

THE TENTATIVE BUDGET REPORT provides a summary of the 2016-17 State budget and District budget planning information. It focuses primarily on the Unrestricted General Fund; however, preliminary information is also included about other District funds shown in detail on Exhibits B through L.

The Legislature is expected to pass the \$122 billion spending plan on time. After some adjustments, the Governor is expected to sign the main budget bill before July 1.

May Revision

The Governor's Budget May Revise was released on May 13th. The May Revise includes updates of projections and priorities from the January proposal and marks the beginning of budget negotiations before final passage on June 30th.

The Revision includes updated revenue projections including those received in April. Based on the April collections of personal income taxes and sales tax receipts, the revenue forecast has been lowered by \$1.9 billion below the January projections. State General Fund revenues stand at \$120 billion and expenditures of \$122.1 billion with the shortfall to be covered by a reduced State contribution to reserves according to the requirements of Proposition 2.

In addition to the revenue shortfall, additional developments since the January proposal include; (1) legislation that passed to gradually increase the State minimum wage to \$15 an hour which is estimated to add \$3.4 billion to General Fund costs; (2) increased funding for developmental disability services and (3) managed care financing for Medi-Cal.¹

Governor Brown said he is committed to not repeat past mistakes in the last two recessions when there was increased spending. He was quick to remind that "the economy will have finished its seventh year of expansion, two years longer than the average recovery...and that the next recession is closer even if we cannot tell exactly when it will hit." Although most indicators point to a continuing bullish economy and there are few signs of "immediate contraction," and he has called for fiscal restraint.²

In its multiyear State budget outlook, the Legislative Analyst's Office's (LAO) fiscal review assumes continued growth in the national and State economies. It also estimates that the State budget is capable of providing for the Governor's proposals and commitments. Though projecting higher local property taxes, the LAO concludes that there will be reduced surpluses due to recent spending commitments by the State and suggested that the Legislature enact a State Budget that includes a robust level of total reserves.³

The Governor is putting ongoing resources into one-time funding to create a State Budget that is as flexible as possible, especially in light of the capital gains shortfall that occurred in April.

Following are the key highlights of the Governor's revised budget relevant to the California Community Colleges and the highlighted text estimates how this might affect our District as summarized by Executive Vice Chancellor Kathy Blackwood:

Unrestricted General Fund

- Zero State COLA and \$75M augmentation to the base – *no change to SMCCCD*
- Maintains 2 percent enrollment growth funding – *no change to SMCCCD*
- One-time discretionary to retire prior mandate claims for a total of \$105.5 million mandated costs – *\$1.5 million to SMCCCD*

¹ School Services Overview of the Governor's Budget Proposals, May 20, 2016.

² <http://www.scpr.org/news/2016/05/13/60588/will-brown-s-revised-budget-plan-reflect-more-aust/>

³ School Services article on "LAO Releases a Multiyear Outlook of the State Budget," June 3, 2016.

Categorical and Other Funds

- Zero COLA for categorical programs – was 0.47% COLA in January
- \$249 million Workforce and CTE Pathways where some will be RFP based and some will come directly *to SMCCCD (could be as much as \$1.2 million)*
- \$5 million Zero Textbook Cost Degrees – RFP based that may increase to \$200K per degree developed
- \$25 million Innovation Awards – RFP based that could be used for Promise Programs
- \$219.4 million one-time Deferred Maintenance and Instructional Equipment – *\$3 million to SMCCCD*
- \$10.5 million to Proposition 39 – *additional \$150K to SMCCCD*

In his most recent update to the college community, Interim State Vice Chancellor Mario Rodriguez provided the summary of the Conference Committee actions as it relates to California Community Colleges. These changes are between the May Revision and Conference Committee compromise. Both the Assembly and Senate have shown their support in restoring part-time faculty office hours, Puente and MESA programs. The next step in the process is for both houses to approve the changes to the compromise and send it to the Governor by June 15. According to reports, it is unlikely that the Governor will veto any items included on the compromise.

Dollar Changes

- Restoration of CalWORKs (\$8.683 million), part-time faculty office hours (\$3.658 million), and the MESA and Puente (\$2.366 million) programs.
- Increase funding for financial aid outreach for baccalaureate pilot programs, non-English speaking households and areas with declining enrollment (\$2.5 million).
- Increase funding for the Equal Employment Opportunity program (\$2 million).
- Fund the California College Promise Innovation Grant Program, as proposed in AB 1741 (\$15 million, one-time).
- Reduce the Deferred Maintenance and Instructional Equipment program to fund the above priorities (\$34.839 million, one-time).
- Reduce the 2015-16 apportionment property tax backfill to correct an estimate (\$6.882 million, one-time).

Language Changes

- Strong Workforce – Eliminate the 60% cap on ongoing expenditures, yet maintains the 60%/40% (college/region) split. Also, the SB 1070 CTE Pathways program will be rolled into the Strong Workforce program in 2017-18.
- Basic Skills – Funds remaining eligible, yet previously not funded, Basic Skills Transformation program applicants in 2016-17, and provides the Chancellor's Office a year to develop a new formula for the Basic Skills Initiative. The 2017-18 formula will be based 50% on performance metrics, 25% on low-income students, and 25% on FTES in evidence-based basic skills practices.
- Innovation Awards – Changes the focus of the awards to address equity issues, encourage the use of technology, and increase students' access to financial aid.

District Budget Planning

The District is community-supported and funded almost entirely through local sources. This means the standard non-categorical allocations for public education – such as apportionment, growth and State funded COLA – do not apply to us. The majority of increases to higher education in the State budget in large part do not affect us.

A modified resource allocation model was approved by the Board in spring 2015 and was implemented in fiscal year 2015-16. The model is based on historical trends that considered allocation of resources such as FTES, FTE and other productivity factors were presented to the District Committee on Budget and Finance. Other concepts that were considered during development include consistency with SB361, growth funding, international program growth and new program development and innovation. More importantly, the model aligns with available District resources and priorities identified in the District Strategic Plan.

In its first year of implementation, allocations for innovation programs were awarded to the sites by the Chancellor's Cabinet based on requests. This will allow the Colleges to fund projects that meet the goals identified in the College and District Strategic and Educational Master Plans.

