

Standard III.D. Financial Resources

III.D.1. *Financial resources are sufficient to support and sustain student learning programs and services and improve institutional effectiveness. The distribution of resources supports the development, maintenance, allocation and reallocation, and enhancement of programs and services. The institution plans and manages its financial affairs with integrity and in a manner that ensures financial stability. (ER 18)*

III.D.1. Description of Evidence of Meeting the Standard

Financial Resources Are Sufficient. The College has sufficient financial resources to support student learning programs and services and to improve institutional effectiveness with appropriate distribution of resources.

The College funds general operations primarily through its Unrestricted General Fund. The primary sources of revenue supporting this fund are state apportionment, student enrollment fees, and local property taxes. Combined, these three revenue sources comprise total computational revenue (TCR), the basis of California Community Colleges' funding model. Full Time Equivalent Students (FTES) is the primary workload measure the state uses to determine the District's TCR. TCR makes up approximately 80 percent of the total Unrestricted General Fund revenue. Other significant sources of revenue include local sales tax revenue of \$16.8 million (8.1 percent of total unrestricted general fund revenue) and local parcel tax revenue of \$15 million, which is accounted for in the College's Special Revenue Fund. These two local revenue sources attest to the community support for the College and the value derived from the College's high-quality educational programs and services.

Below is a summary of the College's Unrestricted General Fund for the 2015-16 fiscal year and the five preceding fiscal years. During the great recession, like many similar colleges, CCSF struggled fiscally. Despite deficit spending in fiscal years 2011-12 and 2012-13, the College has ended each subsequent fiscal year with surpluses as provided for in the College's Plan for Long-Term Fiscal Stability (previously referred to as the "Eight Year Plan").¹ These surpluses result from the following:

1. Receipt of stability funding as provided by Senate Bill 860.²
2. Implementation of a budget allocation model linking enrollment and course offerings to budget development.
3. Additional resources provided (cost of living adjustments and additional Proposition 98 funding) with the improvement in the state's economy.

¹ [Plan for Long-Term Fiscal Stability](#)

² [Stability Funding Update to the Legislature, et al.](#)

Unrestricted General Fund	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
						A
Revenues	200,782,247	191,606,900	183,789,484	188,293,062	182,441,102	186,791,588
Expenditures & Other Uses	199,610,256	197,680,034	184,051,092	176,864,726	174,144,381	181,882,761
INCREASE (DECREASE) IN FUND BALANCE	1,171,991	(6,073,134)	(261,608)	11,428,336	8,296,721	4,908,827
Prior Years Adjustments	(8,690,041)	(86,008)	-	4,802,863	(8,613,230)	-
ENDING FUND BALANCE AVAILABLE RESERVES	24,295,368	18,136,226	17,874,618	34,105,817	33,789,308	38,698,135
AVAILABLE RESERVES AS A PERCENTAGE OF TOTAL	12.17%	9.17%	9.71%	19.28%	19.40%	21.28%
Long Term Debt *	55,333,767	63,117,471	72,580,067	81,363,184	81,363,184	81,363,184
ANNUAL FUNDED FTES	37,057	32,632	32,621	32,621	32,621	30,990
Credit	25,559	22,502	22,887	22,887	22,887	21,743
Non-Credit	11,498	10,130	9,734	9,734	9,734	9,247
50% LAW	52.17%	53.44%	52.45%	52.96%	50.36%	50.36%
Notes:						
	A Based upon Final Adopted Budget.					
	* Per Annual Financial Statements - compensated absences, OPEB, and liability claims.					

In addition to the College's Unrestricted General Fund, in November 2012, the College successfully sought voter passage of a parcel tax that provides approximately \$15 million per year through fiscal year 2020-21. The voter-approved use of these funds were intended:

To provide City College of San Francisco with funds the State cannot take away; offset budget cuts; prevent layoffs; provide an affordable, quality education for students; maintain essential courses including, but not limited to, writing, math, science, and other general education; prepare students for four-year universities; provide workforce training including, but not limited to nursing, engineering, technology, and business; and keep college libraries, student support services, and other instructional support open and up-to-date.³

Below is a summary of the College's Special Revenue Fund – Parcel Tax for fiscal year 2015-16 and two preceding fiscal years. As provided for in the voter-approved language, the College has primarily used these funds to avert what otherwise would have been reductions to the Unrestricted General Fund.

³ [Proposition A - City College Parcel Tax Ballot Description](#)

Special Revenue Fund - Parcel Tax	2013-14	2014-15	2015-16
			A
Revenues	15,195,836	14,938,396	15,365,142
Expenditures & Other Uses	13,858,223	11,232,815	20,273,969
INCREASE (DECREASE) IN FUND BALANCE	1,337,613	3,705,581	(4,908,827)
Prior Years Adjustments	-	(134,367)	-
ENDING FUND BALANCE AVAILABLE RESERVE S	1,337,613	4,908,827	-
Notes:			
	A Based upon Final Adopted Budget		

Distribution of Resources through Planning and Management. The College plans and manages its financial affairs with integrity and in a manner that ensures financial stability. The College ended its 2014-15 fiscal year without any significant financial fluctuations and within budget.⁴

Central to the College’s resource allocation model and related fiscal controls are a number of Board Policies and Administrative Procedures that ensure that the College distributes and accounts for its resources properly to support the development, maintenance, allocation, reallocation, and enhancement of programs and services. These Board Policies and Administrative Procedures include:

- BP 8.01/AP 8.01 (Budget Preparation and Fiscal Accountability)⁵
- AP 8.01A (Position Control)⁶
- BP 8.02 (Accounting)⁷
- BP 8.03/AP 8.03 (Audits)⁸
- BP 8.12/AP 8.12 (Fiscal Management and Accounting)

Specific to the College’s resource allocation model, Board Policy 8.01 (Budget Preparation and Fiscal Accountability) provides the necessary governance structure and direction for budget development. This structure includes the establishment of criteria that the College’s budget must meet. These criteria include:

- The annual budget shall support the College’s master and educational plans.^{9 10}

⁴ [2014-15 fiscal year budget without any significant financial fluctuations](#)

⁵ [BP 8.01; AP 8.01](#) (Budget Preparation and Fiscal Accountability)

⁶ [AP 8.01A](#) (Position Control)

⁷ [BP 8.02](#) (Accounting)

⁸ [BP 8.03; AP 8.03](#) (Audits)

⁹ [Board Goals and College Priorities](#)

¹⁰ [Flowchart for Integrated Assessment, Planning, and Budgeting](#)

- Assumptions upon which the budget is based are presented to the Board for review.¹¹
- A schedule is provided to the Board by January of each year that includes dates for presentation of the tentative budget, required public hearing(s), Board study session(s), and approval of the final budget. At the public hearings, interested persons may appear and address the Board regarding the proposed budget.¹²
- Unrestricted General Fund reserves shall be maintained between 5% and 9%.
- Changes in assumptions upon which the budget is based shall be reported to the Board in a timely manner.
- The budget projections shall address the College's long-term mission, goals, and commitments.¹³

From these Board mandates, Administrative Procedure 8.01 (Budget Preparation and Fiscal Accountability) describes how the College will accomplish the Board's established criteria. For example, by far the largest expenditures within the College's Unrestricted General Fund are those that directly support course offerings as part of the established schedule of classes for each term. Section III.C. of Administrative Procedure 8.01 requires the Vice Chancellors to develop expenditure plans that support class offerings. The Vice Chancellors accomplish this first by setting Full Time Equivalent Student (FTES) goals and then calculating and articulating how this translates to Full Time Equivalent Faculty (FTEF) needs and staffing plans for support and administrative staff.

The College links annual FTES targets to FTEF targets by location for both credit and noncredit programs to plan and inform the budgets as described in Administrative Procedure 8.01. The following FTES/FTEF table provides a summary of this linkage.

¹¹ [Vice Chancellor of Finance and Administration's Monthly Board Report, February 2016](#)

¹² [Board Resolution 160128-XII-40](#)

¹³ [Multi-Year Financial Projections](#) (these also appear below in narrative)

FTE\$ FTEF TARGET\$ 02-21-2016 - FY 2015-16											
Credit											
District Annual Resident FTE\$ target 2015-2016	21,484.32										
RE\$ Productivity target	17.2										
ANNUAL COLLEGE TARGET\$ - Credit	Airport	Chinatown / North Beach	Civic Center	Downtown	Evans	Fort Mason	John Adams	Mission	Ocean	Southeast	District-wide
Annual Targets as % of District-wide Total	0.94%	1.15%	0.81%	3.40%	2.55%	0.53%	5.11%	4.42%	80.21%	0.88%	100.00%
Annual Total RE\$ FTE\$ targets	202	248	175	731	548	113	1,097	949	17,233	188	21,484
Annual Total FTEF targets based on RE\$ Productivity	11.74	14.42	10.17	42.50	31.86	6.57	63.78	55.17	1,001.93	10.93	1,249.09
SUMMER 2015	Airport	Chinatown / North Beach	Civic Center	Downtown	Evans	Fort Mason	John Adams	Mission	Ocean	Southeast	District-wide
Summer 2015 SECTION COUNT	2.00	3.00	0.00	21.00	4.00	17.00	5.00	20.00	475.00	2.00	549.00
Summer 2015 RE\$ FTE\$ ACTUAL	9.06	8.12	0.00	50.01	2.97	20.29	25.55	49.32	1,189.59	2.24	1,357.15
Summer 2015 NON-RE\$ FTE\$ ACTUAL	1.00	0.41	0.00	2.14	0.03	0.60	0.87	1.60	57.70	0.00	64.33
Summer 2015 FTE\$ TOTAL ACTUAL (NON-RE\$ + RE\$)	10.06	8.53	0.00	52.15	3.00	20.89	26.42	50.92	1,247.29	2.24	1,421.48
Summer 2015 FTEF ACTUAL	0.73	0.72	0.00	3.12	0.18	1.67	1.59	3.74	83.78	0.27	95.80
Summer 2015 RE\$ PRODUCTIVITY	12.41	11.28	#DIV/0!	16.03	16.50	12.15	16.07	13.19	14.20	8.30	14.17
Summer 2014 SECTION COUNT	2.00	5.00	0.00	32.00	17.00	11.00	4.00	19.00	507.00	5.00	602.00
Summer 2014 RE\$ FTE\$ ACTUAL	8.73	9.08	0.00	69.51	5.76	12.33	24.35	38.78	1,198.05	6.26	1,372.85
Summer 2014 FTEF ACTUAL	0.07	1.20	0.00	4.38	0.82	1.00	0.86	3.56	86.92	0.73	99.54
Summer 2014 RE\$ PRODUCTIVITY	124.71	7.57	#DIV/0!	15.87	7.02	12.33	28.31	10.89	13.78	8.58	13.79
FALL 2015	Airport	Chinatown / North Beach	Civic Center	Downtown	Evans	Fort Mason	John Adams	Mission	Ocean	Southeast	District-wide
Fall 2015 SECTION COUNT	8.00	51.00	1.00	82.00	56.00	52.00	83.00	141.00	2,508.00	17.00	2,999.00
Fall 2015 RE\$ FTE\$ ACTUAL	78.82	109.87	2.80	169.10	136.44	59.70	246.62	290.66	5,766.43	42.55	6,902.98
Fall 2015 NON-RE\$ FTE\$ ACTUAL	10.00	9.15	-	16.67	4.36	1.80	4.83	17.64	562.74	2.00	629.19
Fall 2015 FTE\$ TOTAL ACTUAL (NON-RE\$ + RE\$)	88.82	119.02	2.80	185.77	140.80	61.50	251.45	308.30	6,329.17	44.55	7,532.17
Fall 2015 FTEF ACTUAL TOTAL	6.2706	10.7385	0.2	15.5185	12.4542	6.1329	38.8472	27.495	490.9972	4.7726	613.43
Fall 2015 RE\$ PRODUCTIVITY	12.57	10.23	14.00	10.90	10.95	9.73	6.35	10.57	11.74	8.92	11.25
Fall 2014 SECTION COUNT	10.00	44.00	6.00	92.00	67.00	44.00	101.00	143.00	2,629.00	18.00	3,154
Fall 2014 RE\$ FTE\$	107.66	106.88	9.13	191.14	245.12	51.90	371.21	280.70	6,264.29	45.26	7,673.29
Fall 2014 FTEF ACTUAL TOTAL	6.56	9.11	0.90	17.15	15.69	5.99	44.91	27.08	501.80	5.74	634.93
Fall 2014 RE\$ PRODUCTIVITY	16.41	11.73	10.14	11.15	15.62	8.66	8.27	10.37	12.48	7.89	12.09
Spring 2016	Airport	Chinatown / North Beach	Civic Center	Downtown	Evans	Fort Mason	John Adams	Mission	Ocean	Southeast	District-wide
SPRING 2016 SECTION COUNT	9.00	42.00	2.00	94.00	63.00	55.00	83.00	130.00	2,443.00	13.00	2,934.00
SPRING 2016 RE\$ FTE\$ ACTUAL	68.89	101.60	2.80	196.08	124.07	64.40	232.53	283.09	5,370.05	30.09	6,473.60
SPRING 2016 NON-RE\$ FTE\$ ACTUAL	12.13	10.68	0.10	18.16	4.60	1.60	6.66	19.84	532.35	1.27	607.39
SPRING 2016 FTE\$ ACTUAL (RE\$ + NON RE\$)	81.02	112.28	2.90	214.24	128.67	66.00	239.19	302.93	5,902.39	31.35	7,080.99
Spring 2016 FTEF ACTUAL	5.07	8.64	0.40	18.13	12.63	6.27	37.85	26.11	474.52	3.99	593.61
Spring 2016 RE\$ PRODUCTIVITY	13.59	11.76	7.00	10.81	9.82	10.28	6.14	10.84	11.32	7.54	10.91
SPRING 2015 SECTION COUNT	9.00	47.00	1.00	109.00	54.00	48.00	83.00	150.00	2,609.00	17.00	3,127.00
SPRING 2015 RE\$ FTE\$	108.20	105.12	4.20	224.86	132.63	57.60	208.57	281.27	5,722.67	40.74	6,885.86
SPRING 2015 FTEF Actual	6.82	9.82	0.20	22.14	10.63	8.58	31.70	28.06	514.47	6.47	638.89
SPRING 2015 RE\$ PRODUCTIVITY	15.87	10.70	21.00	10.16	12.48	6.71	6.58	10.02	11.12	6.30	10.78
YEAR TO DATE TOTAL RE\$ FTE\$	156.77	219.59	5.60	415.19	263.48	144.39	504.71	623.07	12,326.07	74.88	14,733.74
YEAR TO DATE TOTAL NON-RE\$	23.13	20.24	0.10	36.97	8.99	4.00	12.36	39.08	1,152.75	3.27	1,300.91
YEAR TO DATE TOTAL FTEF	12.07	20.10	0.60	36.77	25.26	14.07	78.28	57.34	1,049.30	9.03	1,302.83
YEAR TO DATE PRODUCTIVITY - RE\$ ONLY	12.99	10.92	9.33	11.29	10.43	10.26	6.45	10.87	11.75	8.29	11.31
ANNUAL FTE\$ TARGET LE\$ YEAR TO DATE											
TOTAL RE\$ FTE\$	(45.23)	(28.41)	(169.40)	(315.81)	(284.52)	31.39	(592.29)	(325.99)	(4,907.21)	(113.12)	(6,790.95)
ANNUAL FTEF TARGET LE\$ YEAR TO DATE TOTAL	0.33	5.68	(9.57)	(5.73)	(6.60)	7.90	34.90	2.17	47.36	(1.90)	53.75

