2022-23 (Target)	2023-24 (Target)
Skyline College	203	250	275	300
College of San Mateo	75	100	150	200
Cañada College	22	50	75	100
# SMCCCD OER/ZTC Sections	300	400	500	600

Table 4

BOARD REPORT NO. 21-12-06C

TO: Members of the Board of Trustees
FROM: Michael Claire, Chancellor
PREPARED BY: Bernata Slater, Chief Financial Officer

DISTRICT FINANCIAL SUMMARY FOR THE QUARTER ENDING SEPTEMBER 30, 2021

In accordance with Education Code Section 72413, the State Chancellor's Office requires submission of a Quarterly Financial Status Report (Form CCFS-311Q) and a copy of the District's financial report.

Attached are:

- Form CCFS-311Q (Exhibit A) for the quarter ending September 30, 2021, which was forwarded to the State Chancellor's Office on November 13, 2021
- Cash Flow Statement for quarter ending September 30, 2021 (Exhibit B).

General Fund — Unrestricted: Below is financial data for the unrestricted portion of the Unrestricted General Fund for the quarters ending September 30, 2021 and September 30, 2020, respectively. The variance in revenue is mainly due to the decline in enrollment. As FTES decline, state allocations for lottery, mandated-cost claims, and Proposition 55 allocations decline as well resulting in further erosion of revenue. The variance in expenses is mainly due to the timing associated with an inter-fund transfer to the Parking Fund and an inter-fund transfer by CSM for support services associated with the Promise Scholars Program; increases in personnel costs as a result of the 2020-21 COLA and higher employer rates for PERS/ STRS; and increases in expenditures for materials and supplies, operating expenses, and capital outlay as the District transitions towards a full reopening.

Additional funding from the Federal government is assisting with expenses related to a myriad of safety measures required to meet post-pandemic regulations and the continued offering of a flexible learning environment to students. The District continues to monitor guidelines and develops measures accordingly to ensure the safety of students, staff, and the community.

In the first quarter, there have not been significant changes to known revenue and expenditure trends, though it is still early in the fiscal year. Management will continue to monitor information at the local, state, and federal levels and will apprise the Board of any important developments that may impact revenues and expenses as the fiscal year progresses.

	<u>Amount</u>		<u>Difference</u>	
	<u>09/31/21</u>	<u>09/30/20</u>	<u>Amount</u>	<u>Percentage</u>
Income:				
State Aid	1,667,684	1,023,482	\$ 644,202	38.63
Enrollment Fees	4,763,853	5,177,817	\$ (413,964)	(8.69)
Non-Resident Tuition	3,353,459	4,138,655	\$ (785,197)	(23.41)
Property Tax	284,217	625,006	\$ (340,788)	(119.90)
Interfund Transfer	800,000	800,000	\$ -	-
Other Income	195,631	292,289	\$ (96,658)	(49.41)
Total Income	\$ 11,064,844	\$ 12,057,250	\$ (992,406)	(8.23)
% of Budget	5.03%	5.76%		
Expenses:				
Academic Salaries	\$ 14,699,190	\$ 14,027,213	\$ 671,977	4.57
Classified Salaries	11,613,570	11,021,411	\$ 592,159	5.10
Administrative Salaries	2,968,102	2,735,702	\$ 232,399	7.83
Fringe Benefits	9,806,619	9,155,940	\$ 650,679	6.64
Supplies & Materials	426,025	368,192	\$ 57,833	13.58
Operating Expenses	3,753,079	3,080,979	\$ 672,100	17.91
Capital Outlay	151,440	122,163	\$ 29,277	19.33
Transfer Accounts	4,615,681	2,594,656	\$ 2,021,025	43.79
Bills & Salaries	\$ 48,033,706	\$ 43,106,257	\$ 4,927,449	10.26
% of Budget	19.16%	18.58%		
Certificated Salaries				
Cert. (Non-Adm.)	14,699,190	14,027,213	671,977	4.57
1210 Adm. Salary	85,270	202,375	(117,105)	(137.33)
123x-124x Adm. Salary	2,155,412	1,979,845	175,567	8.15
Total Certificated	16,939,872	16,209,434	730,438	4.31
Classified Salaries				
Class. (Non-Adm.)	11,613,570	11,021,411	592,159	5.10
211x Adm. Salary	727,420	553,482	173,938	23.91
Total Classified	12,340,990	11,574,893	766,096	6.21
Net	\$ (36,968,862)	\$ (31,049,008)		