The one-time distribution of \$9.9 million mandated costs from the State in 2015-16 included the following proposals from the sites in support of the District Strategic Plan:

CSM	
Programs and Services such as Learning communities & Project Change	\$1,450,000
E textbook	\$300,000
Workforce development	\$550,000
Subtotal	\$2,300,000
Cañada College	
Professional Development	\$225,000
Guided Pathways Development	\$400,000
Facilities projects	\$500,000
Programs and Services	\$375,000
Subtotal	\$1,500,000
Skyline College	
The Skyline Promise	\$2,900,000
Subtotal	\$2,900,000
Facilities	
Small projects	\$1,000,000
Subtotal	\$1,000,000
District	
Silicon Valley Intensive English Program (SVIEP)	\$417,000
Human Resources Needs	\$264,000
Vans for Mail	\$50,000
International Program	\$750,000
Research/Grant office	\$200,000
Information Technology Services	\$397,224
Facilities vehicles	\$120,000
Subtotal	\$2,198,224

In 2016-17, a \$2 million distribution in ongoing Innovation Funds includes the following proposals from the sites:

CSM	
Fully establish a SparkPoint program at CSM	
Implement College Microbusiness/Innovation Center	
Fully fund Small Business Development Center	
Scale up the College's Year One program	
Staff College Professional Development Coordinator	
Subtotal	\$600,000

Cañada College

Further develop First Year Experience	\$400,000
Institutionalize College for Working Adults	\$200,000
Subtotal	\$600,000

Skyline College

Baccalaureate Program in Respiratory Care	\$250,000
Institutionalize Career & Workforce Programs	\$200,000
Institutionalize Career Advancement Academy	\$150,000
Subtotal	\$600,000

District

District Research Analyst	\$200,000
Subtotal	\$200,000

A report on the 2015-16 Innovation Funds will be presented by each of the sites for the Adopted Budget in September.

Proposition 30

The Schools and Local Public Safety Protection Act of 2012 was passed by voters in November 2012. Also known as Proposition 30, it authorized two temporary tax increases that created the Education Protection Account (EPA) funds as an offset to State aid and would be in effect for seven (7) years from 2012 through 2018.

The temporary Sales Tax sunsets in December 2016 and the Income Tax portion expires in December 2018. Based on this, the District is expected to receive \$876,303 this year.

District Cash Flow and Investments

The issuance of Tax and Revenue Anticipation Notes (TRANS) not to exceed \$30 million was approved by the District Board of Trustees on May 11, 2016, to provide the necessary cash flow to fund District operations from July to December prior to the receipt of property tax revenues.

2016-17 Revenue Projection

The revenue estimates are based primarily upon local property taxes, redevelopment funds, and student fees. The District has prepared an estimate of its base revenue taking into consideration a set of factors that include enrollment and higher property tax assessed valuation. The District's total revenue projection is \$159,355,270.

For 2016-17, the assumptions include:

1. Community supported status continues in 2016-17.
2. 2016-17 FTES based on zero growth over 2015-16 FTES goals.
3. 2016-17 Non-resident FTES grows, International FTES based on College goals.
4. COLA based on proposed salary compensation settlement but assumes total comp.
5. 2.0% State funded growth which does not apply to community supported districts.
6. The deficit factor on State revenue projected does not apply to community supported districts.
7. 3.1% inflation on certain expenses.
8. Utilities based on Facilities' best estimates and benefits are based on 2016-17 increase over 2015-16.
9. No increase for full time faculty outside of what Colleges fund from their site allocations.
10. Fixed costs are based on best estimates.
11. No student fee increase (currently at \$46 per unit).
12. Current property tax increase at 6.3%.

Revenue estimates are based on the assumptions listed above and expenditures include costs to continue ongoing operations. The following tables summarize projected revenues and expenditures. In addition to annual inflationary cost increases, costs include those associated with providing health and medical benefits to active and retired employees, increases in insurance premiums, technology upgrades and maintenance as well as utilities.

Revenues	2015-16 Final Budget	2016-17 Tentative	\$ Change
Total Base Revenue:			
Property Taxes	\$114,547,066	\$125,504,842	\$10,957,776
RDA AB1290/residual	7,241,070	6,830,448	(410,623)
Student Fees	9,895,153	10,734,286	839,133
Education Protection Acct (Prop 30)	1,816,206	876,303	(939,903)
Lottery	2,400,000	2,400,000	0
State PT Faculty Parity	371,881	371,881	0
P/T Faculty Office Hours/Med.	237,017	237,017	0
Apprenticeship	273,000	273,000	0
Non-Resident Tuition	5,297,677	7,563,668	2,265,991
Interest	1,100,000	1,000,000	(100,000)
Mandated Costs	10,451,527	547,000	(9,904,527)
Miscellaneous	3,172,825	3,016,825	(156,000)
Total	\$156,803,422	\$159,355,270	\$2,551,847

Expenditures	2015-16 Final Budget	2016-17 Tentative	\$ Change
Site Allocations with Benefits	\$116,608,417	\$124,336,789	\$7,728,372
Other Employee Benefits	1,000,000	1,000,000	0
Retiree Benefits	7,167,000	7,389,177	222,177
Formula Adjustments	1,459,276	1,423,361	(35,915)
Apprenticeship	273,000	273,000	0
Other Misc Exp (Intl Ed, Innov Funds)	12,696,522	3,964,834	(8,731,688)
Utilities	5,503,077	4,720,134	(782,943)
Salary Commitments	4,209,056	10,365,593	6,156,537
Managed Hiring	1,000,000	1,000,000	0
Insurance	1,220,273	1,258,101	37,828
Consultant/Legal/Election	1,730,000	1,113,800	(616,200)
Staff Development	498,000	513,438	15,438
Software/Hardware/Telephone	1,878,800	1,937,043	58,243
Resource Allocation	1,500,000	0	(1,500,000)
Museum of Tolerance	60,000	60,000	0
Total	\$156,803,422	\$159,355,270	\$2,551,847

The Tentative Budget reflects a balanced budget whereby projected expenditures will be covered by sufficient revenues. The site allocations also factored in inflation to non-salary and benefit items that were not previously included. The Tentative Budget will be revised to include any changes resulting from the enacted State budget and the 2016-17 fiscal year-end carryover numbers along with existing fund balances.

2015-16 Ending Balance Estimates

The current projections of 2015-16 ending balances submitted by the Budget Offices for each site are as follows:

Cañada College	\$644,000
College of San Mateo	\$350,000
Skyline College	\$802,908
District Office	\$-0-
Facilities	<u>\$525,000</u>
	\$2,321,908

2016-17 Estimated Beginning Balance

The beginning balance is estimated at \$30,915,539 and includes reserves of 11%. Details of the Unrestricted General Fund are detailed in Exhibit A. The remaining balance originates from specific projects and activities in 2015-16 and will be carried over into the new fiscal year as committed to these purposes. The current estimate is subject to change when final amounts become available following year-end close of the District's financial records.