Source: Argos Section-Level Data Dashboard, run date 2-21-2016

FTE \$ FTEF TARGET \$ 02-21-2016 - FY 2015-16											
Non-Credit											
District Annual Resident FTE \$ target 2015-2016		9,506									
RE \$ Productivity target		21.5									
ANNUAL COLLEGE TARGET \$ - Non-Credit	Airport	Chinatown / North Beach	Civic Center	Downtown	Evans	Fort Mason	John Adams	Mission	Ocean	Southeast	District-wide
Annual Targets as % of District-wide Total	0.01%	23.03%	9.10%	15.13%	3.23%	0.00%	16.91%	19.55%	3.72%	1.76%	100.00%
Annual Total RE \$ FTE \$ targets	1	2,189	865	1,438	307	0	1,607	1,858	354	167	9,506
Annual Total FTEF targets based on RE \$ Productivity	0.05	101.81	40.23	66.88	14.28	0.00	74.74	86.42	16.47	7.77	442.14
SUMMER 2015	Airport	Chinatown / North Beach	Civic Center	Downtown	Evans	Fort Mason	John Adams	Mission	Ocean	Southeast	District-wide
Summer 2015 SECTION COUNTY	0	65.00	1.00	33.00	4.00	1.00	52.00	54.00	9.00	3.00	222.00
Summer 2015 RE \$ FTE \$ ACTUAL	0	128.38	0.77	49.66	0.00	1.29	67.81	79.72	58.23	2.06	387.92
Summer 2015 NON-RE \$ FTE \$ ACTUAL	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Summer 2015 FTE \$ TOTAL ACTUAL (NON-RE \$ + RE \$)	0.00	128.38	0.77	49.66	0.00	0.00	67.81	79.72	58.23	2.06	387.92
Summer 2015 FTEF ACTUAL	0	5.01	0.26	2.62	0.38	0.07	4.10	4.86	1.04	0.33	18.67
Summer 2015 RE \$ PRODUCTIVITY	#DIV/0!	25.62	2.96	18.95	0.00	18.43	16.54	16.40	55.99	6.24	20.78
Summer 2014 RE \$ FTE \$	-	171.46	38.39	37.87	15.76	1.38	72.95	82.15	24.19	4.58	448.73
Summer 2014 FTEF ACTUAL	-	5.09	2.69	1.96	0.92	0.20	4.99	5.30	0.53	0.71	22.39
Summer 2014 RE \$ PRODUCTIVITY	#DIV/0!	33.69	14.27	19.32	17.13	6.90	14.62	15.50	45.64	6.45	20.04
FALL 2015	Airport	Chinatown / North Beach	Civic Center	Downtown	Evans	Fort Mason	John Adams	Mission	Ocean	Southeast	District-wide
FALL 2015 SECTION COUNT	0	194.00	56.00	143.00	46.00	4.00	175.00	227.00	59.00	8.00	912.00
Fall 2015 RE \$ FTE \$ ACTUAL	0.00	1056.73	167.04	440.74	69.69	6.94	437.47	586.99	73.25	21.19	2860.05
Fall 2015 NON-RE \$ FTE \$ ACTUAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fall 2015 FTE \$ TOTAL ACTUAL (NON-RE \$ + RE \$)	0.00	1056.73	167.04	440.74	69.69	0.00	437.47	586.99	73.25	21.19	2860.05
Fall 2015 FTEF ACTUAL TOTAL	0.00	40.21	18.18	29.64	5.37	0.32	31.63	37.46	9.98	1.40	174.18
Fall 2015 RE \$ PRODUCTIVITY	#DIV/0!	26.28	9.19	14.87	12.99	21.68	13.83	15.67	7.34	15.09	16.42
Fall 2014 RE \$ FTE \$	-	1,155.96	280.50	556.88	92.49	-	534.56	650.43	367.08	44.27	3,682.17
Fall 2014 FTEF ACTUAL	-	42.08	18.10	30.18	4.99	-	33.23	38.14	6.88	2.81	176.41
Fall 2014 RE \$ PRODUCTIVITY	#DIV/0!	27.47	15.50	18.45	18.54	#DIV/0!	16.09	17.05	53.35	15.75	20.87
Spring 2016	Airport	Chinatown / North Beach	Civic Center	Downtown	Evans	Fort Mason	John Adams	Mission	Ocean	Southeast	District-wide
SPRING 2016 SECTION COUNT	0.00	188.00	58.00	139.00	48.00	3.00	175.00	210.00	49.00	9.00	879.00
SPRING 2016 RE \$ FTE \$ ACTUAL - ENHANCED	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SPRING 2016 RE \$ FTE \$ ACTUAL - REGULAR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SPRING 2016 NON-RE \$ FTE \$ ACTUAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SPRING 2016 FTE \$ ACTUAL (RE \$ + NON RE \$)	-	-	-	-	-	-	-	-	-	-	-
SPRING 2016 FTEF ACTUAL - ENHANCED NC	-	39.82	15.70	29.01	4.99	0.44	31.02	37.45	8.30	1.41	168.14
SPRING 2016 FTEF - REGULAR NC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Spring 2016 RE \$ PRODUCTIVITY	#DIV/0!	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Spring 2015 RE \$ FTE \$	-	500.27	54.68	283.32	42.48	-	273.15	368.09	210.37	9.50	1,741.86
Spring 2015 FTEF ACTUAL	-	42.72	19.03	33.45	4.97	-	34.86	39.04	8.54	2.22	184.83
Spring 2015 RE \$ PRODUCTIVITY	#DIV/0!	11.71	2.87	8.47	8.55	#DIV/0!	7.84	9.43	24.63	4.28	9.42
YEAR TO DATE TOTAL RE \$ FTE \$	-	1,185.11	167.81	490.40	69.69	8.23	505.28	666.71	131.48	23.25	3,247.97
YEAR TO DATE TOTAL NON-RE \$	-	-	-	-	-	-	-	-	-	-	-
YEAR TO DATE TOTAL FTEF	0.00	85.04	34.14	61.27	10.74	0.83	66.75	79.77	19.32	3.14	361.00
YEAR TO DATE PRODUCTIVITY - RE \$ ONLY	#DIV/0!	13.94	4.92	8.00	6.49	9.91	7.57	8.36	6.81	7.40	9.00
ANNUAL TARGET LESS YEAR TO DATE TOTAL RE \$ FTE \$	1.00	1,003.89	697.19	947.60	237.31	(8.23)	1,101.72	1,191.29	222.52	143.75	6,258.03
ANNUAL FTEF TARGET LESS YEAR TO DATE TOTAL FTEF	0.05	16.78	6.09	5.61	3.54	(0.83)	7.99	6.65	(2.85)	4.63	81.14

Source: Argos-Section-Level Data Dashboard, run date 2-23-2016

Using these worksheets, the College is able to budget, forecast, and monitor budgets for academic salary budgets. More precisely, the College can determine (1) if it will have allocated sufficient budget to cover the cost of the schedule of classes and (2) whether the College will have a surplus or deficit for the academic term. For example, for the entire 2015-16 fiscal year, the College allocated 1,249 FTEF for credit offerings and, as of February 21, 2016, was projected to spend 1,303 FTEF. Based upon these numbers, the College is projected to deficit spend in academic (instructional) salaries by 54 FTEF. The College is currently offsetting this FTEF difference with stability funding.

These documents are living planning and budgetary tools that the College updates weekly. As such, they are dynamic documents requiring updating and/or adjustments as the College's enrollment evolves, as the College identifies Program Review priorities, and as the budget landscape changes. Again, through this model, the College allocates available resources to where student needs and demands are the greatest.

Ensuring Financial Stability. The College annually updates its multi-year financial projections (MYFPs) as part of the budget allocation model and as required under BP 8.01 to continue to ensure the College's long-term financial stability. The MYFPs set out a roadmap whereby the College allocated resources necessary to support the institutional mission and goals and placed a high priority on rebuilding reserves and funding long-term obligations. Since that time, the College has continued to use the MYFP tool to engage institution-wide dialogue regarding the unique challenges facing the College. As funding conditions change, and as the College identifies resource needs through planning processes, the MYFP tool changes in response.

Most recently, in January 2016, the Vice Chancellor for Finance and Administration reviewed and updated the planning tool as part of the fiscal year 2016-17 budget development process. The Vice Chancellor has vetted, discussed, and sought input on these updates from the College's Participatory Governance Council, union groups, and Board of Trustees. The Participatory Governance Council website shows the various dates where the Vice Chancellor of Finance and Administration has presented the MYFP to the PGC.¹⁴ Through the input received through this vetting, the Vice Chancellor of Finance and Administration has developed six distinct scenarios that show how the College potentially may address the challenges ahead. Below are the updated MYFPs included in the planning tool.

Each scenario, based upon various factors and inputs, shows that the College can and will maintain course offerings and services to students as well as maintaining fiscal stability and appropriate reserves. Each scenario, based upon enrollment realities, anticipates purposefully using reserves to balance short-term deficit spending until the College can adjust to new revenue levels. Again, in each scenario forecasted, by 2020-21, the College will have a balanced budget

¹⁴ [PGC Website](#)

and will have maintained its reserves between 5 percent and 9 percent, consistent with Board Policy 8.01.

City College of San Francisco														
Scenario 1 - Flat Enrollment														
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2015-16 - On Going	FY 2015-16 - One Time (1)	FY 2016-17	FY 2016-17 - On Going	FY 2016-17 - One Time (2)	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
State General Apportionment	\$ 99,238,845	\$ 65,342,702	\$ 67,011,851	\$ 58,411,004	\$ 62,025,578	\$ 53,716,975	\$ 8,308,603	\$ 55,207,303	\$ 30,375,032	\$ 24,832,271	\$ 30,375,032	31,569,654	32,845,936	34,134,981
EPA	-	23,965,172	22,825,944	27,632,011	25,511,090	25,511,090	-	23,022,090	23,022,090	-	20,522,090	20,522,090	20,522,090	20,522,090
Growth/(workload reduction)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
COLA	-	-	720,785	947,817	1,568,766	1,490,328	78,438	733,360	616,648	116,712	1,194,622	1,276,282	1,289,045	1,301,985
Enrollment Fees	10,073,942	10,073,942	9,767,766	8,998,514	8,797,337	8,797,337	-	8,797,337	8,797,337	-	8,797,337	8,797,337	8,797,337	8,797,337
Local Property Taxes	46,221,252	47,539,171	49,943,705	56,164,836	63,960,646	63,960,646	0	63,960,646	63,960,646	-	63,960,646	63,960,646	63,960,646	63,960,646
Total Computational Revenue	155,534,089	146,920,987	150,270,051	151,754,182	161,863,417	153,476,376	8,387,041	151,720,736	126,771,753	24,948,983	\$ 124,849,727	\$ 126,126,009	\$ 127,415,054	\$ 128,716,989
Deficit Factor	2.34945%	0.07662%	0.45377%	0.31790%	1.28000%									
Adj. Computational Revenue	151,879,859	146,808,418	149,588,173	152,236,615	163,935,269			151,720,736	126,771,753	24,948,983	124,849,727	126,126,009	127,415,054	128,716,989
Prior Year Correction	267,377	-	261,740	938,765	-	-	-	-	-	-	-	-	-	-
Lottery	5,296,066	4,000,000	4,555,847	2,701,167	2,701,167	2,701,167	-	2,701,167	2,701,167	-	2,701,167	2,701,167	2,701,167	2,701,167
Mandated Cost - Ongoing	120,720	950,000	928,345	1,882,810	653,885	653,885	-	653,885	653,885	-	653,885	653,885	653,885	653,885
Mandated Cost - One Time	-	-	-	-	12,928,001	-	12,928,001	1,500,000	-	1,500,000	-	-	-	-
Part Time Faculty Allocation	785,955	785,955	785,955	785,955	483,269	483,269	-	483,269	483,269	-	483,269	483,269	483,269	483,269
Part Time Faculty Ins.	84,569	84,569	84,569	84,569	-	-	-	-	-	-	-	-	-	-
Part Time Faculty Office Hrs.	35,812	35,812	35,812	35,812	-	-	-	-	-	-	-	-	-	-
Apprenticeship	232,547	232,547	180,467	197,663	218,400	218,400	-	244,400	244,400	-	244,400	244,400	244,400	244,400
Sales Tax	15,814,112	15,415,000	16,620,883	16,881,426	16,881,426	16,881,426	-	16,881,426	16,881,426	-	16,881,426	16,881,426	16,881,426	16,881,426
Parcel Tax	-	-	15,195,836	14,938,396	14,938,396	14,938,396	-	14,938,396	14,938,396	-	14,938,396	14,938,396	14,938,396	14,938,396
Interest Income	-	-	24,976	157,012	157,012	157,012	-	157,012	157,012	-	157,012	157,012	157,012	157,012
Non-Resident Tuition	8,917,247	8,917,247	8,242,950	6,600,414	6,733,598	6,733,598	-	6,733,598	6,733,598	-	6,733,598	6,733,598	6,733,598	6,733,598
Enrollment Fees (other)	134,165	112,699	480,320	-	-	-	-	-	-	-	-	-	-	-
Other Revenue Sources	1,886,019	1,195,019	318,539	-	1,136,942	1,136,942	-	1,136,942	1,136,942	-	1,136,942	1,136,942	1,136,942	1,136,942
Transfers	6,238,461	5,252,219	6,184,487	(719)	-	-	-	-	-	-	-	-	-	-
Total Unrestricted Revenue	191,692,909	183,789,485	208,488,898	197,439,885	218,695,513	197,380,471	21,315,042	197,150,831	170,701,848	26,448,983	168,779,822	170,056,104	171,345,149	172,647,084
FTEs - Funded					30,990.24			29,372.11			23,628.43	23,628.43	23,628.43	23,628.43
FTEs - Actual					23,628.43			23,628.43			23,628.43	23,628.43	23,628.43	23,628.43
Notes:														
COLA - 15-16 1.02%, 16-17 .47%, 17-18 1%, 18-19 1%, 19-20 1%, 20-21 1%.														
(1) One time funds reflect base funding decline due to 5% drop in stability funding.														
(2) One time funds reflect base funding decline due to last year of stability funding.														