Other Funds: Below is financial data for all other funds. The total income and expenditures, comparing the first quarter of 2020-21 to 2021-22, are listed below:

Restricted General and Other Funds				
	<u>Amount</u>		<u>Difference</u>	
	<u>09/31/2021</u>	<u>09/30/2020</u>	<u>Amount</u>	<u>Percentage</u>
Summary:				
Income	\$ 31,907,196	\$ 20,196,230	11,710,965.73	57.99
Bills & Salaries	\$ 91,921,212	\$ 92,700,667	(779,454.96)	(0.84)
	\$ (60,014,016)	\$ (72,504,437)		

Revenue (income) increases were mainly due to state funding for Scheduled Maintenance, Federal grants (HEERF), and the timing of transfers-in to the Parking Fund and the transfer-in by CSM to support the Promise Scholars Program. The net decrease in expenses (bills and salaries) is due to a reduction in the debt service expense due to the recent refunding of the District's general obligation bonds; a reduction in capital outlay expenditures as compared to the prior year due to completion of the Cañada Building 1, with increased expenditures for student aid (HEERF). Please note that ad valorem taxes collected by San Mateo County fund the debt service payments.

REPORT ON INVESTMENTS: As of September 30, 2021, the District has a deposit of \$42,268,979 in total investments with the Local Agency Investment Fund (LAIF) of the State Treasurer's Office, County Investment Pool, and Money Market Accounts with local banks. The average yields for LAIF, the County Pool, Money Market Accounts, and Oil Well Bond Account were 0.24%, 1.01%, 1.13%-1.65% (depending on length of term of investment), and 0.05%, respectively. These deposits consisted of the following sources:

Investment Type	LAIF	County Pool	Money Market,	Special	Total
	Investment	Investment	CD Investment	Deposit Bond	Investment
Unrestricted Gen. Fund	\$ 616.04		\$ 31,273,394.58		\$ 31,274,010.62
Capital Outlay Fund	-			5,000.00	\$ 5,000.00
Agency Fund	-	10,989,968.23			\$ 10,989,968.23
Total Investment	616.04	10,989,968.23	31,273,394.58	5,000.00	\$ 42,268,978.85

**CALIFORNIA COMMUNITY COLLEGES
CHANCELLOR'S OFFICE**

Quarterly Financial Status Report, CCFS-311Q

[VIEW QUARTERLY DATA](#)

CHANGE THE PERIOD ▼

Fiscal Year: 2021-2022

District: (370) SAN MATEO

Quarter Ended: (Q1) Sep 30, 2021

Line	Description	As of June 30 for the fiscal year specified			
		Actual 2018-19	Actual 2019-20	Actual 2020-21	Projected 2021-22
I. Unrestricted General Fund Revenue, Expenditure and Fund Balance:					
A.	Revenues:				
A.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	202,864,193	208,282,993	208,838,765	219,015,519
A.2	Other Financing Sources (Object 8900)	845,529	4,351,029	4,243,864	801,418
A.3	Total Unrestricted Revenue (A.1 + A.2)	203,709,722	212,634,022	213,082,629	219,816,937
B.	Expenditures:				
B.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	170,206,128	177,090,937	181,491,252	190,417,105
B.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	28,521,514	22,979,381	23,458,637	32,705,967
B.3	Total Unrestricted Expenditures (B.1 + B.2)	198,727,642	200,070,318	204,949,889	223,123,072
C.	Revenues Over(Under) Expenditures (A.3 - B.3)	4,982,080	12,563,704	8,132,740	-3,306,135
D.	Fund Balance, Beginning	38,177,409	43,159,489	55,723,193	63,855,933
D.1	Prior Year Adjustments + (-)	0	0	0	0
D.2	Adjusted Fund Balance, Beginning (D + D.1)	38,177,409	43,159,489	55,723,193	63,855,933
E.	Fund Balance, Ending (C. + D.2)	43,159,489	55,723,193	63,855,933	60,549,798
F.1	Percentage of GF Fund Balance to GF Expenditures (E. / B.3)	21.7%	27.9%	31.2%	27.1%

II. Annualized Attendance FTES:

	Actual 2018-19	Actual 2019-20	Actual 2020-21	Projected 2021-22	
G.1	Annualized FTES (excluding apprentice and non-resident)	15,183.00	14,597.00	14,136.28	N/A