2016-17 Site Allocations

The site allocations for the Tentative Budget will be adjusted for step, column, longevity, and compensation settlement increases according to the resource allocation model. Benefits are managed at each of the sites. Any additional adjustments to the allocations will be made to the adopted budget.

<u>Site</u>	<u>Allocation total with benefits</u>
Cañada College	\$22,804,477
College of San Mateo	36,726,172
Skyline College	38,604,505
District Office	14,324,441
Facilities	11,877,194

The major functional uses of the unrestricted general fund budget are illustrated below by major account category.

Account Category	2015-16 Final Budget	2016-17 Tentative	\$ Change
Certificated Salaries	\$57,141,011	\$64,230,095	7,089,084
Classified Salaries	34,520,181	34,483,502	(36,679)
Employee Benefits	37,020,256	36,245,312	(774,944)
Supplies/Materials	6,728,549	3,187,803	(3,540,746)
Operating Expenses	27,150,568	18,187,139	(8,963,429)
Capital Outlay	76,006	51,000	(25,006)
Transfers/Other	2,243,234	2,970,419	727,185
Total	\$164,879,804	*\$159,355,270	\$(5,524,535)

*Does not include beginning balance/carryover as final figures will not be known until after the 2015-16 books are closed. Final compensation increases are not yet included pending negotiation settlements for all groups.

San Mateo County Community College District
2016-2017 Tentative Budget
Unrestricted General Fund (Fund 1) - Total District



	2015-16 Adoption Budget	2015-16 Estimated Actual	2016-17 Tentative Budget	Percent of Total Budget	
Revenue					
1 Federal Revenue	\$0	\$0	\$0	0%	1
2 State Revenue	16,256,631	15,418,539	5,448,201	3%	2
3 Local Revenue	140,546,791	143,876,983	153,907,069	97%	3
4 Total Revenue	\$156,803,422	\$159,295,522	\$159,355,270	100%	4
Expenses					
5 Certificated Salaries	\$57,141,011	\$58,982,601	\$64,230,095	41%	5
6 Classified Salaries	34,520,181	\$32,669,705	34,483,502	22%	6
7 Employee Benefits	37,020,256	\$34,371,671	36,245,312	23%	7
8 Materials & Supplies	6,728,549	\$2,409,453	3,187,803	2%	8
9 Operating Expenses	27,150,568	\$15,781,854	18,187,139	12%	9
10 Capital Outlay	76,006	\$200,269	51,000	0%	10
11 Total Expenses	\$162,636,571	\$144,415,553	\$156,384,851	100%	11

Transfers & Other					
12 Transfers In	0	592,400	0	0%	12
13 Other Sources	0	0	0	0%	13
14 Transfers out	(2,243,234)	(6,745,522)	(2,970,419)	100%	14
15 Contingency	0	0	0	0%	15
16 Other Out Go	0	0	0	0%	16
17 Total Transfers/Other	(\$2,243,234)	(\$6,153,122)	(\$2,970,419)	100%	17
Fund Balance					
18 Net Change in Fund Balance	(\$8,076,383)	\$8,726,847	\$0		18
19 Beginning Balance, July 1	22,188,692	22,188,692	30,915,539		19
20 Adjustments to Beginning Balance	0	0	0		20
21 Net Fund Balance, June 30	\$14,112,310	\$30,915,539	\$30,915,539		21

*****The total shown includes estimated Prop 30 (EPA) funds and no carryover funds*****

Includes combined total of Central Services, District Office, Cañada College, College of San Mateo, and Skyline College

<u>Estimated Beginning Balance</u>	
Professional Development	\$340,000
Staff Development	37,500
Emergency Preparedness	255,000
SF State Nursing	320,000
Telecom contracts	480,000
Fleet Program	85,000
Elections Carryover	200,000
Indirect Cost Pool	251,000
Skyline International	350,000
CAN International	100,000
DO Innovation	1,200,000
CAN Innovation	1,300,000
CSM Innovation	2,100,000
SKY Innovation	2,400,000
CAN various projects	120,000
CSM various projects	425,000
SKY various projects	480,000
Apprenticeship	400,000
Encumbrances:	
CSM	0
CAÑADA	0
SKYLINE	0
District/Facilities	12,000
Central Services	50,000
College Events	70,000
Miscellaneous:	
Site Ending Balances	
CAÑADA	644,000
CSM	350,000
SKYLINE	802,908
DISTRICT OFFICE	0
FACILITIES	525,000
Contingency--11%	17,529,079
Other Carryover	89,052
	\$30,915,539

San Mateo County Community College District
2016-2017 Tentative Budget
Unrestricted General Fund (Fund 1) - Total District
Proposition 30 (EPA)

Exhibit A-3



SAN MATEO COUNTY
COMMUNITY
 COLLEGE DISTRICT

	2015-16 Adoption Budget	2015-16 Estimated Actual	2016-17 Tentative Budget	Percent of Total Budget	
Revenue					
1 Federal Revenue	\$0	\$0	\$0	0%	1
2 State Revenue	1,816,206	1,816,206	876,303	100%	2
3 Local Revenue	0	0	0	0%	3
4 Total Revenue	\$1,816,206	\$1,816,206	\$876,303	100%	4
Expenses					
5 Certificated Salaries	\$1,154,136	\$1,154,136	\$554,297	63%	5
6 Classified Salaries	288,976	288,976	139,153	16%	6
7 Employee Benefits	373,094	373,094	182,853	21%	7
8 Materials & Supplies	0	0	0	0%	8
9 Operating Expenses	0	0	0	0%	9
10 Capital Outlay	0	0	0	0%	10
11 Total Expenses	\$1,816,206	\$1,816,206	\$876,303	100%	11
Transfers & Other					
12 Transfers In	\$0	\$0	\$0	0%	12
13 Other Sources	0	0	0	0%	13
14 Transfers out	0	0	0	0%	14
15 Contingency	0	0	0	0%	15
16 Other Out Go	0	0	0	0%	16
17 Total Transfers/Other	\$0	\$0	\$0	0%	17
Fund Balance					
18 Net Change in Fund Balance	\$0	\$0	\$0		18
19 Beginning Balance, July 1	0	0	0		19
20 Adjustments to Beginning Balance	0	0	0		20
21 Net Fund Balance, June 30	\$0	\$0	\$0		21

Includes combined total of Central Services, District Office, Cañada College, College of San Mateo, and Skyline College
 Proposition 30 (EPA) funds are shown as part of the Unrestricted General Fund totals and are fully expended each fiscal year.