City College of San Francisco										
Scenario 1 - Flat Enrollment (Expenditures)										
	Actual	Actual	Actual	Actual	Working Budget	Tentative Budget	Projected	Projected	Projected	Projected
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Academic Salaries	96,599,115	86,552,047	84,791,786	82,775,990	90,641,888	85,649,888	84,191,811	82,712,593	81,211,925	79,989,498
Classified Salaries	38,972,983	35,906,688	36,113,228	36,457,347	39,349,997	38,613,715	38,482,143	38,338,636	38,182,876	38,014,539
Employee Benefits	46,234,900	43,723,349	42,742,458	42,615,339	46,306,688	45,612,088	44,927,907	43,580,070	42,272,668	41,004,488
Supplies and Materials	1,354,631	1,455,063	1,386,433	1,531,772	1,843,567	1,749,252	1,486,864	1,263,834	1,011,067	808,854
Other Operating Expenses and Services	11,223,637	13,166,224	13,728,796	17,489,940	19,242,920	18,300,952	15,555,809	13,222,438	10,577,950	8,462,360
Capital Outlay	175,412	191,513	2,158,471	878,005	1,989,309	1,038,300	882,555	750,172	600,138	480,110
Other Outgo	3,119,356	3,056,208	9,801,777	3,628,804	6,249,141	6,508,953	2,982,610	2,982,610	2,982,610	2,982,610
Total Expenditures	197,680,034	184,051,092	190,722,949	185,377,197	205,623,510	197,473,148	188,509,699	182,850,352	176,839,234	171,742,459
Beginning Fund Balance	24,209,360	18,136,227	17,874,620	35,443,432	38,758,523	51,830,526	51,508,209	31,778,332	18,984,084	13,489,998
Prior Year Adjustments	(86,008)	-	4,802,863	(8,747,597)	-	-	-	-	-	-
Surplus/(Deficit)	(5,987,125)	(261,607)	12,765,949	12,062,688	13,072,003	(322,317)	(19,729,877)	(12,794,248)	(5,494,085)	904,625
Ending Fund Balance	18,136,227	17,874,620	35,443,432	38,758,523	51,830,526	51,508,209	31,778,332	18,984,084	13,489,998	14,394,623
Reserve % of Expenditures	9.17%	9.71%	18.58%	20.91%	25.21%	26.08%	16.86%	10.38%	7.63%	8.38%
FTES - Actual	32,632.17	32,621.30	26,263.50	23,628.43	23,628.43	23,628.43	23,628.43	23,628.43	23,628.43	23,628.43
FTES - Funded	32,632.17	32,621.30	32,621.30	32,621.30	30,990.24	29,372.11	23,628.43	23,628.43	23,628.43	23,628.43
FTES - Stability			6,357.80	8,992.87	7,361.81	5,743.68	-	-	-	-
Stability \$			\$ 27,752,498	\$ 39,069,686	\$ 33,140,874	\$ 24,948,983	\$ -	\$ -	\$ -	\$ -
FTES Target					30,990.00	29,372.11	28,022.11	26,627.11	25,232.11	23,992.11

City College of San Francisco										
Scenario 1 - Flat Enrollment (Expenditures) - Only Schedule Alignment										
	Actual	Actual	Actual	Actual	Working Budget	Tentative Budget	Projected	Projected	Projected	Projected
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Academic Salaries	96,599,115	86,552,047	84,791,786	82,775,990	90,641,888	85,649,888	84,191,811	82,712,593	81,211,925	79,989,498
Classified Salaries	38,972,983	35,906,688	36,113,228	36,457,347	39,349,997	39,295,304	39,865,086	40,443,130	41,029,555	41,624,484
Employee Benefits	46,234,900	43,723,349	42,742,458	42,615,339	46,306,688	45,612,088	44,927,907	44,253,988	43,590,178	42,936,325
Supplies and Materials	1,354,631	1,455,063	1,386,433	1,531,772	1,843,567	1,749,252	1,749,252	1,749,252	1,749,252	1,749,252
Other Operating Expenses and Services	11,223,637	13,166,224	13,728,796	17,489,940	19,242,920	18,300,952	18,300,952	18,300,952	18,300,952	18,300,952
Capital Outlay	175,412	191,513	2,158,471	878,005	1,989,309	1,038,300	1,038,300	1,038,300	1,038,300	1,038,300
Other Outgo	3,119,356	3,056,208	9,801,777	3,628,804	6,249,141	6,508,953	3,508,953	3,508,953	3,508,953	3,508,953
Total Expenditures	197,680,034	184,051,092	190,722,949	185,377,197	205,623,510	198,154,737	193,582,261	192,007,167	190,429,115	189,147,764
Beginning Fund Balance	24,209,360	18,136,227	17,874,620	35,443,432	38,758,523	51,830,526	50,826,620	26,024,181	4,073,118	(15,010,849)
Prior Year Adjustments	(86,008)	-	4,802,863	(8,747,597)	-	-	-	-	-	-
Surplus/(Deficit)	(5,987,125)	(261,607)	12,765,949	12,062,688	13,072,003	(1,003,906)	(24,802,439)	(21,951,063)	(19,083,966)	(16,500,680)
Ending Fund Balance	18,136,227	17,874,620	35,443,432	38,758,523	51,830,526	50,826,620	26,024,181	4,073,118	(15,010,849)	(31,511,528)
Reserve % of Expenditures	9.17%	9.71%	18.58%	20.91%	25.21%	25.65%	13.44%	2.12%	-7.88%	-16.66%
FTES - Actual	32,632.17	32,621.30	26,263.50	23,628.43	23,628.43	23,628.43	23,628.43	23,628.43	23,628.43	23,628.43
FTES - Funded	32,632.17	32,621.30	32,621.30	32,621.30	30,990.24	29,372.11	23,628.43	23,628.43	23,628.43	23,628.43
FTES - Stability			6,357.80	8,992.87	7,361.81	5,743.68	-	-	-	-
Stability \$			\$ 27,752,498	\$ 39,069,686	\$ 33,140,874	\$ 24,948,983	\$ -	\$ -	\$ -	\$ -
FTES Target					30,990.00	29,372.11	28,022.11	26,627.11	25,232.11	23,992.11

City College of San Francisco

Scenario 2 - Restoration of 2,500 FTEs, Annual growth 1% beginning FY 2018-19

	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2015-16 - On Going	FY 2015-16 - One Time (1)	FY 2016-17	FY 2016-17 - On Going	FY 2016-17 - One Time (2)	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
State General Apportionment	\$ 99,238,845	\$ 65,342,702	\$ 67,011,851	\$ 58,411,004	\$ 62,025,578	\$ 53,716,975	\$ 8,308,608	\$ 55,207,303	\$ 42,184,025	\$ 13,023,278	\$ 42,184,025	44,701,087	47,235,771	49,808,200
EPA	-	23,965,172	22,825,944	27,682,011	25,511,090	25,511,090	-	23,022,090	23,022,090	-	20,522,090	20,522,090	20,522,090	20,522,090
Growth/(workload reduction)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
COLA	-	-	720,785	947,817	1,568,766	1,480,328	78,438	733,360	672,151	61,209	1,286,402	1,276,282	1,289,045	1,301,935
Enrollment Fees	10,073,942	10,073,942	9,767,766	8,598,514	8,797,337	8,797,337	-	8,797,337	8,797,337	-	8,797,337	8,797,337	8,797,337	8,797,337
Local Property Taxes	46,221,252	47,539,171	48,943,705	56,164,836	63,960,646	63,960,646	0	63,960,646	63,960,646	-	63,960,646	63,960,646	63,960,646	63,960,646
Total Computational Revenue	155,534,039	146,920,987	150,270,051	151,754,182	161,863,417	153,476,376	8,387,041	151,720,736	138,636,248	13,084,487	\$ 136,750,500	\$ 139,257,442	\$ 141,804,889	\$ 144,390,208
Deficit Factor	2.34845%	0.07662%	0.45377%	0.31790%	1.28000%									
Adj. Computational Revenue	151,879,859	146,808,418	148,588,173	152,236,615	163,985,269			151,720,736	138,636,248	13,084,487	136,750,500	139,257,442	141,804,889	144,390,208
Prior Year Correction	267,377	-	261,740	98,765	-	-	-	-	-	-	-	-	-	0
Lottery	5,296,066	4,000,000	4,555,847	2,701,167	2,701,167	2,701,167	-	2,701,167	2,701,167	-	2,701,167	2,701,167	2,701,167	2,701,167
Mandated Cost - Ongoing	120,720	950,000	928,345	1,882,810	653,885	653,885	-	653,885	653,885	-	653,885	653,885	653,885	653,885
Mandated Cost - One Time	-	-	-	-	12,928,001	-	12,928,001	1,500,000	-	1,500,000	-	-	-	-
Part Time Faculty Allocation	785,955	785,955	785,955	785,955	483,269	483,269	-	483,269	483,269	-	483,269	483,269	483,269	483,269
Part Time Faculty Ins.	84,569	84,569	84,569	84,569	-	-	-	-	-	-	-	-	-	-
Part Time Faculty Office Hrs.	35,812	35,812	35,812	35,812	-	-	-	-	-	-	-	-	-	-
Apprenticeship	232,547	232,547	180,467	197,663	218,400	218,400	-	244,400	244,400	-	244,400	244,400	244,400	244,400
Sales Tax	15,814,112	15,415,000	16,620,883	16,881,426	16,881,426	16,881,426	-	16,881,426	16,881,426	-	16,881,426	16,881,426	16,881,426	16,881,426
Parcel Tax	-	-	15,195,836	14,938,396	14,938,396	14,938,396	-	14,938,396	14,938,396	-	14,938,396	14,938,396	14,938,396	14,938,396
Interest Income	-	-	24,976	157,012	157,012	157,012	-	157,012	157,012	-	157,012	157,012	157,012	157,012
Non-Resident Tuition	8,917,247	8,917,247	8,242,950	6,600,414	6,733,598	6,733,598	-	6,733,598	6,733,598	-	6,733,598	6,733,598	6,733,598	6,733,598
Enrollment Fees (other)	134,165	112,699	480,320	-	-	-	-	-	-	-	-	-	-	-
Other Revenue Sources	1,886,019	1,195,019	318,539	-	1,136,942	1,136,942	-	1,136,942	1,136,942	-	1,136,942	1,136,942	1,136,942	1,136,942
Transfers	6,238,461	5,252,219	6,184,487	(719)	-	-	-	-	-	-	-	-	-	-
Total Unrestricted Revenue	191,692,909	183,789,485	203,488,899	197,439,885	218,695,513	197,380,471	21,315,042	197,150,831	182,566,344	14,584,487	180,680,595	183,187,537	185,734,984	188,320,303
FTEs - Funded					30,990.24			29,372.11			25,859.17	26,118.76	26,379.95	26,643.75
FTEs - Actual					23,628.43			26,128.43			25,859.17	26,118.76	26,379.95	26,643.75
FTEs - Growth												260	261	264
Notes:														
COLA - 15-16 1.02%, 16-17 .47%, 17-18 1%, 18-19 1%, 19-20 1%, 20-21 1%.														
(1) One time funds reflect base funding decline due to 5% drop in stability funding.														
(2) One time funds reflect base funding decline due to last year of stability funding.														