III. Total General Fund Cash Balance (Unrestricted and Restricted)

	As of the specified quarter ended for each fiscal year				
	2018-19	2019-20	2020-21	2021-22	
H.1	Cash, excluding borrowed funds		55,674,169	56,345,304	52,809,057
H.2	Cash, borrowed funds only		0	0	0
H.3	Total Cash (H.1+ H.2)	47,266,053	55,674,169	56,345,304	52,809,057

IV. Unrestricted General Fund Revenue, Expenditure and Fund Balance:

Line	Description	Adopted Budget (Col. 1)	Annual Current Budget (Col. 2)	Year-to-Date Actuals (Col. 3)	Percentage (Col. 3/Col. 2)
I. Revenues:					
I.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	219,222,131	219,251,645	10,264,492	4.7%
I.2	Other Financing Sources (Object 8900)	0	800,081	800,351	100%
I.3	Total Unrestricted Revenue (I.1 + I.2)	219,222,131	220,051,726	11,064,843	5%
J. Expenditures:					
J.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	237,237,260	238,128,329	43,418,025	18.2%
J.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	12,691,549	12,630,074	4,615,681	36.5%
J.3	Total Unrestricted Expenditures (J.1 + J.2)	249,928,809	250,758,403	48,033,706	19.2%
K.	Revenues Over(Under) Expenditures (I.3 - J.3)	-30,706,678	-30,706,677	-36,968,863	
L.	Adjusted Fund Balance, Beginning	63,855,933	63,855,933	63,855,933	
L.1	Fund Balance, Ending (C. + L.2)	33,149,255	33,149,256	26,887,070	
M.	Percentage of GF Fund Balance to GF Expenditures (L.1 / J.3)	13.3%	13.2%		

V. Has the district settled any employee contracts during this quarter?

NO

VI. Did the district have significant events for the quarter (include incurrence of long-term debt, settlement of audit findings or legal suits, significant differences in budgeted revenues or expenditures, borrowing of funds)

NO

(TRANS), issuance of COPs, etc.)?

If yes, list events and their financial ramifications. (Enter explanation below, include additional pages if needed.)

VII.Does the district have significant fiscal problems that must be addressed?

This year?
Next year?

NO
NO

If yes, what are the problems and what actions will be taken? (Enter explanation below, include additional pages if needed.)

**San Mateo County Community College District
DISTRICT CASH FLOW SUMMARY
FOR THE QUARTER ENDING SEP 30, 2021**

	GENERAL FUND	Payroll Fund	GENERAL RESTRICTED FUND	INSURANCE & Debt Services FUND	CAPITAL OUTLAY FUND	CHILD CARE FUND	STUDENT AID FUND	POST- RETIREMENT RESERVES
Beg. Cash Balance in County Treasury	34,429,828.94	5,978,909.02	21,975,085.19	68,188,887.72	238,116,121.42	2,999.22	63,407.35	
Cash inflow from operations:								
Year-to-date Income	11,064,843.65		13,308,069.10	3,037,578.66	2,529,343.81	324,075.58	11,942,675.55	765,453.24
Accounts Receivable	6,056,696.18	7,167.45	7,991,999.66	130,472.90	(24,493,447.99)	247,481.08	407,982.00	(146,908.41)
Advances / Prepaid	999,609.99	120,502.75	234,795.21	7,828.35	577,127.08			54,077.80
Cash awaiting for deposit								
Total Income	52,550,978.76	6,106,579.22	43,509,949.16	71,364,767.63	216,729,144.32	574,555.88	12,414,064.90	672,622.63
Cash outflow for operations:								
Year to date expenditure	48,033,705.99		12,044,223.35	55,195,784.69	10,544,404.23	324,075.58	12,352,249.14	1,460,475.44
Deferred Income	5,346,525.00		(1,732,720.26)		13,634.00			176.70
Account Payable	(23,568,726.42)	(1,758,053.44)	3,001,660.96	57,125.35	5,154,816.84	303,195.80	1,071,477.78	
Cash Balance From Operations	22,739,474.19	7,864,632.66	30,196,785.11	16,111,857.59	201,016,289.25	(52,715.50)	(1,009,662.02)	(788,029.51)
Other Cash inflow								
Medical Flex Plan / Revolv. Fund	-			-				
TRANS	-							
Trusts (JPA & 3CBG)								
Beg. Investment Balance								
LAIF Balance	615.67							-
County Pool Balance	-							11,777,997.74
Special Bond								-
C.O.P. & Others	31,146,192.66			-	5,000.00			-
Total Beg. Balance	31,146,808.33			-	5,000.00			11,777,997.74
Y.T.D. Investment Balance								
LAIF Balance	616.04							-
County Pool Balance	-							10,989,968.23
Special Bond				-	-			-
C.O.P./Bank CD	31,273,394.58			-	5,000.00			-
Y.T.D. Balance	31,274,010.62			-	5,000.00			10,989,968.23
Net Cash changes from Investment	(127,202.29)			-	-			788,029.51
Net changes from unrealized gain / (loss)	-			-	-			-
Cash Balance in County Treasury	22,612,271.90	7,864,632.66	30,196,785.11	16,111,857.59	201,016,289.25	(52,715.50)	(1,009,662.02)	(0.00)
Net Cash (Excluding TRANS & Trusts)	22,612,271.90	7,864,632.66	30,196,785.11	16,111,857.59	201,016,289.25	(52,715.50)	(1,009,662.02)	(0.00)