San Mateo County Community College District
2016-2017 Tentative Budget
Internal Service - Self-Insurance Fund (Fund 2) - Central Services



	2015-16 Adoption Budget	2015-16 Estimated Actual	2016-17 Tentative Budget	Percent of Total Budget		
Revenue						
1	Federal Revenue	\$0	\$0	\$0	0%	1
2	State Revenue	0	0	0	0%	2
3	Local Revenue	0	0	0	0%	3
4	Total Revenue	\$0	\$0	\$0	0%	4
Expenses						
5	Certificated Salaries	\$0	\$0	\$0	0%	5
6	Classified Salaries	35,023	144,422	148,755	7%	6
7	Employee Benefits	14,015	66,515	69,100	3%	7
8	Materials & Supplies	5,000	0	5,000	0%	8
9	Operating Expenses	705,000	1,786,540	1,800,000	89%	9
10	Capital Outlay	0	0	0	0%	10
11	Total Expenses	\$759,038	\$1,997,477	\$2,022,855	100%	11
Transfers & Other						
12	Transfers In		\$208,121	\$0	0%	12
13	Other Sources	\$1,062,575	\$988,439	\$1,018,100	100%	13
14	Transfers out	0	0	0	0%	14
15	Contingency	0	0	0	0%	15
16	Other Out Go	0	0	0	0%	16
17	Total Transfers/Other	\$1,062,575	\$1,196,560	\$1,018,100	100%	17
Fund Balance						
18	Net Change in Fund Balance	\$303,537	(\$800,917)	(\$1,004,755)		18
19	Beginning Balance, July 1	7,664,018	7,664,018	6,863,101		19
20	Adjustments to Beginning Balance	0	0	0		20
21	Net Fund Balance, June 30	\$7,967,555	\$6,863,101	\$5,858,346		21

San Mateo County Community College District
2016-2017 Tentative Budget
Debt Service Fund (Fund 25) - Central Services



	2015-16 Adoption Budget	2015-16 Estimated Actual	2016-17 Tentative Budget	Percent of Total Budget	
Revenue					
1	Federal Revenue	\$0	\$0	\$0	0% 1
2	State Revenue	176,020	110,116	120,000	0% 2
3	Local Revenue	36,501,792	43,000,000	52,353,065	100% 3
4	Total Revenue	\$36,677,812	\$43,110,116	\$52,473,065	0% 4
Expenses					
5	Certificated Salaries	\$0	\$0	\$0	0% 5
6	Classified Salaries	0	0	0	0% 6
7	Employee Benefits	0	0	0	0% 7
8	Materials & Supplies	0	0	0	0% 8
9	Operating Expenses	0	0	0	0% 9
10	Capital Outlay	0	0	0	0% 10
11	Total Expenses	\$0	\$0	\$0	0% 11
Transfers & Other					
12	Transfers In	\$0	\$0	\$0	0% 12
13	Other Sources	\$0	\$0	\$0	0% 13
14	Transfers out	0	0	0	0% 14
15	Contingency	0	0	0	0% 15
16	Other Out Go	(36,331,792)	(36,331,792)	(\$52,353,065)	0% 16
17	Total Transfers/Other	(\$36,331,792)	(\$36,331,792)	(\$52,353,065)	100% 17
Fund Balance					
18	Net Change in Fund Balance	\$346,020	\$6,778,324	\$120,000	18
19	Beginning Balance, July 1	43,388,339	43,388,339	50,166,664	19
20	Adjustments to Beginning Balance	0	0	0	20
21	Net Fund Balance, June 30	\$43,734,359	\$50,166,664	\$50,286,664	21

San Mateo County Community College District

2016-17 TENTATIVE BUDGET - SPECIALLY FUNDED PROGRAMS
Based on Current Agreements and Funding Estimates

<u>Fund</u>	<u>Program</u>	<u>Source</u>	College of <u>San Mateo</u>	Cañada <u>College</u>	Skyline <u>College</u>	Chancellor's <u>Office</u>	<u>Total</u>
30005	Work Study	Federal	106,385	83,799	262,102		452,286
30007	CTEA Perkins IV-1C	Federal	169,065	119,775	207,921		496,761
30057	Workability III CA Rehab	Federal			149,214		149,214
30102	HSI STEM C/O	Federal		1,000,000			1,000,000
30105	CTE Transitions	Federal	43,748	43,748	43,748		131,244
30110	TRIO - Upward Bound	Federal		270,375			270,375
30111	HSI Cooperative A2B	Federal		714,042			714,042
30116	NSF Univ of New Hampshire subaward C/O	Federal		25,000			25,000
30117	NSF S-STEM Scholarships	Federal		157,177			157,177
30120	NSF CALSTEP	Federal		257,329			257,329
30121	HSI Institutional ESO	Federal		519,254			519,254
30126	NSF BioBridge	Federal			65,210		65,210
30127	TRIO - SSS	Federal			496,320		496,320
30128	TRIO - SSS	Federal		238,036			238,036
30129	Math Science Eng Improvement Prog	Federal		300,000			300,000
30130	Small Business Div Ctr-HSUSPF C/O	Federal	50,000				50,000
31002	DSP&S	State	761,152	338,419	538,438		1,638,009
31003	EOP&S	State	636,119	531,533	559,809		1,727,461
31004	EOP&S/CARE	State	34,880	47,935	48,256		131,071
31009	Student Success and Support Program	State	1,704,186	1,191,985	1,663,300		4,559,471
31012	Foster Care Education	State		81,505			81,505
31016	AB602-Board Fin Asst Prog Adm Allow	State	318,322	289,653	359,110		967,085
31031	CalWORKs	State	116,710	124,071	129,436		370,217
31033	TANF	Federal	27,050	28,749	29,971		85,770
31045	Staff Diversity	State				8,540	8,540
31055	MESA/CCCP/FSS	State		50,500	50,500		101,000
31065	RCSD CBET	State		50,000			50,000
31069	Prop 20 Lottery - Instructional Materials	State	250,000	150,000	280,000		680,000
31077	MESA/CCCP/FSS C/O	State		20,000	10,000		30,000
31078	Enrollment Growth AD Nursing	State	119,800				119,800
31128	UC Regents Puente Program	State	1,500				1,500
31142	Student Equity Program	State	527,767	374,681	683,929		1,586,377
31149	Foothill-DA CCD DSN - Energy Efficiency	State			12,000		12,000
31152	Deputy Navigator-Global Trade	State			100,000		100,000
31153	Deputy Navigator-Retail	State			100,000		100,000
31154	Basic Skills 2015-16 Allocation C/O	State	60,000	55,000	85,000		200,000
31157	UC Regents Puente Program	State		1,500			1,500
31158	Full-Time Student Success Grant	State	124,273	54,500	162,805		341,578
31159	SJECCD Career Pathways Trust C/O	State		160,000			160,000
31160	Cabrillo CCD DSN Entrepreneurship C/O	State		8,000			8,000
31161	Baccalaureate Pilot Degree Program C/O	State			330,000		330,000
31162	Adult Ed Block Grant 2015-16 C/O	State	60,000	100,000	70,000		230,000
31163	Student Success and Support Program C/O	State	1,000,000	100,000	700,000		1,800,000
31164	Student Equity Program C/O	State	200,000	250,000	500,000		950,000
31165	Cabrillo CCD DSN Freelance Mgmt C/O	State		10,000			10,000
3116X	Basic Skills 2016-17 Allocation	State	90,000	90,000	90,000		270,000
3116X	Assessment, Remediation AD Nursing	State	79,800				79,800
3116X	Deputy Navigator-Global Trade	State			200,000		200,000
3116X	Deputy Navigator-Retail	State			200,000		200,000
3116X	CCCCO-CEP-Career Advancement Academy	State			500,000		500,000
3116X	Adult Ed Block Grant 2016-17	State	153,500	161,809	168,271		483,580
32003	Public Bdcst-CSG-TV	Local	236,070				236,070
32004	Public Bdcst-CSG-FM	Local	125,613				125,613
32005	Public Bdcst-CSG-Interconnect	Local	4,329				4,329
32017	Menlo Park Redevelopment	Local		279,000			279,000
32047	UC Regents Puente Program	Local			1,500		1,500
32063	SMCOE - First 5 Early Childhood - EQulP	Local		149,680			149,680
32080	The Grove Foundation-CAN CBET C/O	Local		5,000			5,000
32099	The Grove Foundation-SKY CTE Schol C/O	Local			20,000		20,000
32101	Silicon Valley CF-EWAP C/O	Local		50,000			50,000
32102	Working Students Success Network	Local			75,000		75,000
32103	Working Students Success Network	Local		75,000			75,000