City College of San Francisco										
Scenario 2 - Restoration of 2,500 FTES, Annual growth 1% beginning FY 2018-19 (Expenditures)										
	Actual	Actual	Actual	Actual	Working Budget	Tentative Budget	Projected	Projected	Projected	Projected
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Academic Salaries	96,599,115	86,552,047	84,791,786	82,775,990	90,641,888	86,849,888	86,309,211	86,060,695	85,808,575	86,752,799
Classified Salaries	38,972,983	35,906,688	36,113,228	36,457,347	39,349,997	38,613,715	38,482,143	39,040,134	39,606,216	40,180,506
Employee Benefits	46,234,900	43,723,349	42,742,458	42,615,339	46,306,688	45,380,554	44,472,943	43,583,484	42,929,732	42,285,786
Supplies and Materials	1,354,631	1,455,063	1,386,433	1,531,772	1,843,567	1,749,252	1,574,327	1,416,894	1,310,627	1,310,627
Other Operating Expenses and Services	11,223,637	13,166,224	13,728,796	17,489,940	19,242,920	18,300,952	16,470,857	14,823,771	13,711,988	13,711,988
Capital Outlay	175,412	191,513	2,158,471	878,005	1,989,309	1,038,300	934,470	841,023	777,946	777,946
Other Outgo	3,119,356	3,056,208	9,801,777	3,628,804	6,249,141	6,508,953	3,158,058	3,158,058	3,158,058	3,158,058
Total Expenditures	197,680,034	184,051,092	190,722,949	185,377,197	205,623,510	198,441,614	191,402,009	188,924,059	187,303,142	188,177,710
Beginning Fund Balance	24,209,360	18,136,227	17,874,620	35,443,433	38,758,524	51,830,527	50,539,744	39,818,330	34,081,808	32,513,651
Prior Year Adjustments	(86,008)	-	4,802,863	(8,747,597)	-	-	-	-	-	-
Surplus/(Deficit)	(5,987,125)	(261,607)	12,765,950	12,062,688	13,072,003	(1,290,783)	(10,721,414)	(5,736,522)	(1,568,158)	142,593
Ending Fund Balance	18,136,227	17,874,620	35,443,433	38,758,524	51,830,527	50,539,744	39,818,330	34,081,808	32,513,651	32,656,244
Reserve % of Expenditures	9.17%	9.71%	18.58%	20.91%	25.21%	25.47%	20.80%	18.04%	17.36%	17.35%
FTES - Actual	32,632.17	32,621.30	26,263.50	23,628.43	23,628.43	25,859.17	25,859.17	26,118.76	26,379.95	26,643.75
FTES - Funded	32,632.17	32,621.30	32,621.30	32,621.30	30,990.24	29,372.11	25,859.17	26,118.76	26,379.95	26,643.75
FTES - Stability			6,357.80	8,992.87	7,361.81	3,512.94	-	-	-	-
Stability \$			\$ 27,752,498	\$ 39,069,686	\$ 33,140,874	\$ 13,263,643	\$ -	\$ -	\$ -	\$ -
FTES Target					30,990.00	29,372.11	28,472.11	27,697.11	26,922.11	26,767.11

City College of San Francisco														
Scenario 3 - Restoration of 4,500 FTEs, Annual growth 1% beginning FY 2018-19														
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2015-16 - On Going	FY 2015-16 - One Time (1)	FY 2016-17	FY 2016-17 - On Going	FY 2016-17 - One Time (2)	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
State General Apportionment	\$ 99,238,845	\$ 65,342,702	\$ 67,011,851	\$ 58,411,004	\$ 62,025,578	\$ 53,716,975	\$ 8,308,603	\$ 55,207,303	\$ 48,060,784	\$ 7,146,519	\$ 48,060,784	50,680,838	53,312,846	55,984,531
EPA	-	23,965,172	22,825,944	27,632,011	25,511,090	25,511,090	-	23,022,090	23,022,090	-	20,522,090	20,522,090	20,522,090	20,522,090
Growth/workload reduction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
COLA	-	-	720,785	947,817	1,568,766	1,490,328	78,438	733,360	716,552	16,808	1,286,402	1,276,282	1,289,045	1,301,935
Enrollment Fees	10,073,942	10,073,942	9,767,766	8,598,514	8,797,337	8,797,337	-	8,797,337	8,797,337	-	8,797,337	8,797,337	8,797,337	8,797,337
Local Property Taxes	46,221,252	47,539,171	49,943,705	56,164,836	63,960,646	63,960,646	-	63,960,646	63,960,646	-	63,960,646	63,960,646	63,960,646	63,960,646
Total Computational Revenue	155,534,039	146,920,987	150,270,051	151,754,182	161,863,417	153,476,376	8,387,041	151,720,736	144,557,409	7,163,327	\$ 142,627,259	\$ 145,237,195	\$ 147,881,964	\$ 150,566,539
Deficit Factor	2.34945%	0.07662%	0.45377%	0.31790%	1.28000%									
Adj. Computational Revenue	151,879,859	146,808,418	149,588,173	152,236,615	163,935,269			151,720,736	144,557,409	7,163,327	142,627,259	145,237,195	147,881,964	150,566,539
Prior Year Correction	267,377	-	261,740	98,765	-	-	-	-	-	-	-	-	-	-
Lottery	5,296,066	4,000,000	4,555,847	2,701,167	2,701,167	2,701,167	-	2,701,167	2,701,167	-	2,701,167	2,701,167	2,701,167	2,701,167
Mandated Cost - Ongoing	120,720	950,000	928,345	1,882,810	653,885	653,885	-	653,885	653,885	-	653,885	653,885	653,885	653,885
Mandated Cost - One Time	-	-	-	-	12,928,001	-	12,928,001	1,500,000	-	1,500,000	-	-	-	-
Part Time Faculty Allocation	785,955	785,955	785,955	785,955	483,269	483,269	-	483,269	483,269	-	483,269	483,269	483,269	483,269
Part Time Faculty Ins.	84,569	84,569	84,569	84,569	-	-	-	-	-	-	-	-	-	-
Part Time Faculty Office Hrs.	35,812	35,812	35,812	35,812	-	-	-	-	-	-	-	-	-	-
Apprenticeship	232,547	232,547	180,467	197,663	218,400	218,400	-	244,400	244,400	-	244,400	244,400	244,400	244,400
Sales Tax	15,814,112	15,415,000	16,620,883	16,881,426	16,881,426	16,881,426	-	16,881,426	16,881,426	-	16,881,426	16,881,426	16,881,426	16,881,426
Parcel Tax	-	-	15,195,836	14,938,396	14,938,396	14,938,396	-	14,938,396	14,938,396	-	14,938,396	14,938,396	14,938,396	14,938,396
Interest Income	-	-	24,976	157,012	157,012	157,012	-	157,012	157,012	-	157,012	157,012	157,012	157,012
Non-Resident Tuition	8,917,247	8,917,247	8,242,950	6,600,414	6,733,598	6,733,598	-	6,733,598	6,733,598	-	6,733,598	6,733,598	6,733,598	6,733,598
Enrollment Fees (other)	134,165	112,699	480,320	-	-	-	-	-	-	-	-	-	-	-
Other Revenue Sources	1,886,019	1,195,019	318,539	-	1,136,942	1,136,942	-	1,136,942	1,136,942	-	1,136,942	1,136,942	1,136,942	1,136,942
Transfers	6,238,461	5,252,219	6,184,487	(719)	-	-	-	-	-	-	-	-	-	-
Total Unrestricted Revenue	191,692,909	183,789,485	203,488,899	197,439,885	218,695,513	197,380,471	21,315,042	197,150,831	188,487,504	8,663,327	186,557,354	189,167,288	191,812,059	194,496,634
FTEs - Funded					30,990.24			29,372.11			27,859.17	28,138.76	28,420.15	28,704.35
FTEs - Actual					23,628.43			28,128.43			27,859.17	28,138.76	28,420.15	28,704.35
FTEs - Growth											280	281	284	
Notes:														
COLA - 15-16 1.02%, 16-17 .47%, 17-18 1%, 18-19 1%, 19-20 1%, 20-21 1%.														
(1) One time funds reflect base funding decline due to 5% drop in stability funding.														
(2) One time funds reflect base funding decline due to last year of stability funding.														

City College of San Francisco										
Scenario 3 - Restoration of 4,500 FTES, Annual growth 1% beginning FY 2018-19 (Expenditures)										
	Actual	Actual	Actual	Actual	Working Budget	Tentative Budget	Projected	Projected	Projected	Projected
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Academic Salaries	96,599,115	86,552,047	84,791,786	82,775,990	90,641,888	87,149,888	87,813,561	88,786,858	90,074,267	91,680,344
Classified Salaries	38,972,983	35,906,688	36,113,228	36,457,347	39,349,997	38,613,715	38,482,143	38,338,636	38,894,546	39,458,517
Employee Benefits	46,234,900	43,723,349	42,742,458	42,615,339	46,306,688	45,612,088	45,155,967	45,155,967	45,607,527	46,063,602
Supplies and Materials	1,354,631	1,455,063	1,386,433	1,531,772	1,843,567	1,749,252	1,574,327	1,416,894	1,275,205	1,147,685
Other Operating Expenses and Services	11,223,637	13,166,224	13,728,796	17,489,940	19,242,920	18,300,952	16,470,857	14,823,771	13,341,394	12,007,255
Capital Outlay	175,412	191,513	2,158,471	878,005	1,989,309	1,038,300	934,470	841,023	756,921	681,229
Other Outgo	3,119,356	3,056,208	9,801,777	3,628,804	6,249,141	6,508,953	3,158,058	3,158,058	3,158,058	3,158,058
Total Expenditures	197,680,084	184,051,092	190,722,949	185,377,197	205,623,510	198,973,148	193,589,383	192,521,207	193,107,918	194,196,690
Beginning Fund Balance	24,209,360	18,136,227	17,874,620	35,443,433	38,758,524	51,830,527	50,008,210	42,976,181	39,622,263	38,326,403
Prior Year Adjustments	(86,008)	-	4,802,863	(8,747,597)	-	-	-	-	-	-
Surplus/(Deficit)	(5,987,125)	(261,607)	12,765,950	12,062,688	13,072,003	(1,822,317)	(7,032,029)	(3,353,918)	(1,295,859)	299,944
Ending Fund Balance	18,136,227	17,874,620	35,443,433	38,758,524	51,830,527	50,008,210	42,976,181	39,622,263	38,326,403	38,626,347
Reserve % of Expenditures	9.17%	9.71%	18.58%	20.91%	25.21%	25.13%	22.20%	20.58%	19.85%	19.89%
FTES - Actual	32,632.17	32,621.30	26,263.50	23,628.43	23,628.43	28,128.43	27,859.17	28,138.76	28,420.15	28,704.35
FTES - Funded	32,632.17	32,621.30	32,621.30	32,621.30	30,990.24	29,372.11	27,859.17	28,138.76	28,420.15	28,704.35
FTES - Stability			6,357.80	8,992.87	7,361.81	1,243.68	-	-	-	-
Stability \$			\$ 27,752,498	\$ 39,069,686	\$ 33,140,874	\$ 7,146,519	\$ -	\$ -	\$ -	\$ -
FTES Target					30,990.00	29,372.11	29,072.11	28,917.11	28,917.11	29,072.11

City College of San Francisco														
Scenario 4 - Reduction of 1,500 FTEs, Annual growth 1% beginning FY 2018-19														
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2015-16 - On Going	FY 2015-16 - One Time (1)	FY 2016-17	FY 2016-17 - On Going	FY 2016-17 - One Time (2)	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
State General Apportionment	\$ 99,238,845	\$ 65,342,702	\$ 67,011,851	\$ 58,411,004	\$ 62,025,578	\$ 53,716,975	\$ 8,308,603	\$ 55,207,305	\$ 23,289,636	\$ 31,917,667	\$ 23,289,636	25,572,425	27,854,071	30,179,617
EPA	-	23,965,172	22,825,944	27,632,011	25,511,090	25,511,090	-	23,022,090	23,022,090	-	20,522,090	20,522,090	20,522,090	20,522,090
Growth/(workload reduction)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
COLA	-	-	720,785	947,817	1,568,766	1,490,328	78,438	733,360	583,347	150,013	1,222,493	1,204,788	1,227,311	1,250,222
Enrollment Fees	10,073,942	10,073,942	9,767,766	8,598,514	8,797,337	8,797,337	-	8,797,337	8,797,337	-	8,797,337	8,797,337	8,797,337	8,797,337
Local Property Taxes	46,221,252	47,539,171	49,943,705	56,164,836	63,960,646	63,960,646	-	63,960,646	63,960,646	-	63,960,646	63,960,646	63,960,646	63,960,646
Total Computational Revenue	155,534,039	146,920,987	150,270,051	151,754,182	161,863,417	153,476,376	8,387,041	151,720,736	119,653,056	32,067,680	\$ 117,792,202	\$ 120,057,286	\$ 122,361,455	\$ 124,709,912
Deficit Factor	2.34945%	0.07662%	0.45377%	0.31790%	1.28000%									
Adj. Computational Revenue	151,879,859	146,808,418	149,588,173	152,236,615	163,935,269			151,720,736	119,653,056	32,067,680	117,792,202	120,057,286	122,361,455	124,709,912
Prior Year Correction	267,377	-	261,740	938,765	-	-	-	-	-	-	-	-	-	-
Lottery	5,296,066	4,000,000	4,555,847	2,701,167	2,701,167	2,701,167	-	2,701,167	2,701,167	-	2,701,167	2,701,167	2,701,167	2,701,167
Mandated Cost - Ongoing	120,720	950,000	928,345	1,882,810	653,885	653,885	-	653,885	653,885	-	653,885	653,885	653,885	653,885
Mandated Cost - One Time	-	-	-	-	12,928,001	-	12,928,001	1,500,000	-	1,500,000	-	-	-	-
Part Time Faculty Allocation	785,955	785,955	785,955	785,955	483,269	483,269	-	483,269	483,269	-	483,269	483,269	483,269	483,269
Part Time Faculty Ins.	84,569	84,569	84,569	84,569	-	-	-	-	-	-	-	-	-	-
Part Time Faculty Office Hrs.	35,812	35,812	35,812	35,812	-	-	-	-	-	-	-	-	-	-
Apprenticeship	232,547	232,547	180,467	197,663	218,400	218,400	-	244,400	244,400	-	244,400	244,400	244,400	244,400
Sales Tax	15,814,112	15,415,000	16,620,883	16,881,426	16,881,426	16,881,426	-	16,881,426	16,881,426	-	16,881,426	16,881,426	16,881,426	16,881,426
Parcel Tax	-	-	15,195,836	14,938,396	14,938,396	14,938,396	-	14,938,396	14,938,396	-	14,938,396	14,938,396	14,938,396	14,938,396
Interest Income	-	-	24,976	157,012	157,012	157,012	-	157,012	157,012	-	157,012	157,012	157,012	157,012
Non-Resident Tuition	8,917,247	8,917,247	8,242,950	6,600,414	6,733,598	6,733,598	-	6,733,598	6,733,598	-	6,733,598	6,733,598	6,733,598	6,733,598
Enrollment Fees (other)	134,165	112,699	480,320	-	-	-	-	-	-	-	-	-	-	-
Other Revenue Sources	1,886,019	1,195,019	318,539	-	1,136,942	1,136,942	-	1,136,942	1,136,942	-	1,136,942	1,136,942	1,136,942	1,136,942
Transfers	6,238,461	5,252,219	6,184,487	(719)	-	-	-	-	-	-	-	-	-	-
Total Unrestricted Revenue	191,692,909	185,789,485	203,488,899	197,439,885	218,695,513	197,380,471	21,315,042	197,150,831	163,583,151	33,567,680	161,722,297	163,987,381	166,291,550	168,640,007
FTEs - Funded					30,990.24			29,372.11			22,128.43	22,350.71	22,574.22	22,799.96
FTEs - Actual					23,628.43			22,128.43			22,128.43	22,350.71	22,574.22	22,799.96
FTEs - Growth											222	224	226	
Notes:	COLA - 15-16 1.02%, 16-17 .47%, 17-18 1%, 18-19 1%, 19-20 1%, 20-21 1%.													
	(1) One time funds reflect base funding decline due to 5% drop in stability funding.													
	(2) One time funds reflect base funding decline due to last year of stability funding.													