BOARD REPORT NO. 21-12-07C

TO: Members of the Board of Trustees

FROM: Michael Claire, Chancellor

PREPARED BY: Bernata Slater, Chief Financial Officer
Tom Bauer, Vice Chancellor, Auxiliary Services

FIRST QUARTER REPORT OF AUXILIARY OPERATIONS, 2021-22

The following report covers the period July 1, 2021 through September 30, 2021 for associated student bodies; bookstores; cafeterias; the San Mateo Athletic Club (SMAC); and Community, Continuing and Corporation Education.

ASSOCIATED STUDENTS

Net income comparing the first quarter of fiscal years 2021-22 and 2020-21 are below:

Associated Students - Cañada	2021-22	2020-21	\$ Change	% Change
Net Income for the Year	\$17,971	\$17,954	\$17	.09%
Beginning Fund Balance, July 1	\$370,009	\$341,582	\$28,428	8.32%
Ending Fund Balance, Sep 30	\$387,980	\$359,536	\$28,444	7.91%

Associated Students - CSM	2021-22	2020-21	\$ Change	% Change
Net Income for the Year	\$29,350	\$31,811	\$(2,461)	-7.74%
Beginning Fund Balance, July 1	\$380,236	\$319,079	\$61,157	19.17%
Ending Fund Balance, Sep 30	\$409,586	\$350,890	\$58,696	16.73%

Associated Students - Skyline	2021-22	2020-21	\$ Change	% Change
Net Income for the Year	\$31,048	\$31,007	\$41	.13%
Beginning Fund Balance, July 1	\$669,780	\$603,707	\$66,073	10.94%
Ending Fund Balance, Sep 30	\$700,828	\$634,714	\$66,115	10.42%

ASB Income:

Activity card sales are the major source of income for the associated students. Payment of the Student Body Fee supports many student-sponsored activities and programs and entitles students to a photo-ID student body card.

ASB Expenditures:

In general, expenditures of the ASBs include normal operating expenses (e.g., office supplies, activity cards, student assistant salaries, and other miscellaneous expenses) as well as student programs, scholarships and club assistance supporting campus life. The number and type of events held may fluctuate from year-to-year based on the priorities of the student governments.

The following table summarizes the number of events organized by the ASB at each college and a comparison of total expenditures during the first quarter:

Associated Students	2021-22		2020-21			
Activities vs. Expenditure Analysis	# of Events	Expenditure	# of Events	Expenditure	\$ Change	% Change
Cañada ASB	13	\$2,161	18	\$6,539	\$(4,378)	-66.95%
CSM ASB	5	\$6,775	2	\$1,486	\$5,289	355.92%
Skyline ASB	6	\$5,545	13	\$10,858	\$(5,313)	-48.93%

ASB Canada College

At Cañada College, there were 13 ASB organized events in the first quarter of this fiscal year; there were 18 events during the first quarter of last year.

The overall expenditures have decreased by 66.95% or \$4,378 compared to last year. This is attributable to \$2,750 more in award / scholarships expense recognized in the first quarter last fiscal year along with a reduction in expenditures corresponding to fewer events held in the first quarter of 2021-22 compared to the prior year.

ASB College of San Mateo

At the College of San Mateo, there were five ASB organized events in the first quarter of this fiscal year; there were two events during the first quarter of last year.