Exhibit D

32108	SF Foundation - ICT Coding C/O	Local		40,000			40,000
32109	Cerritos College Foundation - ECE	Local			74,400		74,400
32110	Public Bdcst-CSG-FM Restricted	Local	43,974				43,974
32111	Walter Johnson Foundation Guardian Schol	Local			125,000		125,000
35022	KCSM TV	Local	1,000,000				1,000,000
35023	KCSM FM	Local	1,800,000				1,800,000
35045	Financial Aid Admin Cost Allow	Local	7,000	5,000	10,000		22,000
35046	Peninsula Library System	Local				50,000	50,000
39001	Parking Fees	Local				3,200,000	3,200,000
39030	Health Service Fees	Local	500,000	300,000	500,000		1,300,000
Total 2016-2017 Tentative Budget			<u>\$10,351,243</u>	<u>\$8,902,055</u>	<u>\$9,601,240</u>	<u>\$3,258,540</u>	<u>\$32,113,078</u>

C/O - Carry-forward funds from prior year

San Mateo County Community College District
2016-2017 Tentative Budget
Capital Projects Fund (Fund 4) - Total District



	2015-16 Adoption Budget	2015-16 Estimated Actual	2016-17 Tentative Budget	
Revenue				
1 Federal Revenue	\$0	\$0	\$0	1
2 State Revenue	0	2,657,460	3,150,000	2
3 Local Revenue	1,686,884	1,600,000	1,400,000	3
4 Total Revenue	\$1,686,884	\$4,257,460	\$4,550,000	4
Expenses				
5 Certificated Salaries	\$0	\$0	\$0	5
6 Classified Salaries	2,360,000	2,166,000	2,800,000	6
7 Employee Benefits	900,000	760,000	980,000	7
8 Materials & Supplies	1,900,000	4,000,000	4,500,000	8
9 Operating Expenses	12,500,000	4,000,000	6,000,000	9
10 Capital Outlay	25,000,000	11,000,000	8,000,000	10
11 Total Expenses	\$42,660,000	\$21,926,000	\$22,280,000	11
Transfers & Other				
12 Transfers In	\$398,244	\$2,593,108	\$1,200,000	12
13 Other Sources	708,756	841,913	800,000	13
14 Transfers out	(250,312)	(1,726,781)	(1,850,000)	14
15 Contingency	0	0	0	15
16 Other Out Go	0	0	0	16
17 Total Transfers/Other	\$856,688	\$1,708,240	\$150,000	17
Fund Balance				
18 Net Change in Fund Balance	(\$40,116,428)	(\$15,960,300)	(\$17,580,000)	18
19 Beginning Balance, July 1	224,950,124	224,950,124	208,989,824	19
20 Adjustments to Beginning Balance	0	0	0	20
21 Net Fund Balance, June 30	\$184,833,696	\$208,989,824	\$191,409,824	21

Includes combined total of Central Services, District Office, Cañada College, College of San Mateo, and Skyline College.

San Mateo County Community College District
2016-2017 Tentative Budget
Enterprise Fund - Bookstore (Fund 5)



	2015-16 Adoption Budget	2015-16 Estimated Actual	2016-17 Tentative Budget	
Revenue				
1 Federal Revenue	\$0	\$0	\$0	1
2 State Revenue	0	0	0	2
3 Local Revenue	7,500,000	7,968,638	7,700,000	3
4 Total Revenue	\$7,500,000	\$7,968,638	\$7,700,000	4
Expenses				
5 Cost of Sales	\$4,000,000	\$4,242,764	\$4,100,000	5
6 Certificated Salaries	\$0	\$0	\$0	6
7 Classified Salaries	1,800,000	1,951,705	1,950,000	7
8 Employee Benefits	530,000	562,081	562,000	8
9 Materials & Supplies	35,000	41,641	40,000	9
10 Operating Expenses	800,000	653,234	700,000	10
11 Capital Outlay	0	0	0	11
12 Total Expenses	\$7,165,000	\$7,451,425	\$7,352,000	12
Transfers & Other				
13 Transfers In	\$0	\$0	\$0	13
14 Other Sources	\$0	\$0	\$0	14
15 Transfers out	0	0	0	15
16 Contingency	0	0	0	16
17 Other Out Go	0	0	0	17
18 Total Transfers/Other	\$0	\$0	\$0	18
Fund Balance				
19 Net Change in Fund Balance	\$335,000	\$517,213	\$348,000	19
20 Beginning Balance, July 1	8,070,715	8,070,715	8,587,928	20
21 Adjustments to Beginning Balance	0	0	0	21
22 Net Fund Balance, June 30	\$8,405,715	\$8,587,928	\$8,935,928	22

San Mateo County Community College District
2016-2017 Tentative Budget
Enterprise Fund - Cafeteria (Fund 5)