City College of San Francisco										
Scenario 4 - Reduction of 1,500 FTES, Annual growth 1% beginning FY 2018-19 (Expenditures)										
	Actual	Actual	Actual	Actual	Working Budget	Tentative Budget	Projected	Projected	Projected	Projected
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Academic Salaries	96,599,115	86,552,047	84,791,786	82,775,990	90,641,888	85,649,888	83,741,811	81,806,068	79,992,256	78,152,143
Classified Salaries	38,972,983	35,906,688	36,113,228	36,457,347	39,349,997	38,613,715	37,790,671	36,935,640	36,047,867	35,848,572
Employee Benefits	46,234,900	43,723,349	42,742,458	42,615,339	46,306,688	44,917,487	43,569,962	42,262,863	40,994,977	40,175,077
Supplies and Materials	1,354,631	1,455,063	1,386,433	1,531,772	1,843,567	1,749,252	1,399,402	1,119,522	895,618	716,494
Other Operating Expenses and Services	11,223,637	13,166,224	13,728,796	17,489,940	19,242,920	18,300,952	14,640,762	11,712,610	9,370,088	7,496,070
Capital Outlay	175,412	191,513	2,158,471	878,005	1,989,309	1,038,300	830,640	664,512	531,610	425,288
Other Outgo	3,119,356	3,056,208	9,801,777	3,628,804	6,249,141	6,508,953	2,807,162	2,807,162	2,807,162	2,807,162
Total Expenditures	197,680,034	184,051,092	190,722,949	185,377,197	205,623,510	196,778,547	184,780,410	177,308,376	170,639,578	165,620,807
Beginning Fund Balance	24,209,360	18,136,227	17,874,620	35,443,433	38,758,524	51,830,527	52,202,811	29,144,698	15,823,702	11,475,674
Prior Year Adjustments	(86,008)	-	4,802,863	(8,747,597)	-	-	-	-	-	-
Surplus/(Deficit)	(5,987,125)	(261,607)	12,765,950	12,062,688	13,072,003	372,284	(23,058,113)	(13,320,995)	(4,348,028)	3,019,201
Ending Fund Balance	18,136,227	17,874,620	35,443,433	38,758,524	51,830,527	52,202,811	29,144,698	15,823,702	11,475,674	14,494,875
Reserve % of Expenditures	9.17%	9.71%	18.58%	20.91%	25.21%	26.53%	15.77%	8.92%	6.73%	8.75%
FTES - Actual	32,632.17	32,621.30	26,263.50	23,628.43	23,628.43	22,128.43	22,128.43	22,350.71	22,574.22	22,799.96
FTES - Funded	32,632.17	32,621.30	32,621.30	32,621.30	30,990.24	29,372.11	22,128.43	22,350.71	22,574.22	22,799.96
FTES - Stability			6,357.80	8,992.87	7,361.81	7,243.68	-	-	-	-
Stability \$			\$ 27,752,498	\$ 39,069,686	\$ 33,140,874	\$ 31,917,667	\$ -	\$ -	\$ -	\$ -
FTES Target					30,990.00	29,372.11	27,797.11	26,169.61	24,619.61	23,069.61

City College of San Francisco																
Scenario 5 - Flat Enrollment, 4th Yr Stability @ 85%, Annual growth 1% beginning FY 2018-19																
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2015-16 - On Going	FY 2015-16 - One Time (1)	FY 2016-17	FY 2016-17 - On Going	FY 2016-17 - One Time (2)	FY 2017-18	FY 2017-18 - On Going	FY 2017-18 - One Time (3)	FY 2018-19	FY 2019-20	FY 2020-21
State General Apportionment	\$ 99,238,845	\$ 65,342,702	\$ 67,011,851	\$ 58,411,004	\$ 62,025,578	\$ 53,716,975	\$ 8,308,603	\$ 55,207,303	\$ 47,563,909	\$ 7,643,394	\$ 47,503,116	\$ 30,314,239	\$ 17,188,877	33,011,982	35,611,923	38,091,198
EPA	-	23,965,172	22,825,944	27,632,011	25,511,090	25,511,090	-	23,022,090	23,022,090	-	20,522,090	20,522,090	-	20,522,090	20,522,090	20,522,090
Growth/(workload reduction)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
COLA	-	-	720,785	947,817	1,568,766	1,490,328	78,438	733,360	616,648	116,712	1,509,874	1,337,985	171,889	1,450,139	1,306,646	1,331,101
Enrollment Fees	10,073,942	10,073,942	9,767,766	8,598,514	8,797,337	8,797,337	-	8,797,337	8,797,337	-	8,797,337	8,797,337	-	8,797,337	8,797,337	8,797,337
Local Property Taxes	46,221,252	47,539,171	49,943,705	56,164,836	63,960,646	63,960,646	-	63,960,646	63,960,646	-	63,960,646	63,960,646	-	63,960,646	63,960,646	63,960,646
Total Computational Revenue	155,534,039	146,920,987	150,270,051	151,754,182	161,863,417	153,476,376	8,387,041	151,720,736	143,960,630	7,760,106	142,293,063	124,932,297	17,360,766	127,742,194	130,198,642	132,702,372
Deficit Factor	2.34945%	0.07662%	0.45377%	0.31790%	1.28000%											
Adj. Computational Revenue	151,879,859	146,808,418	149,588,173	152,236,615	163,935,269			151,720,736	143,960,630	7,760,106	142,293,063	124,932,297	17,360,766	127,742,194	130,198,642	132,702,372
Prior Year Correction	267,377	-	261,740	938,765	-	-	-	-	-	-	-	-	-	-	-	-
Lottery	5,296,066	4,000,000	4,555,847	2,701,167	2,701,167	2,701,167	-	2,701,167	2,701,167	-	2,701,167	2,701,167	-	2,701,167	2,701,167	2,701,167
Mandated Cost- Ongoing	120,720	950,000	928,345	1,882,810	653,885	653,885	-	653,885	653,885	-	653,885	653,885	-	653,885	653,885	653,885
Mandated Cost- One Time	-	-	-	-	12,928,001	-	12,928,001	1,500,000	-	1,500,000	-	-	-	-	-	-
Part Time Faculty Allocation	785,955	785,955	785,955	785,955	483,269	483,269	-	483,269	483,269	-	483,269	483,269	-	483,269	483,269	483,269
Part Time Faculty Ins.	84,569	84,569	84,569	84,569	-	-	-	-	-	-	-	-	-	-	-	-
Part Time Faculty Office Hrs.	35,812	35,812	35,812	35,812	-	-	-	-	-	-	-	-	-	-	-	-
Apprenticeship	232,547	232,547	180,467	197,663	218,400	218,400	-	244,400	244,400	-	244,400	244,400	-	244,400	244,400	244,400
Sales Tax	15,814,112	15,415,000	16,620,883	16,881,426	16,881,426	16,881,426	-	16,881,426	16,881,426	-	16,881,426	16,881,426	-	16,881,426	16,881,426	16,881,426
Parcel Tax	-	-	15,195,836	14,938,396	14,938,396	14,938,396	-	14,938,396	14,938,396	-	14,938,396	14,938,396	-	14,938,396	14,938,396	14,938,396
Interest Income	-	-	24,976	157,012	157,012	157,012	-	157,012	157,012	-	157,012	157,012	-	157,012	157,012	157,012
Non-Resident Tuition	8,917,247	8,917,247	8,242,950	6,600,414	6,733,598	6,733,598	-	6,733,598	6,733,598	-	6,733,598	6,733,598	-	6,733,598	6,733,598	6,733,598
Enrollment Fees (other)	134,165	112,699	480,320	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Revenue Sources	1,886,019	1,195,019	318,539	-	1,136,942	1,136,942	-	1,136,942	1,136,942	-	1,136,942	1,136,942	-	1,136,942	1,136,942	1,136,942
Transfers	6,238,461	5,252,219	6,184,487	(719)	-	-	-	-	-	-	-	-	-	-	-	-
Total Unrestricted Revenue	191,692,909	183,789,485	203,488,899	197,439,885	218,695,513	197,380,471	21,315,042	197,150,831	187,890,725	9,260,106	186,223,158	168,862,392	17,360,766	171,672,289	174,128,737	176,632,467
FTEs - Funded					30,990.24			29,372.11			27,753.98			23,864.71	24,103.36	24,344.40
FTEs - Actual					23,628.43			23,628.43			23,628.43			23,864.71	24,103.36	24,344.40
FTEs - Growth														236	239	241
Notes:																
COLA- 15-16 1.02%, 16-17 4.7%, 17-18 1%, 18-19 1%, 19-20 1%, 20-21 1%.																
(1) One time funds reflect base funding decline due to 5% drop in stability funding.																
(2) One time funds reflect base funding decline due to 5% drop in stability funding.																
(3) One time funds reflect base funding decline due to last year of stability funding.																

City College of San Francisco										
Scenario 5 - Flat Enrollment, 4th Yr Stability @ 85%, Annual growth 1% beginning FY 2018-19 (Expenditures)										
	Actual	Actual	Actual	Actual	Working Budget	Tentative Budget	Projected	Projected	Projected	Projected
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Academic Salaries	96,599,115	86,552,047	84,791,786	82,775,990	90,641,888	85,049,888	82,983,111	80,886,366	79,059,219	80,205,577
Classified Salaries	38,972,983	35,906,688	36,113,228	36,457,347	39,349,997	38,613,715	38,482,143	38,338,636	38,182,876	38,014,539
Employee Benefits	46,234,900	43,723,349	42,742,458	42,615,339	46,306,688	45,612,088	44,243,725	42,916,413	42,058,085	42,058,085
Supplies and Materials	1,354,631	1,455,063	1,386,433	1,531,772	1,843,567	1,749,252	1,399,402	1,259,462	1,133,516	1,076,840
Other Operating Expenses and Services	11,223,637	13,166,224	13,728,796	17,489,940	19,242,920	18,300,952	14,640,762	13,176,686	11,859,017	11,266,066
Capital Outlay	175,412	191,513	2,158,471	878,005	1,989,309	1,038,300	830,640	747,576	672,818	639,177
Other Outgo	3,119,356	3,056,208	9,801,777	3,628,804	6,249,141	6,508,953	2,807,162	2,807,162	2,807,162	2,807,162
Total Expenditures	197,680,034	184,051,092	190,722,949	185,377,197	205,623,510	196,873,148	185,386,945	180,132,301	175,772,693	176,067,447
Beginning Fund Balance	24,209,360	18,136,227	17,874,620	35,443,433	38,758,524	51,830,527	52,108,210	52,944,423	44,484,411	42,840,455
Prior Year Adjustments	(86,008)	-	4,802,863	(8,747,597)	-	-	-	-	-	-
Surplus/(Deficit)	(5,987,125)	(261,607)	12,765,950	12,062,688	13,072,003	277,683	836,213	(8,460,012)	(1,643,956)	565,020
Ending Fund Balance	18,136,227	17,874,620	35,443,433	38,758,524	51,830,527	52,108,210	52,944,423	44,484,411	42,840,455	43,405,475
Reserve % of Expenditures	9.17%	9.71%	18.58%	20.91%	25.21%	26.47%	28.56%	24.70%	24.37%	24.65%
FTES - Actual	32,632.17	32,621.30	26,263.50	23,628.43	23,628.43	23,628.43	23,628.43	23,864.71	24,103.36	24,344.40
FTES - Funded	32,632.17	32,621.30	32,621.30	32,621.30	30,990.24	29,372.11	27,753.98	23,864.71	24,103.36	24,344.40
FTES - Stability			6,357.80	8,992.87	7,361.81	5,743.68	4,125.55	-	-	-
Stability \$			\$ 27,752,498	\$ 39,069,686	\$ 33,140,874	\$ 24,832,271	\$ 17,188,877	\$ -	\$ -	\$ -
FTES Target					30,990.00	29,372.11	27,667.11	25,962.11	24,412.11	24,412.11

