Accreditation Work Group Progress Form

Recommendation # 10 Financial Planning and Stability

Full recommendation text:

- Use mission statement to inform allocation of resources; match expenditures with financial resources.
- Increase reserves.
- Manage financial impact of unfunded long-term liabilities.

Related standards:

- III.D.1.c, III.D.2.c

Work group members:

- Alyssa Messer, Athena Steff, Susan Lopez, Carole Meagher, James Armstrong, John Bilmont, Steve Ngo, Ric Jazaie, Madeline Mueller, Mike McKeever, Rebeca Chavez, Stephanie Duncan, Steve Hale

Provide the dates and times of all meetings held to date. For each meeting, please briefly describe the primary focus of the discussion that took place (1-2 sentences per meeting).

1st Meeting July 27, 2012 – Chancellor informed the workgroup that their task is to create a list of all options for reducing costs on an ongoing basis and to provide that list intact for consideration by the Board of Trustees. Workgroup focuses on Recommendation #10 and the plan for adding resources to the accounting department to ensure that critical reports such as the Annual Financial Audit and the State 311 Report are completed before their due dates. Such action would allow these reports to be used during the new planning/budgeting/assessment cycle.

2nd Meeting August 7, 2012 – Background data was presented to the workgroup showing the College’s financial outlook for the coming years. The workgroup reviewed a list of potential actions and strategies for reducing costs. The Workgroup discussed part of the list and offered modifications and additional ideas. The group suggested that columns should be added to the list for estimating potential savings and identifying issues related to each strategy.

3rd Meeting August 10, 2012 – The Workgroup further discussed the list of strategies to reduce spending. The chair reminded the group that their task is to create a list of all options for reducing costs on an ongoing basis; therefore the only reason to leave an idea of the list is if it does not generate savings.

4th Meeting August 17, 2012 - The Workgroup further discussed the list of strategies to reduce spending. Detailed discussion occurred regarding potential issues associated with each option.

5th Meeting August 29, 2012 The Workgroup further discussed the list of strategies to reduce spending. Spreadsheets were reviewed related to how savings will be calculated in a realistic fact based manner. These spreadsheets are attached. Detailed discussion occurred regarding potential issues associated with each option.
Small Group Mtg August 31, 2012 – A subgroup of five workgroup members met to go over the savings calculation methodology and assumptions in detail. Some modifications to estimated savings resulted from his session.

6th Meeting September 6, 2012 - The Workgroup added a few additional items to the matrix of savings options as well as revenue option related to non-resident fees. A lively discussion followed related to the importance of referring many items on the matrix to the appropriate collective bargaining tables.

Describe your plans for addressing the recommendation. Include a brief paragraph describing each activity included on your timeline along with key dates for accomplishing those activities.

The completed list will serve as the first step for addressing this recommendation. Final decisions regarding which strategies are selected will be made by the Chancellor and the Board of Trustees. Implementation will need to begin during fiscal year 2012-13, this is particularly true if the Governor’s and the College’s ballot initiatives are not approved by voters.

Summarize your progress to date on carrying out the activities described above where applicable. If you have completed any of these activities, please note the date on which it was completed and append the evidence or any products relating to the activity.

The evidence documenting the group’s progress is the list of savings options. This list is attached. None of the actual strategies have been approved at this time.

List any challenges you have encountered or anticipate facing with respect to addressing the recommendation.

The list itself describes issues associated with each option.
Recommendation # 11 Financial Integrity and Reporting

Full recommendation text:

- Provide accurate and timely reporting of financial information to internal users.
- Prepare information for audits so they can use it in annual and longer-term planning and budgeting processes.

Related standards:

III.D.1.d, III.D.2.g

Work group members:

- Alyssa Messer, Athena Steff, Susan Lopez, Carole Meagher, James Armstrong, John Bilmont, Steve Ngo, Ric Jazaie, Madeline Mueller, Mike McKeever, Rebeca Chavez, Stephanie Duncan, Steve Hale

Provide the dates and times of all meetings held to date. For each meeting, please briefly describe the primary focus of the discussion that took place (1-2 sentences per meeting).

1\textsuperscript{st} Meeting July 27, 2012 – Chancellor informed the workgroup that their task is to create a list of all options for reducing costs on an ongoing basis and to provide that list intact for consideration by the Board of Trustees. Workgroup focuses on Recommendation #10 and the plan for adding resources to the accounting department to ensure that critical reports such as the Annual Financial Audit and the State 311 Report are completed before their due dates. Such action would allow these reports to be used during the new planning/budgeting/assessment cycle.

2\textsuperscript{nd} Meeting August 7, 2012 – Background data was presented to the workgroup showing the College’s financial outlook for the coming years. The workgroup reviewed of a list of potential actions and strategies for reducing costs. The Workgroup discussed part of the list and offered modifications and additional ideas. The group suggested that columns should be added to the list for estimating potential savings and identifying issues related to each strategy.

3\textsuperscript{rd} Meeting August 10, 2012 – The Workgroup further discussed the list of strategies to reduce spending. The chair reminded the group that their task is to create a list of all options for reducing costs on an ongoing basis; therefore the only reason to leave an idea of the list is if it does not generate savings.

4\textsuperscript{th} Meeting August 17, 2012 - The Workgroup further discussed the list of strategies to reduce spending. Detailed discussion occurred regarding potential issues associated with each option.

Describe your plans for addressing the recommendation. Include a brief paragraph describing each activity included on your timeline along with key dates for accomplishing those activities.
For the current fiscal year a variety of one-time resources will be brought in to meet deadlines for critical reports. These include one retiree returning to work, a contract with a private firm for part time consulting services, and short term reassignment of current staff. This effort is also assisted by the return of a current employee from maternity leave in September.

**Summarize your progress to date on carrying out the activities described above where applicable. If you have completed any of these activities, please note the date on which it was completed and append the evidence or any products relating to the activity.**

The accounting department has already secured two additional resources, a retired employee has returned temporarily to help with audit preparation work, and an auditor from a firm that has previously contracted with the college has been brought on a temporary part time basis to assist with key tasks needed for the audit. The accounting department is also seeking to temporarily reassign some existing employees from other departments whose expertise will be particularly useful during audit preparation. This has met with very limited success. All of these activities need to occur between August and December of 2012. These measures will only address the 2012 audit. A staffing plan will also be created to address the need for resources in the accounting department on an ongoing basis. Funding to fill three vacant positions in the accounting/budget department and two in the payroll department are included in the fiscal year 2012-13 budget.

**List any challenges you have encountered or anticipate facing with respect to addressing the recommendation.**

The additional resources that are being brought in to produce an on time Annual Financial Audit and an on time Annual 311 report are not ongoing solutions. Additional permanent accounting staff is needed to fully address this recommendation. Staffing plan is attached.