	2015-16 Adoption Budget	2015-16 Estimated Actual	2016-17 Tentative Budget	
Revenue				
1 Federal Revenue	\$0	\$0	\$0	1
2 State Revenue	0	0	0	2
3 Local Revenue	320,000	344,728	350,000	3
4 Total Revenue	\$320,000	\$344,728	\$350,000	4
Expenses				
5 Certificated Salaries	\$0	\$0	\$0	5
6 Classified Salaries	50,000	65,250	65,000	6
7 Employee Benefits	9,000	13,960	14,000	7
8 Materials & Supplies	60,000	58,369	58,000	8
9 Operating Expenses	100,000	72,442	75,000	9
10 Capital Outlay	0	0	0	10
11 Total Expenses	\$219,000	\$210,021	\$212,000	11
Transfers & Other				
12 Transfers In	\$0	\$0	\$0	12
13 Other Sources	\$0	\$0	\$0	13
14 Transfers out	0	0	0	14
15 Contingency	0	0	0	15
16 Other Out Go	0	0	0	16
17 Total Transfers/Other	\$0	\$0	\$0	17
Fund Balance				
18 Net Change in Fund Balance	\$101,000	\$134,707	\$138,000	18
19 Beginning Balance, July 1	507,020	507,020	641,727	19
20 Adjustments to Beginning Balance	0	0	0	20
21 Net Fund Balance, June 30	\$608,020	\$641,727	\$779,727	21

San Mateo County Community College District
2016-2017 Tentative Budget
Enterprise Fund - San Mateo Athletic Club and Aquatic Center



	2015-16 Adoption Budget	2015-16 Estimated Actual	2016-17 Tentative Budget	
Revenue				
1 Federal Revenue	\$0	\$0	\$0	1
2 State Revenue	0	0	0	2
3 Local Revenue	4,500,000	4,643,914	4,650,000	3
4 Total Revenue	\$4,500,000	\$4,643,914	\$4,650,000	4
Expenses				
5 Certificated Salaries	\$0	\$0	\$0	5
6 Classified Salaries	185,000	221,795	222,000	6
7 Employee Benefits	43,000	53,231	53,000	7
8 Materials & Supplies	0	0	0	8
9 Operating Expenses**	3,300,000	3,484,891	3,490,000	9
10 Capital Outlay	0	0	0	10
11 Total Expenses	\$3,528,000	\$3,759,917	\$3,765,000	11
Transfers & Other				
12 Transfers In	\$0	\$0	\$0	12
13 Other Sources	\$150,000	\$152,349	\$150,000	13
14 Transfers out	0	0	0	14
15 Contingency	0	0	0	15
16 Other Out Go	(385,000)	(201,645)	(200,000)	16
17 Total Transfers/Other	(\$235,000)	(\$49,296)	(\$50,000)	17
Fund Balance				
18 Net Change in Fund Balance	\$737,000	\$834,701	\$835,000	18
19 Beginning Balance, July 1	1,936,074	1,936,074	2,770,775	19
20 Adjustments to Beginning Balance	0	0	0	20
21 Net Fund Balance, June 30	\$2,673,074	\$2,770,775	\$3,605,775	21

**Operating expenses consists of salaries and benefits paid by Medifit

San Mateo County Community College District
2016-2017 Tentative Budget
Enterprise Fund - Community Continuing Corporate Education (Fund 5)



	2015-16 Adoption Budget	2015-16 Estimated Actual	2016-17 Tentative Budget		
Revenue					
1	Federal Revenue	\$0	\$0	\$0	1
2	State Revenue	0	0	0	2
3	Local Revenue	900,000	986,091	990,000	3
4	Total Revenue	\$900,000	\$986,091	\$990,000	4
Expenses					
5	Certificated Salaries	\$0	\$0	\$0	5
6	Classified Salaries	315,000	370,966	371,000	6
7	Employee Benefits	110,000	120,332	121,000	7
8	Materials & Supplies	25,000	12,110	12,000	8
9	Operating Expenses	350,000	360,264	360,000	9
10	Capital Outlay	0	0	0	10
11	Total Expenses	\$800,000	\$863,672	\$864,000	11
Transfers & Other					
12	Transfers In	\$0	\$417,000	\$0	12
13	Other Sources	\$0	\$0	\$0	13
14	Transfers out	0	0	0	14
15	Contingency	0	0	0	15
16	Other Out Go	0	0	0	16
17	Total Transfers/Other	\$0	\$417,000	\$0	17
Fund Balance					
18	Net Change in Fund Balance	\$100,000	\$539,419	\$126,000	18
19	Beginning Balance, July 1	0	0	1,390,237	19
20	Adjustments to Beginning Balance	0	850,818	0	20
21	Net Fund Balance, June 30	\$100,000	\$1,390,237	\$1,516,237	21

San Mateo County Community College District
2016-2017 Tentative Budget
Child Development Fund (Fund 60) - Total District



	2015-16 Adoption Budget	2015-16 Estimated Actual	2016-17 Tentative Budget	Percent of Total Budget		
Revenue						
1	Federal Revenue	\$120,900	\$70,000	\$70,000	9%	1
2	State Revenue	\$300,800	\$170,000	\$170,000	22%	2
3	Local Revenue	\$549,495	\$530,000	\$530,000	69%	3
4	Total Revenue	\$971,195	\$770,000	\$770,000	100%	4
Expenses						
5	Certificated Salaries	\$223,600	\$230,000	\$200,000	16%	5
6	Classified Salaries	\$576,649	\$680,000	\$640,000	51%	6
7	Employee Benefits	\$303,387	\$310,000	\$320,000	25%	7
8	Materials & Supplies	\$113,623	\$100,000	\$100,000	8%	8
9	Operating Expenses	\$4,248	\$2,000	\$2,000	0%	9
10	Capital Outlay	\$0	\$0	\$0	0%	10
11	Total Expenses	\$1,221,507	\$1,322,000	\$1,262,000	100%	11
Transfers & Other						
12	Transfers In	\$250,312	\$552,000	\$492,000	100%	12
13	Other Sources	\$0	\$0	\$0	0%	13
14	Transfers out	\$0	\$0	\$0	0%	14
15	Contingency/Reserve	\$0	\$0	\$0	0%	15
16	Other Out Go	\$0	\$0	\$0	0%	16
17	Total Transfers/Other	\$250,312	\$552,000	\$492,000	100%	17
Fund Balance						
18	Net Change in Fund Balance	\$0	\$0	\$0		18
19	Beginning Balance, July 1	0	\$0	0		19
20	Adjustments to Beginning Balance	0	\$0	0		20
21	Net Fund Balance, June 30	\$0	\$0	\$0		21