The overall expenditures have increased by 355.92%, or \$5,298 compared to last year. Program and publicity expenses dramatically increased from the prior fiscal year due to the transition back to campus and hosting more in-person and on-campus events, including the annual Welcome Week.

ASB Skyline College

At Skyline College, there were six ASB organized events in the first quarter of this fiscal year; there were 13 events during the first quarter of last year.

The overall expenditures have decreased by 48.93%, or 5,313 compared to last year. The reduction in net expenses corresponds to the reduced number of events held in the first quarter of 2021-22 compared to the same period in the prior year.

The District's bookstores; cafeterias; San Mateo Athletic Club; and Community, Continuing and Corporate Education (CCCE) are self-sustaining enterprises. All income generated covers the total salaries and expenses generated by these operations. These enterprises do not receive subsidies from general fund dollars.

BOOKSTORES

The following data reflect bookstore operations for the first three months of the fiscal year beginning July 1, 2021 through September 30, 2021. It includes a small portion of summer 2021, as well as fall 2021 sales.

Bookstore Sales	2021-22	2020-21	\$ Change	% Change
Regular Merchandise Sales	\$882,787	\$901,360	\$(18,573)	-2.06%
Computer Products Sales	13,764	5,400	8,364	154.87%
Total Merchandise Sales	\$896,551	\$906,761	\$(10,210)	-1.13%
Textbook Rental Income	27,279	43,798	(16,519)	-37.72%
Production Service Income	24,703	11,094	13,610	122.68%
Total Sales	\$948,533	\$961,652	\$(13,119)	-1.36%

Sales categories continue to decrease this year compared to last year primarily due to the impact of the pandemic. There have been few in-person sales, which account for a significant amount of revenue for the bookstores. The continued increase in the sale of inclusive access materials, which are rapidly replacing traditional textbooks, with significantly lower profit margins continue to have an impact on the overall sales and profitability of the bookstores. In addition to the sales and margin impact of inclusive access materials, traditional textbook sales continue to decrease due to the increased use of Open Educational Resources (OER) and Zero Textbook Cost (ZTC) programs, which benefits students but hurt the overall financial performance of the bookstores.

First quarter comparisons are below:

Bookstore Recap	2021-22	2020-21	\$ Change	% Change
Operations				
Sales				
Merchandise Sales	\$896,511	\$906,761	\$(10,210)	-1.13%
Textbook Rental Income	27,279	43,798	(16,519)	-37.72%
Production Service Income	24,703	11,094	13,610	122.68%
Total Sales	\$948,533	\$961,652	\$(13,119)	-1.36%
Less: Cost of Sales	645,405	639,777	5,628	.88%
Gross Profit from Operations	\$303,128	\$321,875	\$(18,747)	-5.82%
Total Operating Expenses	590,669	572,579	18,089	3.16%
Net Income/(Loss) from Operations	\$(287,541)	\$(250,705)	\$(36,836)	-14.69%
Other Income	19,371	24,668	(5,298)	-21.47%
Net Operation Profit/(Loss)	\$(268,170)	\$(226,036)	\$(42,134)	-18.64%
Non Operational Income/(Expenses)				
Non Operational Income	\$682	\$12,471	\$(11,789)	-94.53%
Investments - Adjust to Market	-	-	-	0.00%
Non Operational Expenses				
Admin Salary & Benefits	48,951	41,756	7,196	17.23%
Other Expenses	16,919	16,890	29	0.17%
College Support	-	-	-	0.00%
Total Non-Operational Income/(Expenses)	\$(65,188)	\$(46,175)	\$(19,013)	-41.18%
Net Change in Fund Balance	\$(333,358)	\$(272,211)	\$(61,147)	-22.46%

Cost of goods sold increased slightly commensurate with the increase of lower margin inclusive access sales. Total direct operating expenses increased slightly over this same period last year, which is mainly due to the increase in salary and benefit costs.

Bookstores are dependent on strong and stable enrollment for continued success. Exacerbated by the year-over-year reductions in textbook sales, enrollment declines, increasing personnel and other costs, and the financial impact of the pandemic, the bookstores posted an overall deficit of \$333,358 in the first quarter. As uncertainty continues about the lasting impact of COVID-19, the bookstores will post a significant loss again this year. This continues to put the bookstores in a precarious financial position with little left in the bookstores' reserve to meet operational costs including district salary and benefit costs. As previously discussed, this is not sustainable and a remedy will need to be identified.