City College of San Francisco														
Scenario 6 - Unrestrained Restoration														
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2015-16 - On Going	FY 2015-16 - One Time (1)	FY 2016-17	FY 2016-17 - On Going	FY 2016-17 - One Time (2)	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
State General Apportionment	\$ 99,238,845	\$ 65,342,702	\$ 67,011,851	\$ 58,411,004	\$ 62,025,578	\$ 53,716,975	\$ 8,308,608	\$ 55,207,308	\$ 33,165,312	\$ 22,041,991	\$ 36,067,525	40,323,613	44,694,925	49,216,172
EPA	-	23,965,172	22,825,944	27,632,011	25,511,090	25,511,090	-	23,022,090	23,022,090	-	20,522,090	20,522,090	20,522,090	20,522,090
Growth/(workload reduction)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
COLA	-	-	720,785	947,817	1,568,766	1,490,328	78,438	733,360	629,763	103,597	1,295,751	1,306,433	1,349,101	1,393,241
Enrollment Fees	10,073,942	10,073,942	9,767,766	8,598,514	8,797,337	8,797,337	-	8,797,337	8,797,337	-	8,797,337	8,797,337	8,797,337	8,797,337
Local Property Taxes	46,221,252	47,539,171	49,943,705	56,164,836	63,960,646	63,960,646	-	63,960,646	63,960,646	-	63,960,646	63,960,646	63,960,646	63,960,646
Total Computational Revenue	155,534,089	146,920,987	150,270,051	151,754,182	161,863,417	153,476,376	8,387,041	151,720,736	129,575,148	22,145,588	\$ 130,643,350	\$ 134,910,119	\$ 139,324,099	\$ 143,889,486
Deficit Factor	2.34945%	0.07662%	0.45377%	0.31790%	1.28000%									
Adj. Computational Revenue	151,879,859	146,808,418	149,588,173	152,236,615	165,524,131			151,720,736	129,575,148	22,145,588	130,643,350	134,910,119	139,324,099	143,889,486
Prior Year Correction	267,377	-	261,740	938,765	-	-	-	-	-	-	-	-	-	-
Lottery	5,296,066	4,000,000	4,555,847	2,701,167	2,701,167	2,701,167	-	2,701,167	2,701,167	-	2,701,167	2,701,167	2,701,167	2,701,167
Mandated Cost - Ongoing	120,720	950,000	928,345	1,882,810	653,885	653,885	-	653,885	653,885	-	653,885	653,885	653,885	653,885
Mandated Cost - One Time	-	-	-	-	12,928,001	-	12,928,001	1,500,000	-	1,500,000	-	-	-	-
Part Time Faculty Allocation	785,955	785,955	785,955	785,955	483,269	483,269	-	483,269	483,269	-	483,269	483,269	483,269	483,269
Part Time Faculty Ins.	84,569	84,569	84,569	84,569	-	-	-	-	-	-	-	-	-	-
Part Time Faculty Office Hrs.	35,812	35,812	35,812	35,812	-	-	-	-	-	-	-	-	-	-
Apprenticeship	232,547	232,547	180,467	197,663	218,400	218,400	-	244,400	244,400	-	244,400	244,400	244,400	244,400
Sales Tax	15,814,112	15,415,000	16,620,883	16,881,426	16,881,426	16,881,426	-	16,881,426	16,881,426	-	16,881,426	16,881,426	16,881,426	16,881,426
Parcel Tax	-	-	15,195,836	14,938,396	14,938,396	14,938,396	-	14,938,396	14,938,396	-	14,938,396	14,938,396	14,938,396	14,938,396
Interest Income	-	-	24,976	157,012	157,012	157,012	-	157,012	157,012	-	157,012	157,012	157,012	157,012
Non-Resident Tuition	8,917,247	8,917,247	8,242,950	6,600,414	6,733,598	6,733,598	-	6,733,598	6,733,598	-	6,733,598	6,733,598	6,733,598	6,733,598
Enrollment Fees (other)	134,165	112,699	480,320	-	-	-	-	-	-	-	-	-	-	-
Other Revenue Sources	1,886,019	1,195,019	318,539	-	1,136,942	1,136,942	-	1,136,942	1,136,942	-	1,136,942	1,136,942	1,136,942	1,136,942
Transfers	6,238,461	5,252,219	6,184,487	(719)	-	-	-	-	-	-	-	-	-	-
Total Unrestricted Revenue	191,692,909	183,789,485	203,488,899	197,439,885	218,695,513	197,380,471	21,315,042	197,150,831	173,505,243	23,645,588	174,573,445	178,840,214	183,254,194	187,819,581
FTES - Funded					30,990.24			29,372.11			24,824.62	25,445.23	26,081.37	26,733.40
FTES - Actual					23,628.43			24,219.14			24,824.62	25,445.23	26,081.37	26,733.40
FTES - Restoration @ 2.5% per year								591			605	621	636	652
Notes:														
COLA - 15-16 1.02%, 16-17 .47%, 17-18 1%, 18-19 1%, 19-20 1%, 20-21 1%.														
(1) One time funds reflect base funding decline due to 5% drop in stability funding.														
(2) One time funds reflect base funding decline due to last year of stability funding.														

City College of San Francisco										
Scenario 6 - Unrestrained Restoration (Expenditures)										
	Actual	Actual	Actual	Actual	Working Budget	Tentative Budget	Projected	Projected	Projected	Projected
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Academic Salaries	96,599,115	86,552,047	84,791,786	82,775,990	90,641,888	85,949,888	84,796,161	84,225,706	84,846,978	86,077,260
Classified Salaries	38,972,983	35,906,688	36,113,228	36,457,347	39,349,997	38,272,921	37,790,671	37,286,389	37,827,041	38,375,534
Employee Benefits	46,234,900	43,723,349	42,742,458	42,615,339	46,306,688	45,380,554	44,699,846	44,252,848	44,474,112	44,696,483
Supplies and Materials	1,354,631	1,455,063	1,386,433	1,531,772	1,843,567	1,749,252	1,574,327	1,416,894	1,275,205	1,275,205
Other Operating Expenses and Services	11,223,637	13,166,224	13,728,796	17,489,940	19,242,920	18,300,952	16,470,857	14,823,771	13,341,394	13,341,394
Capital Outlay	175,412	191,513	2,158,471	878,005	1,989,309	1,038,300	934,470	841,023	756,921	756,921
Other Outgo	3,119,356	3,056,208	9,801,777	3,628,804	6,249,141	6,508,953	3,158,058	3,158,058	3,158,058	3,158,058
Total Expenditures	197,680,034	184,051,092	190,722,949	185,377,197	205,623,510	197,200,820	189,424,390	186,004,688	185,679,710	187,680,854
Beginning Fund Balance	24,209,360	18,136,227	17,874,620	35,443,433	38,758,524	51,830,527	51,780,538	36,929,593	29,765,118	27,339,602
Prior Year Adjustments	(86,008)	-	4,802,863	(8,747,597)	-	-	-	-	-	-
Surplus/(Deficit)	(5,987,125)	(261,607)	12,765,950	12,062,688	13,072,003	(49,989)	(14,850,946)	(7,164,474)	(2,425,516)	138,727
Ending Fund Balance	18,136,227	17,874,620	35,443,433	38,758,524	51,830,527	51,780,538	36,929,593	29,765,118	27,339,602	27,478,329
Reserve % of Expenditures	9.17%	9.71%	18.58%	20.91%	25.21%	26.26%	19.50%	16.00%	14.72%	14.64%
FTES - Actual	32,632.17	32,621.30	26,263.50	23,628.43	23,628.43	24,219.14	24,824.62	25,445.23	26,081.37	26,733.40
FTES - Funded	32,632.17	32,621.30	32,621.30	32,621.30	30,990.24	29,372.11	24,824.62	25,445.23	26,081.37	26,733.40
FTES - Stability			6,357.80	8,992.87	7,361.81	5,152.97	-	-	-	-
Stability \$			\$ 27,752,498	\$ 39,069,686	\$ 33,140,874	\$ 24,948,983	\$ -	\$ -	\$ -	\$ -
FTES Target					30,990.00	29,372.11	28,172.11	27,242.11	26,932.11	26,932.11

III.D.1. Analysis and Evaluation

The College follows the principles of sound financial management as specified in Board Policies and Administrative Procedures. As directed by Board Policies and Administrative Procedures and through the implemented resource allocation model, the College's financial resources are sufficient to support and sustain student learning programs and services and improve institutional effectiveness. The distribution of resources—informed by a systematic and comprehensive cycle of Program Review—supports the development, maintenance, allocation and reallocation, and enhancement of programs and services. The institution plans and manages its financial affairs with integrity and in a manner that ensures financial stability.

The College funds general operations primarily through its Unrestricted General Fund. The primary sources of revenue supporting this fund are state apportionment, student enrollment fees, and local property taxes. In addition to the College's Unrestricted General Fund, in November 2012, the College successfully sought voter passage of a parcel tax that provides approximately \$15 million per year through fiscal year 2020-21.

Utilizing its integrated planning and Program Review processes, the College manages its fiscal affairs and allocates financial resources in a manner that is mission-focused and fiscally sound. College leadership provides the expertise to evaluate and project College revenues, expenditures, and long-term obligations. The process is well defined and documented to include broad participation and input of constituencies, including the stakeholders within the Participatory Governance structure (students, faculty, staff, and administrators).

The College plans and manages its financial affairs with integrity and in a manner that ensures financial stability. The College ended its 2014-15 fiscal year without any significant financial fluctuations and within budget. Central to the College's resource allocation model and related fiscal controls are a number of Board Policies and Administrative Procedures that ensure that the College distributes and accounts for its resources properly to support the development, maintenance, allocation, reallocation, and enhancement of programs and services.

The College annually updates its multi-year financial projections as part of the budget allocation model and as required under Board Policy 8.01 to continue to ensure the College's long-term financial stability.

Conclusion. The College meets Standard III.D.1.

III.D.2. *The institution's mission and goals are the foundation for financial planning, and financial planning is integrated with and supports all institutional planning. The institution has policies and procedures to ensure sound financial practices and financial stability. Appropriate financial information is disseminated throughout the institution in a timely manner. CW IIID1, IIID1a, IIID2c*

III.D.2. Description of Evidence of Meeting the Standard

Mission and Goals Are the Foundation of Financial Planning and Financial Planning Integrates with Institutional Planning. Central to the foundation of financial and institutional planning are the College mission, the Board’s Overarching Values, the Board Goals, and the College Priorities.^{15 16}

Administrative Procedure 8.01 requires that the Board’s direction for budget development each year includes reaffirmation of the mission.¹⁷

The College’s financial planning processes and budgetary decision making fully integrate with institutional planning. As stated in AP 8.01:

The College will use plans, program reviews, planning documents, and planning processes as the basis for the development of expenditure budgets.¹⁸

The annual adopted budget reflects the directives of AP 8.01.¹⁹

Moreover, the College mission is the central driver of CCSF’s Educational Master Plan (EMP), and all other plans flow from the EMP as noted in the College’s Flowchart for Integrated Planning.^{20 21} Unit-level Program Reviews reinforce the mission and College Priorities in particular.

All constituent groups participated in the development of the EMP, and faculty, staff, and administrators participate in developing Program Reviews for their respective units. Program Reviews include resource requests for supplemental general funds and for categorical funds, and the College prioritizes those requests using particular criteria, including the extent to which each request.²²

- Links to Board Goals and College Priorities
- Links to approved College plans
- Links to institutional accreditation requirements
- Links to learning, service, and/or program outcomes
- Provides a clear plan for evaluation after implementation
- Has College-wide benefits
- Is operationally necessary

¹⁵ [CCSF Vision and Mission Statements](#)

¹⁶ [Board Goals and College Priorities](#)

¹⁷ [AP 8.01](#) (Budget Preparation and Fiscal Accountability)

¹⁸ [AP 8.01](#) (Budget Preparation and Fiscal Accountability)

¹⁹ [Adopted Budget Book](#), see p. 14, “Budget Directives”

²⁰ [CCSF Education Master Plan](#)

²¹ [Flowchart for Integrated Assessment, Planning, and Budgeting](#)

²² [Worksheet with Scoring Criteria for Program Review Resource Requests](#)

The final budget that the Board approved in September 2015 included a section devoted to the allocation of resources to all sites and Centers, including personnel budgets and facility needs by location.²³

Policies and Procedures. The College’s policies and procedures related to the budget ensure sound financial practices and financial stability. Administrative Procedure 8.01 (Budget Preparation and Fiscal Accountability) specifically requires the budget to:²⁴

1. Reaffirm the mission of the College
2. Implement and effectuate Board Policy 8.01²⁵
3. Allocate resources (expenditure budgets) to the level of available and expected revenues
4. Establish base budgets for the College as a whole and each location within the College (to include facility contingency planning and facility maintenance and operational needs)
5. Support the planning objectives identified through Program Review (which also includes human resource needs and facility needs)

A Board-approved “Plan for Long-Term Fiscal Stability” covering Fiscal Years 2013-14 through 2020-21²⁶ provides an eight-year roadmap to guide the College in allocating resources to support the mission and priorities of the College. This eight-year plan:

- directs funding toward increasing the reserve to a prudent level (outlined in Board Policy 8.01) allowing the College to meet financial emergencies
- provides for operating expenses without the need for excessive borrowing for cashflow purposes
- provides funding for long-term liabilities associated with other post-employment benefit (OPEB) obligations

Further, this plan also provides for the allocation of resources for the maintenance of facilities and information technology. This plan is iterative and evolving as the fiscal and enrollment environment changes. The original Plan for Long-Term Fiscal Stability (eight-year plan) is accessible on the Finance and Administration website, and most recent versions of the plan (six scenarios) appear in the 2016-17 tentative budget (and in the response to Standard III.D.1.).^{27 28}

Information is Disseminated Throughout and in a Timely Manner. The College prepares numerous financial documents and reports in a timely manner, broadly distributes them, and uses them for evaluative purposes. Financial documents include, but are not limited to: the annual

²³ [2015-16 Adopted Budget Presentation; 2015-16 Adopted Budget](#)

²⁴ [AP 8.01](#) (Budget Preparation and Fiscal Accountability)

²⁵ [BP 8.01](#) (Budget Preparation and Fiscal Accountability)

²⁶ [Approval of Plan for Long-Term Fiscal Stability at February 28, 2013 Board Meeting](#) (see 3rd bullet on p. 2)

²⁷ [Plan for Long-Term Fiscal Stability](#)

²⁸ [2016-17 Tentative Budget](#)

financial audit report, 311A – Annual Financial and Budget Report, annual external audits, monthly board budget updates, and monthly budget status reports by area.^{29 30 31} These financial documents provide the College and constituent groups with valuable information to assess resource allocation from an institutional level down to the discipline level. Per Board Policy 8.01:

A schedule is provided to the Board by January of each year that includes dates for presentation of the tentative budget, required public hearing(s), Board study session(s), and approval of the final budget. At the public hearings, interested persons may appear and address the Board regarding the proposed budget.³²

III.D.2. Analysis and Evaluation

The College's process for resource allocation is directly linked with the institutional mission, vision, and annual goals. Through the utilization of its planning and resource allocation model, which includes robust Program Review, the College prioritizes and funds the needs of programs and support services. This resource allocation model ensures that College planning is supported by and integrated with financial planning. Further, monthly financial reports are available on the College's website, providing interested stakeholders with information to assess and monitor the fiscal condition of the institution. This information is readily available and shared with the Participatory Governance Council monthly.