San Mateo County Community College District
2016-2017 Tentative Budget
Student Aid Fund (Fund 7) - Total District



	2015-16 Adoption Budget	2015-16 Estimated Actual	2016-17 Tentative Budget	Percent of Total Budget		
Revenue						
1	Federal Revenue	\$19,655,080	\$17,132,780	\$18,000,000	90%	1
2	State Revenue	1,067,500	971,144	1,000,000	5%	2
3	Local Revenue	785,000	905,746	900,000	5%	3
4	Total Revenue	\$21,507,580	\$19,009,670	\$19,900,000	100%	4
Expenses						
5	Certificated Salaries	\$0	\$0	\$0	0%	5
6	Classified Salaries	\$0	\$0	\$0	0%	6
7	Employee Benefits	\$0	\$0	\$0	0%	7
8	Materials & Supplies	\$0	\$0	\$0	0%	8
9	Operating Expenses	\$0	\$0	\$0	0%	9
10	Capital Outlay	\$0	\$0	\$0	0%	10
11	Total Expenses	\$0	\$0	\$0	0%	11
Transfers & Other						
12	Transfers In	\$0	\$690,502	\$700,000	-4%	12
13	Other Sources	0	0	0	0%	13
14	Transfers out	0	0	0	0%	14
15	Contingency	0	0	0	0%	15
16	Other Out Go	(21,507,580)	(19,700,172)	(20,600,000)	104%	16
17	Total Transfers/Other	(\$21,507,580)	(\$19,009,670)	(\$19,900,000)	100%	17
Fund Balance						
18	Net Change in Fund Balance	\$0	\$0	\$0		18
19	Beginning Balance, July 1	130,251	130,251	130,251		19
20	Adjustments to Beginning Balance	0	0	0		20
21	Net Fund Balance, June 30	\$130,251	\$130,251	\$130,251		21

Includes combined total of District Office, Cañada College, College of San Mateo, and Skyline College, as well as entire beginning balance.

San Mateo County Community College District
2016-2017 Tentative Budget
Reserve Fund for Post Retirement Benefits (Fund 8) - Central Services



	2015-16 Adoption Budget	2015-16 Estimated Actual	2016-17 Tentative Budget	Percent of Total Budget		
Revenue						
1	Federal Revenue	\$0	\$0	\$0	0%	1
2	State Revenue	0	0	0	0%	2
3	Local Revenue	165,000	60,000	60,000	0%	3
4	Total Revenue	\$165,000	\$60,000	\$60,000	0%	4
Expenses						
5	Certificated Salaries	\$0	\$0	\$0	0%	5
6	Classified Salaries	0	0	0	5%	6
7	Employee Benefits	0	0	0	0%	7
8	Materials & Supplies	0	0	0	0%	8
9	Operating Expenses	5,000	5,800	6,000	100%	9
10	Capital Outlay	0	0	0	0%	10
11	Total Expenses	\$5,000	\$5,800	\$6,000	100%	11
Transfers & Other						
12	Transfers In	\$0	\$0	\$0	0%	12
13	Other Sources	\$4,500,000	\$3,900,000	\$3,950,000	-98%	13
14	Transfers out	0	0	0	0%	14
15	Contingency	0	0	0	0%	15
16	Other Out Go	(12,000,000)	(12,000,000)	(8,000,000)	198%	16
17	Total Transfers/Other	(\$7,500,000)	(\$8,100,000)	(\$4,050,000)	100%	17
Fund Balance						
18	Net Change in Fund Balance	(\$7,340,000)	(\$8,045,800)	(\$3,996,000)		18
19	Beginning Balance, July 1	19,243,323	19,243,323	11,197,523		19
20	Adjustments to Beginning Balance	0	0	0		20
21	Net Fund Balance, June 30	\$11,903,323	\$11,197,523	\$7,201,523		21

California Community Colleges

Sound Fiscal Management

2016-17 Self-Assessment Checklist

1. Deficit Spending - Is this area acceptable? **Yes / No**

- Is the district spending within their revenue budget in the current year?
 - Yes, the district had a surplus in 14/15 and will have a surplus in 15/16.
- Has the district controlled deficit spending over multiple years?
 - Yes, the District's unrestricted GF Net Change in Fund Balance for 2012/13 was \$102,185, 2013/14 was \$420,363 and 2014/15 was \$2,064,564. The unrestricted GF Net Change in Fund Balance for 2015/16 is projected to be a surplus, and the ending fund balance continues to be above the 15% level.
- Is deficit spending addressed by fund balance, ongoing revenue increases, or expenditure reductions?
 - Yes, by fund balance, revenue increases and expenditure reductions.
- Are district revenue estimates based upon past history?
 - District revenue estimates are based upon a combination of past history as well as projections for local property tax (growth in assessed valuation) and changes to redevelopment agency funding.
- Does the district automatically build in growth revenue estimates?
 - The District is now building in changes in assessed valuation and consequent changes in property taxes received. State growth funding no longer affects the District.

2. Fund Balance – Is this area acceptable? **Yes / No**

- Is the district's fund balance stable or consistently increasing?
 - The District's fund balance is fairly stable, increasing over the last 3 years to partially account for increases in spending and a conservative approach to budgeting revenue. The fund balances were \$19,703,765 in 2012/13, \$20,124,128 in 2013/14 and \$22,188,692 in 2014/15.
- Is the fund balance increasing due to on-going revenue increases and/or expenditure reductions?
 - The fund balance is relatively stable, showing modest increases to match the increase in expenditures and the desire for a larger percentage fund balance.

3. Enrollment - Is this area acceptable? **Yes / No**

- Has the district's enrollment been increasing or stable for multiple years?
 - Yes. The District's enrollment had increased every year since 2005/06, but in 2009/10, due to state workload reductions, the District was over the funded enrollment cap, so enrollment was reduced in succeeding years. International student enrollment is increasing.
- Are the district's enrollment projections updated at least semiannually?
 - The District's enrollment projections are updated at P-1 and P-2.
- Are staffing adjustments consistent with the enrollment trends?
 - The colleges adjust their adjunct faculty budgets to match their enrollment projections.
- Does the district analyze enrollment and full time equivalent students (FTES) data?
 - Yes. The CBO works with the VPIs to review the enrollment estimates and compare the trends to historical data.
- Does the District track historical data to establish future trends between P-1 and annual for projection purposes?
 - Yes. The historical data includes P-1, P-2 and P-Annual and includes a review of the estimates after P-A.

San Mateo County Community College District

- Has the District avoided stabilization funding?
 - Yes. The District has achieved its funded enrollment cap every year from 2005/06 through 2010/11. With the advent of Community-Supported status, the District is no longer eligible for stabilization funding.