The bookstore team has responded with incredible resilience and focus to the needs of students' during the pandemic. Efforts to ensure that every student has the necessary materials to complete their academic work successfully have been incredible and successful. The bookstore team will continue to focus on ensuring that students are served in the most efficient and effective manner possible.

CAFETERIAS

Beverage, Snack and Food Service Vendors:

- The District's beverage vending service partner is Pepsi Bottling Group. The contract is effective July 1, 2017, ending on June 30, 2024 with the option of renewing for three one-year terms at the discretion of the District.
- The District's snack vending partner is Compass Group USA through its Canteen Vending Services Division. The contract was effective July 1, 2017, ending on June 30, 2022.
- The District's food service partner is Pacific Dining Services. The contract is effective July 1, 2017 through June 30, 2022 with an option for one five-year renewal at the discretion of the District.

First quarter comparisons are below:

Cafeteria Recap	2021-22	2020-21	\$ Change	%Change
Operations				
Revenues				
Food Service Income	\$-	\$-	\$-	0.00%
Interest Income	1,587	2,935	(1,347)	-45.91%
Event Rental	-	-	-	-0.00%
Total Revenues	\$1,587	\$2,935	\$(1,347)	-45.91%
Expenditures	\$30,336	\$33,579	\$(3,243)	-9.66%
Non-Operational Income/(Expenses)				
Investments - Adjust to Market	\$-	\$-	\$-	0.00%
Net Change in Fund Balance	\$(28,749)	\$(30,644)	\$1,896	6.19%

FOOD SERVICE INCOME	2021-22	2020-21	\$ Change	% Change
PACIFIC DINING				
Skyline	\$-	\$-	\$-	0.00%
Skyline Events	-	-	-	0.00%
Cañada	-	-	-	0.00%
CSM	-	-	-	0.00%
CSM Events	-	-	-	0.00%
Total Food Service Income	\$-	\$-	\$-	-0.00%

Given the impact of the pandemic, there are no operational revenues to offset the expenses incurred by the three cafeteria operations. In addition to fixed district salary and benefit costs allocated to the cafeteria fund, there are continuing expenses to maintain equipment. As a result, the cafeteria fund incurred a first quarter loss of \$28,749. The cafeterias reopened at the start of the fall semester and have begun to host events with more than 15 events scheduled. Accordingly, cafeteria operations anticipate revenue generation in the subsequent quarters.

As part of the Enterprise Fund, the cafeteria and vending operations are fully self-supporting. The fund is also responsible for the long-term maintenance and upgrading of aging facilities and equipment, as well as all expenses relating to the ongoing operational requirements under the food service and vending contracts.

SAN MATEO ATHLETIC CLUB

Operating as an enterprise through Auxiliary Services and Enterprise Operations, the San Mateo Athletic Club (SMAC) is a wholly District-owned, self-sustaining, student and community centered, fee-based operation offering numerous service options to the San Mateo campus community and the community-at-large. The concept of a multi-use space enables the District to maximize the use of facility resources and consequently create a revenue stream that supplements the facilities budgetary needs, including equipment maintenance and replacement. SMAC has historically supported numerous academic and student programs at the three colleges including the Promise Scholars Program that has gained the attention of other community colleges throughout the state. Lastly, SMAC provides the community broader access to the College of San Mateo and demonstrates in a tangible way that the District is a community-based organization serving a wide spectrum of educational and training opportunities.

First quarter comparisons are below:

San Mateo Athletic Club and Aquatic Center				
Income Statement Part 1 - Operational Revenues and Expenses	2021-22	2020-21	\$ Change	%Change
Operating Revenues				
Registration & Membership	\$562,124	\$146,368	\$415,756	284.05%
Personal Training	73,431	32,822	40,609	123.72%
Aquatics	92,191	7,340	84,851	1156.00%
Parking	7,349	2,539	4,810	189.47%
Group Exercise	49,440	23,754	25,686	108.13%
Retail	4,387	740	3,647	492.62%
Other Income	1,506	(10)	1,516	15162.50%
Total Operating Revenue	\$790,428	\$213,553	\$576,875	270.13%
Operating Expenses *	\$751,266	\$795,092	\$(43,826)	-5.51%
Operational Income/(Loss) before District and College Support	\$39,162	(\$581,539)	\$620,701	106.73%

**Operating expenses consists of salaries and benefits paid by EXOS.*

In an attempt to illustrate direct expenses vs. college-support expenses, the Income Statement is divided into two parts. Part 1 of the Income Statement (above) reflect the revenue and expenses directly attributed to the operation itself. Part 2 of the Income Statement (on the following page) reflects all of the income and expenses charged to SMAC not connected to the operational work of the SMAC team. These items include interest income, district salaries and benefits charged to the operation, donations, and support to the Promise Scholars Program, etc.