Response to Finding from the Restoration Evaluation Team/January 2015 Action Letter.

The Restoration Evaluation Report included the following comments related to this Standard:

While the College has made significant progress toward addressing fluctuations in projected revenues, numerous commitments to ongoing expenditures threaten the viability of long-term stability for the College. (2002 Standard III.D.1.)

The College has thoroughly resolved these issues through several measures. With the passage of The Plan for Long-Term Stability, the College generated multi-year projections and updates these projections monthly based on changing conditions and adjustments to original budget assumptions. The Board also passed policies that require direct linkage between spending and FTES. The six scenarios presented in Standard III.D.1. show the College's revenue opportunities based on its most significant revenue source, FTES, and how much the College can spend based on the needs of its students at the different FTES levels. The College has also identified additional revenue sources and has planned for maintaining reserves as necessary to offset temporary future deficit spending. All these measures combine to ensure long-term stability of the College no matter what happens in the short term to enrollment.

²⁹ [Board Budget Report Updates](#)

³⁰ [Monthly Budget Status Reports](#)

³¹ [CCSF Budget Information Website](#)

³² [2016-17 Budget Development Calendar](#)

Board policies and administrative procedures ensure that the College is following comprehensive fiscal practices. Appropriate information is circulated to the College via appropriate reports, presentations, and through the College’s website.

Conclusion. The College meets Standard III.D.2.

III.D.3. *The institution clearly defines and follows its guidelines and processes for financial planning and budget development, with all constituencies having appropriate opportunities to participate in the development of institutional plans and budgets.*

III.D.3. Description of Evidence of Meeting the Standard

Defining and Following Guidelines and Processes for Financial Planning and Budget Development. The College has clearly defined guidelines and processes for financial planning and budget development. Board Policy 8.01 and Administrative Procedure 8.01 (Budget Preparation and Fiscal Accountability) articulate and define the process of how the College develops its annual fiscal year budget in an open, transparent, and communicative manner.³³ The flowchart on the following page graphically summarizes the process.

Given that personnel costs represent approximately 86 percent of the operational budget, it is critical that the College maintain position control processes. Recognizing this, the College created and implemented Administrative Procedure 8.01A (Position Control).³⁴ Through this administrative procedure, CCSF ensures that it appropriately accounts and budgets for positions.

Board Policy 8.05 (Budget Management) speaks to how the College will manage its reserves and budget transfers to adhere to Title 5 requirements but also to provide assurance that it is maintaining budgets appropriately.³⁵

Board Policy 8.12 and Administrative Procedure 8.12 (Fiscal Management and Accounting) assure that the College’s fiscal management is in accordance with principles contained in Title 5 Section 58311 of the California Code of Regulations including:^{36 37}

- Provisions for adequate internal controls
- Fiscal objectives, procedures, and constraints are communicated to the Board and constituent groups
- Adjustments are made to the budget in a timely manner
- The management information system provides timely, accurate, and reliable fiscal information
- Responsibility and accountability for fiscal management are clearly delineated

³³ [BP 8.01](#); [AP 8.01](#) (Budget Preparation and Fiscal Accountability)

³⁴ [AP 8.01A - Position Control](#)

³⁵ [BP 8.05 - Budget Management](#)

³⁶ [BP 8.12 - Fiscal Management and Accounting](#)

³⁷ [AP 8.12 - Fiscal Management and Accounting](#)



Opportunities to Participate. The College provides all constituencies with appropriate opportunities to participate in the development of institutional plans and budgets through Participatory Governance groups, Flex Day activities, budget forums, town hall meetings, and website postings.^{38 39}

Specifically, Board Policy 8.12 requires that the Board receive monthly reports showing the financial and budgetary conditions of the College.⁴⁰ The monthly frequency of the report increases the transparency of the College's finances.

The Participatory Governance Council receives these monthly reports, and the reports are also available on the College's budget website for general viewing. In addition to these Board reports, the College's budget website also includes budget status reports that show budget, expenditures, encumbrances, and remaining balances by organizations/departments.⁴¹ These reports are available for public viewing within 15 days following the end of the month.

Constituent groups also have an opportunity to participate in the development of the multi-year financial planning scenarios. While preparing these scenarios, the Vice Chancellor of Finance and Administration met with the PGC, Planning Committee, AFT 2121, and SEIU 1021 to gather input regarding the creation of scenarios and development process. From these discussions, the number of scenarios increased from three to six to reflect alternative scenarios provided by these constituencies.⁴²

III.D.3. Analysis and Evaluation

The College has created clearly defined guidelines for financial planning and budget development and has codified these guidelines through policies and procedures. Board Policy 8.01 and Administrative Procedure 8.01 (Budget Preparation and Fiscal Accountability) articulate and define the process of how the College develops its annual fiscal year budget in an open, transparent, and communicative manner. Moreover, the College has implemented these guidelines as part of the fabric of institutional planning. Through the utilization of the College's Participatory Governance system, all constituent groups have the opportunity to participate in developing institutional plans and budgets through Participatory Governance groups, Flex Day activities, budget forums, town hall meetings, and website postings. The College communicates financial planning and budget development information broadly in many ways. Specifically, Board Policy 8.12 requires that the Board receive monthly reports showing the financial and budgetary conditions of the College. More specifically, the Participatory Governance Council

³⁸ [RRP Handbook](#)

³⁹ See, for example, [5/19/16 PGC Meeting Agenda Item 6d](#)

⁴⁰ [November 2013 Board Budget Update](#); [January 2014 Board Budget Update](#); [February 2014 Board Budget Update](#)

⁴¹ [Board Budget Report Updates](#)

⁴² [5/5/16 PGC Meeting Minutes Item 9a, 2016-17 Budget Development Presentation](#) (Source: [PGC 2016 Agendas, Minutes, and Handouts](#)); [3/7/16 Planning Committee Meeting Notes Item 8, Budget Development Calendar](#) (Source: [Planning Committee Meetings, Notes, & Agendas](#)); [3/7/16 Planning Committee Minutes Item 8 - Budget Development Calendar](#) (Source: [3/7/16 Planning Committee Minutes](#))

receives monthly reports and the reports are available on the College's budget website which provides for general viewing. Most importantly, all constituent groups have the opportunity to participate in the development of the multi-year financial planning process.

Conclusion. The College meets Standard III.D.3.

III.D.4. *Institutional planning reflects a realistic assessment of financial resource availability, development of financial resources, partnerships, and expenditure requirements.*

III.D.4. Description of Evidence of Meeting the Standard

Planning Reflects a Realistic Assessment of Resources and Expenditures. The College's annual integrated planning and budgeting process (as mandated through Board Policy 8.01 and Administrative Procedure 8.01) reflects a realistic assessment of financial resource availability, development of financial resources, partnerships, and expenditure requirements. The College embeds controls within this process that ensure assumptions used are based on evidence and realistic assessments of available financial resources.

In accordance with the 2015-16 Budget Development Calendar, on February 12, 2016, the Vice Chancellor of Finance and Administration distributed a memorandum advising the College community of the financial conditions the College was facing and providing direction on how departments were to develop their base budgets.⁴³ Attached to this communication were the 2016-17 Budget Development Assumptions, Board Policy 8.01 and Administrative Procedure 8.01 (Budget Preparation and Fiscal Accountability), and Administrative Procedure 8.01A (Position Control). These policies, procedures, and controls apply to all funds under the control and purview of the College, including grants and partnerships.

The summary of 2016-17 Budget Assumptions below anticipate revenue and expenditure changes for fiscal year 2016-17 compared to the previous fiscal year.

The College applied the following Budget Assumptions in developing the 2016-17 budget:⁴⁴

General Assumptions

1. The 2016-17 Tentative Budget will be balanced.
2. The College will use plans, program reviews, planning documents, and planning processes as a basis for the development of expenditure budgets.
3. The 2016-17 budget will be developed taking into consideration that the District continues to receive stability funding, the 3rd and final year of stability funding. The 3rd year of Stability Funding is dependent upon FCMAT determining no later than April 1, 2016 that City College meets or exceeds benchmarks related to: ensuring adequate fiscal controls are in place, adherence to established fiscal policies and

⁴³ [2016-17 Budget Development Calendar](#)

⁴⁴ [2016-17 Budget Assumptions](#) (from PGC meeting, February 18, 2016)

practices, maintaining a balanced budget, maintaining appropriate fiscal reserves, and adhering to a plan that addresses long-term liabilities to include other postemployment benefits (OPEB).⁴⁵

Revenue Assumptions

4. General apportionment deficit factor of one percent for 2016-17 (5 year average), \$1.55 million.
5. Continued stability funding per SB 860: For fiscal year 2016-17, funding level not less than 90 percent of what was received in fiscal year 2012-13. \$8.3 million reduction compared to fiscal year 2015-16. Equates to approximately 1,631 FTES workload reduction.
6. Enrollment growth/access funds of 0 percent for 2016-17.
7. The Cost of Living Adjustment (COLA) of 0.47 percent for 2016-17 - \$.750 million.
8. One-time augmentation related to prior years' unpaid mandated cost claims – estimated to be approximately \$1.5 million.
9. Full Time Equivalent Student (FTES) funded base of 29,372. Current base, fiscal year 2015-16, is 30,990.
10. Anticipated property tax receipts of \$63.9 million.
11. Unrestricted lottery at \$140.00 per funded FTES.
12. Continued Measure A Parcel Tax revenue of \$14.9 million.
13. Continued Sales Tax Revenue of \$16.9 million.
14. Continued Proposition 30 State funding of \$23 million. This represents a reduction of \$2.5 million compared to amounts received in the prior year. This loss is attributed to the anticipated sunset of additional sales tax revenue received under Proposition 30 mid-year. Under existing law, the additional sales tax revenue expires December 31, 2106. Future full year reductions will be approximately \$5 million.

Expenditure Assumptions

15. The District intends to meet all negotiated contractual obligations.
16. Projected step and column salary increases of \$2.2 million.
17. Projected STRS contribution of 12.58% (increase of 1.85%), SFERS contribution of 23.26%, and CalPERS contribution 22.937%. Total cost increase of approximately \$1.75 million (SFERS new rates will be available in April 2016).
18. Increase in Medical premiums on average of three percent up to District cap of \$690,000 (Four year annual average increase – Actuarial assumptions in OPEB report project 4%).
19. OPEB required contribution of \$2,500,000. This is in addition to \$7.9 million budgeted for pay-as-you-go obligations.

⁴⁵ [FCMAT findings from April 2016](#)

20. Continued allocation of \$2.0 million to Buildings and Grounds for maintenance items.
21. Continued allocation of \$2.0 million to IT for technology related priorities as identified by program review.
22. Program review, VRG, and FPAC will be used to prioritize staffing.

These budget development assumptions form the basis—the controls—of the tentative budget. When the College receives new information, it evaluates and modifies these assumptions. For example, based upon the Governor’s 2015-16 January initial budget proposal, the College included an assumption that COLA would be funded at 2 percent. Later, within the Governor’s May Revise, the Governor only funded COLA at 1.02 percent. As a result, the College’s COLA budget assumption was then revised down from 2 percent to 1.02 percent. The Vice Chancellor of Finance and Administration communicated this change, as well as the resulting impacts, to all College constituencies and incorporated them into the tentative budget that went to the Board of Trustees.⁴⁶ Adjustments ensure that the College’s resource assessments remain based upon evidence and are therefore realistic.

III.D.4. Analysis and Evaluation

The College’s annual integrated planning and budgeting process (as mandated through Board Policy 8.01 and Administrative Procedure 8.01) reflects a realistic assessment of financial resource availability, development of financial resources, partnerships, and expenditure requirements. The institutional planning process reflects a realistic assessment of the financial resources that are available. In addition, the planning process provides for the development of financial resources, partnerships, and expenditure requirements. The College has a well-defined and clearly articulated planning and budgeting process that establishes priorities for funding that support meeting annual institutional goals. Funding priorities are clear and mission-focused. The College includes within the integrated planning and budgeting process assumptions that are based on data and realistic assessments of available fiscal resources. These budget development assumptions form the basis—the controls—of the tentative budget. When the College receives new information, it evaluates and modifies these assumptions.

Response to Findings from the Restoration Evaluation Team/January 2015 Action

Letter. The Restoration Evaluation Report included the following comments related to this Standard:

The College will need to monitor its financial resources recognizing that it will need to address the large FTES declines. Revenue projections and related spending decisions will need to be monitored continuously to ensure continued viability in an environment of continued revenue declines. The College is also currently dependent on limited term special funding: local revenues through City parcel taxes that end after eight years and Enrollment

⁴⁶ [2016-17 CCSF Tentative Budget](#)

Stability funding provided by the State of California for three years. This period of special funding should be used to develop and implement plans for transition to operational budgets within the ongoing means of the institution. (2002 Standard III.D.1.b.)

Since the 2012 visiting team report, the College has had three annual cycles of using the Board Policy and Administrative Procedures identified above to develop realistic revenue projections and related expenditure budgets. These fiscal years included 2014-15, 2015-16, and 2016-17. The College has been closely monitoring the revenue environment and making changes to the MYFPs. Integrated with these projections are FTEF mapped to FTES. The projections have allowed for better linking of expenditures to revenues as expectations change in the challenging environment, and these are reflected in the response to Standard III.D.1.

Conclusion. The College meets Standard III.D.4.