4. **Unrestricted General Fund Balance** – Is this area acceptable? **Yes / No**

- Is the District's unrestricted general fund balance consistently maintained at or above the recommended minimum prudent level (5% of the total unrestricted general fund expenditures)?
 - The District's unrestricted GF balance has consistently been 9%-18% for the last several years. In 2015/16, the District budget for a 9% reserve.
- Is the District's unrestricted fund balance maintained throughout the year?
 - Mostly, although the District does not do mid-year accruals of revenue and some sources of revenue lag, such as lottery. If the accruals were done, the balance would be fairly consistent.

5. **Cash Flow Borrowing** - Is this area acceptable? **Yes / No**

- Can the district manage its cash flow without interfund borrowing?
 - With the advent of Community-Supported status, the District relies on both TRANS and interfund borrowing to maintain adequate cash.
- Is the district repaying TRANS and/or borrowed funds within the required statutory period?
 - Yes.

6. **Bargaining Agreements** - Is this area acceptable? **Yes / No**

- Has the district settled bargaining agreements within new revenue sources during the past three years?
 - The District reached agreement with all three unions for 3-year agreements for 2013/14 through 2015/16. The District and the three unions are currently in negotiations for new 3-year contracts.
- Did the district conduct a pre-settlement analysis identifying an ongoing revenue source to support the agreement?
 - The analyses have been ongoing.
- Did the district correctly identify the related costs?
 - Yes, increases in statutory, as well as health and welfare benefits, are included in the total cost when any analysis is done.
- Did the district address budget reductions necessary to sustain the total compensation increase?
 - Budget reductions have not been necessary in the past and are not assumed for future settlements.

7. **Unrestricted General Fund Staffing** - Is this area acceptable? **Yes / No**

- Is the district ensuring it is not using one-time funds to pay for permanent staff or other ongoing expenses?
 - Permanent staff are controlled through position control and are budgeted out of each entity's site allocation, which is derived in the budgeting process from ongoing revenues.
- Is the percentage of district general fund budget allocated to salaries and benefits at or less than the statewide average (i.e. the statewide average for 2003-04 is 85%)?
 - According to the Chancellor's Office Trend Analysis, in 2012/13 the District was at 77.0%, in 2013/14 the District was at 77.2% and in 2014/15 the District was at 81.7%.

8. **Internal Controls** - Is this area acceptable? **Yes / No**

- Does the district have adequate internal controls to insure the integrity of the general ledger?
 - Yes. The District has had no audit findings for internal controls.
- Does the district have adequate internal controls to safeguard the district's assets?
 - Yes. The District has had no audit findings for internal controls.

San Mateo County Community College District

9. **Management Information Systems** - Is this area acceptable? **Yes / No**

- Is the district data accurate and timely?
 - Banner is real time and information is updated automatically in a variety of instances.
- Are the county and state reports filed in a timely manner?
 - All reports are filed on time.
- Are key fiscal reports readily available and understandable?
 - Banner reports are readily available and managers are trained in Banner.

10. **Position Control** – Is this area acceptable? **Yes / No**

- Is position control integrated with payroll?
 - Position control was integrated with payroll when Banner payroll was implemented in January, 2007.
- Does the district control unauthorized hiring?
 - With the implementation of Banner payroll, all positions are approved in advance and no person can receive a paycheck without having his or her paperwork entered into Banner by HR staff and being assigned to an approved position.
- Does the district have controls over part-time academic staff hiring?
 - Part-time academic staff hiring is controlled by the College Instruction Offices and reviewed by Human Resources.

11. **Budget Monitoring** - Is this area acceptable? **Yes / No**

- Is there sufficient consideration to the budget, related to long-term bargaining agreements?
 - All District proposals are costed out for at least 3 years prior to finalizing the proposals.
- Are budget revisions completed in a timely manner?
 - Budget revisions are taken to the Board twice a year.
- Does the district openly discuss the impact of budget revisions at the board level?
 - The Board approves all budget revisions. Any use of contingency funds must be approved by a 2/3 majority of the Board.
- Are budget revisions made or confirmed by the board in a timely manner after the collective bargaining agreements are ratified?
 - Since the District has a history of multi-year agreements, the budget has not had to be revised, but can be planned in advance.
- Has the district's long-term debt decreased from the prior fiscal year?
 - No. Pursuant to the voters' approval of Measure H, the District issued \$127 million in bonds in May, 2015.
- Has the district identified the repayment sources for the long-term debt?
 - General Obligation Bonds are paid through property taxes.
- Does the district compile annualized revenue and expenditure projections throughout the year?
 - The District Committee on Budget and Finance reviews revenue projections for the current and three future years.

12. **Retiree Health Benefits** - Is this area acceptable? **Yes / No**

- Has the district completed an actuarial calculation to determine the unfunded liability?
 - The District completes an actuarial study every two years and last completed a study in April 2015.
- Does the district have a plan for addressing the retiree benefits liabilities?
 - The District is on a pay as you go plan for current retirees, but has also established a self-assessment for future OPEB benefits in line with the actuarial study. The District established an OPEB Trust and is in the process of funding the District's long term liabilities for post-employment health benefits. In addition, the District capped lifetime benefits in the 1990's.

San Mateo County Community College District

13. Leadership/Stability - Is this area acceptable? Yes / No

- Has the district experienced recent turnover in its management team (including the Chief Executive Officer, Chief Business Officer and Board of Trustees)?
 - The District has an interim president for Cañada College while the search is ongoing. One Board member retired in December 2015 and was replaced in the November election by a new member for a 4-year term. There has been no turnover in the CEO or CBO.

14. District Liability – Is this area acceptable? Yes / No

- Has the district performed the proper legal analysis regarding potential lawsuits that may require the district to maintain increased reserve levels?
 - Yes, this is done as part of the year-end close every year.
- Has the district set up contingent liabilities for anticipated settlements, legal fees, etc?
 - None are currently needed.

15. Reporting – Is this area acceptable? Yes / No

- Has the district filed the annual audit report with the System Office on a timely basis?
 - The audit was filed in December 2015 for 2014/15. The current contract with the auditors specifies that the audit must be complete and filed by December 31.
- Has the district taken appropriate actions to address material findings cited in their annual audit report?
 - There have been no findings for the last 2 years.
- Has the district met the requirements of the 50 percent law?
 - Yes.
- Have the Quarterly Financial Status Reports (CCFS-311Q), Annual Financial and Budget Reports (CCFS-311), and Apportionment Attendance Reports (CCFS-320) been submitted to the System Office on or before the stated deadlines?
 - Yes, all have been timely.