San Mateo Athletic Club and Aquatic Center				
Income Statement Part 2 - District Support and Reserve	2021-22	2020-21	\$ Change	%Change
Operational Income/(Loss) before District and College Support	\$39,162	\$(581,539)	\$620,701	106.73%
Non-Operational District Support Income and Expenses				
Non-Operational District Support Income				
Interest Income on Investments	\$10,804	\$15,832	\$(5,028)	-31.76%
Operating Expenses charge back to District	12,802	17,410	(4,609)	-26.47%
Total Non-Operational District Support Income	23,606	33,243	(9,637)	-28.99%
Non-Operational District Support Expense **				
District Salaries & Benefits	150,673	134,325	16,348	12.17%
Equipment Use Fee & Depreciation	14,947	14,947	-	0.00%
Miscellaneous Expenses	809	8,797	(7,988)	-90.81%
Total Non-Operational District Support Expense	166,429	158,069	8,359	5.29%
Net Income/(Loss) after Non Operational District Support Income/Expense	\$(103,661)	\$(706,365)	\$602,704	85.32%
Non-Operational College Support				
College Academic Program Support***	\$12,802	\$17,410	\$4,609	-26.47%
College Non-Academic Program Support (Promise, WEZ, KCSM, BAPA Scholarships, Skyline President's Breakfast, Canada Presidents Luncheon)	-	400,000	(400,000)	-100.00%
Total Non-Operational College Support Expense	\$12,802	\$417,410	(\$404,609)	-96.93%
Net Income/(Loss) to Reserve	\$(116,463)	\$(1,123,776)	\$1,007,313	89.64%

** Non-Operational District Support Expense consists of SMCCCD Administrative and Facilities salaries and benefits.

***College Academic Program Support - This expense represents the expenses related to materials that are purchased by SMAC and used by the academic programs including sweat towels, laundry supplies, restroom supplies, etc. and is calculated on total usage of the space.

Due to the loosening of pandemic-related restrictions, total operating revenue is significantly higher than the same period from the prior fiscal year. While this is great news, revenues are still lower than pre-pandemic levels. The net operating income prior to the allocation of all direct and indirect expenses is slightly positive with a surplus of \$39,162 or 13.65%. Once net non-operating income (i.e., all district-related costs) is considered, the first quarter posted a loss of \$116,463. This too is an improvement from the same period from the prior fiscal year, when losses were \$1,123,776.

On January 1, 2022, SMAC will transition to operation by District staff. As restrictions are relaxed and the District assumes the management of the operation, District administration is confident that SMAC will continue to meet the needs of members while continuing to be financially self-sustaining.

CONTINUING, COMMUNITY AND CORPORATE EDUCATION

Below represents the financial performance of Community, Corporate and Continuing Education (CCCE) and Silicon Valley Intensive English Program (SVIEP) through September 2021:

Community, Continuing & Corporate Education (with SVIEP)	2021-22	2020-21	\$ Change	% Change
Operating Revenues	\$176,119	\$333,663	\$(157,544)	-47.21%
Operating Expenditures				
Salaries and Benefits	\$263,131	\$291,809	\$(28,678)	-9.83%
Other Operating Expenses	\$55,792	\$99,825	\$(44,034)	-44.11%
Total Operating Expenses	\$318,922	\$391,634	\$(72,712)	-18.57%
Net Operating Profit/(Loss) before College Support Income	\$(142,803)	\$(57,971)	\$(84,832)	-146.34%
Other Income/Support	\$-	\$120,000	\$(120,000)	-100.00%
Net Change in Fund Balance	\$(142,803)	\$62,029	\$(204,832)	-330.22%

The afore-mentioned table illustrates the total financial performance of the Community, Continuing and Corporate Education (CCCE) program, including the Silicon Valley Intensive English Program (SVIEP). As illustrated in the table, CCCE year-over-year first quarter revenues continue to experience pandemic-attributed declines and net profitability that likely necessitate support from the Auxiliary Fund to maintain a positive balance. The paragraphs below describe the need for this support as well as mitigation strategies for moving forward.

Historically, strong performance in both Bay Area Pathways (BAPA) and Corporate Education drives first quarter profitability due to strong community engagement and employer buy-in to high-impact programming. The pandemic-fueled shift to online classes for the summer camp has resulted in significantly lowered enrollments and revenues for BAPA, as many parents have opted to wait for a return to in-person camps. While Corporate Education has previously experienced relatively strong revenues during the first quarter, the results for the first quarter of this fiscal year have not evidenced significant client demand for training, with many companies focused instead on return-to-work and hybrid-work initiatives. SVIEP online enrollments have improved due to cumulative marketing efforts to overseas partners, although in-person classes have not yet rebounded – similar to the in-person enrollment challenges experienced by intensive English programs throughout the Bay Area and because of the pandemic. SVIEP continues to provide strong support for the District’s Global Online Learning (GOL) program and continues to be a vital partner in the District’s international recruitment strategies.

Since its inception in 2016, SVIEP has successfully matriculated over 120 students to the colleges, yielding a significant financial benefit for the District. Students in SVIEP are those who do not meet the admission requirements to the colleges because their English skills were not sufficient for admission. The program brought these students to a level of proficiency that enabled them to matriculate to one of the three colleges.

In the face of ongoing pandemic-related challenges, CCCE is pivoting on multiple fronts to align with the continued realities of the COVID-19 era and beyond. These pivots include the following strategies:

- The BAPA team is redesigning the structure, timing, and pricing of the in-person summer 2022 camp experience, with offerings reflective of pre-pandemic program popularity as well as post-pandemic need for flexibility by parents and students. BAPA will also continue to offer new online programming pathways for students wishing to participate in an online environment.

- Corporate Education is positioning itself to engage in new statewide training opportunities through an ETP subcontractor partnership with Butte College as part of the 2021-23 Up-Skill California Contract Education general funding administered by the Employment Training Panel. Allocations are to begin December 17, 2021, of which the Up-Skill California Northern Regional Workforce Training Center, Butte College, will receive \$1.5 million. CCCE is subcontracting with Butte College to receive a portion of this allocation (\$100K to \$500K) in the coming year once regional planning to define the allocation is complete. These efforts will focus on providing new-hire training and newly promoted workers in priority sector, government and non-profit organizations. New statewide employee and worker training programs include collaborative projects in AWS, Cybersecurity, and Utility Vegetation Management training. Additionally, Corporate Education is working to scale provision of incumbent worker training and coaching from existing local clients to both state and national partners. This approach anticipates providing a source of revenue in the last two quarters of 2021-22.
- Community Education continues to leverage not-for-credit programming and registration capabilities to support the colleges in piloting programs with affordable workforce-designed offerings open to the community. This enhanced level of partnership with the colleges supports both college and community workforce goals. Community Education is also working to identify new not-for-credit professional certifications that are non-duplicative and support community impact and revenue growth.
- For SVIEP, the team will continue its development of hybrid on-campus and online SVIEP classes, as well as online GOL cohorts and online SVIEP cohorts of students seeking to improve their English and matriculate to the colleges. Additionally, SVIEP will continue to provide support to the District's University College Partnership program through outreach and engagement with international partners.

MINUTES

ANNUAL MEETING OF THE BOARD OF DIRECTORS OF THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT FINANCING CORPORATION

December 14, 2020

The meeting was called to order at 10:03 p.m.

Present: Vice President Michael Claire, Director Thomas Nuris, Director Maurice Goodman, Director Richard Holober, Treasurer Bernata Slater

Approval of Minutes of the December 9, 2019 Meeting

It was moved by Director Goodman and seconded by Director Holober to approve the minutes of the December 9, 2019 meeting. The minutes were approved unanimously.

Naming of Officers for 2021

It was moved by Director Holober and seconded by Director Nuris to approve the slate of officers and directors as presented. The motion passed unanimously.

President – Board of Trustees President Thomas Nuris

Vice President – Chancellor Michael Claire

Secretary – Board of Trustees Vice President-Clerk Richard Holober

Treasurer – Chief Financial Officer Bernata Slater

Board of Trustees members Maurice Goodman, Lisa Petrides and John Pimentel will serve as Directors.

It was moved by Director Holober and Seconded by Director Nuris to adjourn the meeting at 10:06 p.m. The motion passed unanimously.

Submitted by

Michael Claire
Vice President