III.D.5. *To assure the financial integrity of the institution and responsible use of its financial resources, the internal control structure has appropriate control mechanisms and widely disseminates dependable and timely information for sound financial decision making. The institution regularly evaluates its financial management practices and uses the results to improve internal control systems.*

III.D.5. Description of Evidence of Meeting the Standard

The College ensures fiscal integrity and appropriate use and control of financial resources with various Board Policies and Administrative Procedures, financial documents, and audits. The College widely disseminates this information and uses it for evaluative purposes.

The College's Internal Control Structure Has Appropriate Control Mechanisms. Through established processes as set forth in Board Policies, the College assures financial integrity of the institution and the responsible use of financial resources. The relevant Board Policies include:

- Board Policy 8.01 and Administrative Procedure 8.01 (Budget Preparation and Fiscal Accountability) articulate and define the process of how the College develops its annual fiscal year budget in an open, transparent, and communicative manner.⁴⁷
- Board Policy 8.05 (Budget Management) governs how the College manages its reserves and budget transfers to adhere to Title 5 restrictions but also to provide assurance that it maintains budgets appropriately.⁴⁸
- Board Policy 8.12 and Administrative Procedure 8.12 (Fiscal Management and Accounting) assure that the College's fiscal management is in accordance with principles contained in Title 5 Section 58311 of the California Code of Regulations including:

⁴⁷ [BP 8.01](#); [AP 8.01](#) (Budget Preparation and Fiscal Accountability)

⁴⁸ [BP 8.05](#) (Budget Management)

provisions for adequate internal controls; communication of fiscal objectives, procedures, and constraints to the Board and constituent groups; timely adjustments to the budget; timely, accurate, and reliable fiscal information through the management information system, and clear delineation of responsibility and accountability for fiscal management.⁴⁹

Also, Board Policy 8.12 requires that the Board receive a quarterly report showing the financial and budgetary conditions of the College. The College increased the frequency of the report to a monthly basis to improve the transparency of the finances of the College.⁵⁰

The College has developed all of these Board Policies and Administrative Procedures in conformity and adherence to the California Community College Budget and Accounting Manual and Title 5 requirements in administering and recording financial records.

Audits confirm the integrity of the College's financial control mechanisms. The College undergoes an annual financial and compliance audit as required by Title 5 and Board Policy 8.03 (Audits). The audit is performed by Certified Public Accountants (CPAs) who possess the qualifications and credentials required by the State of California and are experienced with auditing California community colleges.

The June 30, 2015, fiscal year-end audit yielded an unmodified (unqualified) audit opinion in relation to the College's financial statements and federal compliance and a qualified audit opinion (audit findings noted) related to state compliance.⁵¹ An unmodified (unqualified) audit opinion indicates that the College's financial statements and records are free from material errors and that the College maintains them within generally accepted accounting standards. The College also completes a performance audit on all Proposition 39 local bond funds.⁵² According to the most recent audit completed for the fiscal year ending June 30, 2015, the audit conclusion reached was that "San Francisco Community College District has properly accounted for the expenditures held in the Bond Funds and that such expenditures were made for authorized Bond projects."

The College Widely Disseminates Dependable and Timely Information for Sound Financial Decision Making. The College prepares numerous financial documents in a timely manner and distributes those documents broadly to ensure financial integrity. Financial documents include, but are not limited to: annual financial audit report, 311A – Annual Financial and Budget Report, annual external audits, monthly board budget updates, and monthly budget status reports by

⁴⁹ [BP 8.12](#) (Fiscal Management and Accounting)

⁵⁰ [Monthly Budget Status Reports by Area](#)

⁵¹ [Screenshot of Annual Financial Report, June 30, 2015](#), p 85 (Source: [Annual Financial Report, June 30, 2015](#), see p. 85)

⁵² [CCSF Bond Audits](#)

area.⁵³ All these financial documents provide the College and constituent groups with valuable information to assess resource allocation from an institutional level down to the unit level.

The College Regularly Evaluates Financial Management Practices and Uses Results to Improve Internal Control Systems. The broad dissemination of the above in the College environment of mutual cooperation and commitment to the mission has yielded continuous improvement to the College’s internal control systems.

That is, by ensuring access to the Banner Enterprise Resource Planning (ERP) system and providing monthly financial reports on the College’s website, interested stakeholders have access to information that allows them to assess and monitor the fiscal condition of the institution.⁵⁴ The Vice Chancellor of Finance and Administration also provides monthly budget updates to the Participatory Governance Council (PGC), and these updates are available on the PGC website.⁵⁵ At these meetings and through constituency leadership, the College continuously and openly evaluates its financial management practices and uses the results used to make improvements.

III.D.5. Analysis and Evaluation

Through established processes, the College assures financial integrity of the institution and responsible use of financial resources. Board Policies and Administrative Procedures establish and ensure appropriate fiscal internal controls are present, and the broad dissemination of dependable and timely financial documents yield a regularly evaluated financial management system with continuous improvement.

The College has developed all of these Board Policies and Administrative Procedures in conformity and adherence to the California Community College Budget and Accounting Manual and Title 5 requirements in administering and recording financial records.

The College prepares numerous financial documents in a timely manner and distributes those documents broadly to ensure financial integrity. Through meetings and constituency leadership, the College continuously and openly evaluates its financial management practices and uses the results to make improvements.

Internal controls are incorporated into both the financial software and organizational structure.

Conclusion. The College meets Standard III.D.5.

III.D.6. *Financial documents, including the budget, have a high degree of credibility and accuracy, and reflect appropriate allocation and use of financial resources to support student learning programs and services.*

⁵³ [Board Budget Report Updates](#); [Monthly Budget Status Reports By Area](#); [Budget Website](#)

⁵⁴ [Monthly Budget Status Reports by Area](#)

⁵⁵ [PGC Agendas](#); see for example [5/19/16 PGC Meeting Agenda](#)

III.D.6. Description of Evidence of Meeting the Standard

The College's financial documents have a high degree of credibility and accuracy, and they reflect appropriate allocation and use of financial resources to support student learning programs and services.

Financial Documents Have a High Degree of Credibility and Accuracy. The College prepares numerous financial documents in a timely manner, broadly distributed, and are used for evaluative purposes. Financial documents include, but are not limited to: annual financial audit report, 311A – Annual Financial and Budget Report, annual external audits, monthly board budget updates, and monthly budget status reports by area. All these financial documents provide the College and constituent groups with valuable information to assess and evaluate resource allocations from an institutional level down to the unit level.

As required by Title 5 and Board Policy 8.03 (Audits), the College undergoes an annual financial and compliance audit that ensures a high degree of credibility and accuracy in those financial documents. The audit is performed by Certified Public Accountants (CPAs) and are conducted to comply with: Education Code and State regulations; Federal Single Audit Act and OMB A-133; applicable requirements and standards set forth by the California Department of Finance; and guidelines published by the American Institute of Certified Public Accountants. Since 2008, the College's audited financial statements have received an unmodified audit opinion. An unmodified audit opinion means that the financial statements present fairly, in all material respects, the financial position of the College.

Appropriate Allocation and Use of Financial Resources to Support Student Learning and Success. The College allocates resources using base budgets, Program Review, and established allocation processes articulated in Administrative Procedure 8.01 (Budget Preparation and Fiscal Accountability).⁵⁶ By following these procedures, the College's use of resources supports the institution's mission, vision, and annual College Priorities. As articulated in the Administrative Procedures, tentative budgets, and final adopted budgets, the entire College budget is committed to support the activities and directives within the various institutional planning documents. The connection between annual unit planning and Program Review with budgeting is further described in Standard I.B.9.

III.D.6. Analysis and Evaluation

The College's credible and accurate financial records reflect appropriate allocation and use of financial resources in support of student learning. Financial documents include but are not limited to: annual financial audit report, 311A – Annual Financial and Budget Report, annual external audits, monthly board budget updates, and monthly budget status reports by area. As required by Title 5 and Board Policy 8.03 (Audits), the College undergoes an annual financial

⁵⁶ [AP 8.01](#) (Budget Preparation and Fiscal Accountability)

and compliance audit that ensures a high degree of credibility and accuracy in those financial documents.

The College allocates resources using base budgets, Program Review, and established allocation processes articulated in Administrative Procedure 8.01 (Budget Preparation and Fiscal Accountability) in support of the mission, vision, and annual College Priorities.

Conclusion. The College meets Standard III.D.6.

III.D.7. *Institutional responses to external audit findings are comprehensive, timely, and communicated appropriately.*

III.D.7. Description of Evidence of Meeting the Standard

The College responds to external audit findings in a comprehensive and timely manner, and it communicates these responses broadly.

Institutional Responses to External Audit Findings Are Comprehensive and Timely. The College identifies, communicates, and monitors process towards resolving audit findings using a Corrective Action Matrix (CAM). Within the CAM, each finding specifies who is responsible for implementing corrective actions and a timeline for completion. The College broadly disseminates the CAM throughout the institution and to the appropriate agencies, as well as to the Board of Trustees, quarterly.⁵⁷ The College’s annual audit report for the fiscal year ending June 30, 2016, will be publicly available in December 2016. At that time, the administration will reassess its achievements and develop corrective actions for any new findings, if necessary.

Responses to Findings. Contained within the District’s June 30, 2015, Annual Financial Report is a section labeled “Schedule of Findings and Questioned Costs.”⁵⁸ This section contains six audit findings identified by the District’s external auditors as instances of noncompliance with financial reporting, federal compliance, or state compliance requirements.

The following table summarizes the three-year history on new and outstanding audit findings. As can be seen, as the College has addressed old outstanding audit findings new findings have been identified. Three audit findings are carryover from fiscal year 2014 and other three are new in fiscal year 2015. As stated in the CAM, the College will have resolved all six 2015 audit findings by fiscal year end, June 30, 2016. The remaining six auditing findings were not material or significant enough that they impacted the College receiving an unmodified audit opinion.

⁵⁷ [Screenshot of Corrective Action Matrix](#), p. 4 (Source: [March 2016 Board Report](#), see p. 4 for the Corrective Action Matrix)

⁵⁸ [Annual Financial Report, June 30, 2015](#)

Progress of Audit Findings			
	2012-13	2013-14	2014-15
Number of Continuing Audit Findings	4	2	3
Number of New Audit Findings	2	4	3
Total Findings	6	6	6

III.D.7. Analysis and Evaluation

The College continues to address audit findings as they are identified. By making all external and internal audits publicly available, the College communicates all findings and recommendations broadly. Further, using and distributing the CAM allows the College community to see the audit findings and corrective actions underway.

Response to findings from the Restoration Evaluation Team/January 2015 Action Letter.

The Restoration Evaluation Report included the following comments related to this Standard:

The College has systematically reported past years' findings and has made progress toward resolving outstanding audit findings noted within the annual financial reports for the last four fiscal years. The most recent audit is not due until December; therefore it was not available for review by the visiting team. Verifiable evidence to confirm the College has successfully addressed all past audit's outstanding findings were not available at the time of the team visit. (2002 Standard III.D.2.b.)

The College has implemented systematic processes wherein it addresses all audit findings appropriately and in a timely manner. Since the 2012-13 fiscal year, the College has successfully addressed 14 audit findings. The College will have addressed all remaining findings by this fiscal year end; however, the audit will not be complete until December, which means that full evidence of having resolved these issues will not be available until then.

Conclusion. The College meets Standard III.D.7.

III.D.8. *The institution's financial and internal control systems are evaluated and assessed for validity and effectiveness, and the results of this assessment are used for improvement.*

III.D.8. Description of Evidence of Meeting the Standard

The College evaluates and assesses its financial and internal control system for validity and

effectiveness, and the College uses the results of the assessments for improvement.

Evaluation and Assessment of Financial and Internal Control System. The College evaluates its financial and internal control systems through several mechanisms: annual external audits, internal audits, user feedback, and an online whistleblower program.

Evaluation through annual external audits. Annual audits are a primary mechanism for evaluating and assessing the College’s financial and internal control systems. Within the scope of the annual audit, the College’s external auditors specifically review, evaluate, and assess internal controls related to the validity of financial reports, federal compliance, and state compliance. Instances where the external auditors deem internal controls are deficient result in an audit finding.⁵⁹

The table below provides an overview of the number and types of findings reported within the last four annual financial reports. As shown, and as noted in Standard III.D.7., the District continues to make progress toward resolving all outstanding audit findings noted within the annual audited financial reports for the last four fiscal years (2012, 2013, 2014, and 2015).

Types and Classification of Findings - Four Year History				
Type of Audit Findings	2011-12	2012-13	2013-14	2014-15
Financial Statement Findings and Recommendations	5	2	2	2
Single Audit Findings (Federal)	2	0	1	1
State Compliance Audit Findings	5	4	3	3
Total Audit Findings	12	6	6	6
Classification of Audit Findings				
Material Weaknesses	1	0	3	3
Significant Deficiencies	2	0	3	3
Deficiencies	9	6	0	0
Total Audit Findings	12	6	6	6

⁵⁹ [Screenshot of Annual Financial Report, June 30, 2015](#), pp. 86-100 (Source: [Annual Financial Report, June 30, 2015](#), see pp. 86-100)

Many of the six 2015 audit findings identify instances where the College needs to improve internal controls, as evident in the College's June 30, 2015, annual audit report.⁶⁰ Based upon this assessment, two audit findings related to financial reporting, one audit finding related to federal compliance, and three audit findings related to State compliance. The College is in the process of implementing corrective actions that will address all audit findings by June 30, 2016, including those that relate to internal controls, as noted in the Corrective Action Matrix described in Standard III.D.7.⁶¹

Evaluation through internal audits. The College also conducts internal annual audits.⁶²

User feedback. The ability for authorized users to review budgets and other financial information pertaining to their area of responsibility also contributes to ongoing evaluation of the College's financial and internal control systems. College budget managers have access to the Banner Enterprise Resource Planning (ERP) system as well as to the Argos reporting system that provides tools and reports to pull information from Banner.⁶³ In this way, managers have the ability to practice effective oversight of budgets and identify areas for improvement on an ongoing basis.

At the same time, the Finance and Administration Office monitors all College funds on an ongoing basis and recommends any needed adjustments to departments, divisions, and to Participatory Governance committees. The College uses a multi-tiered approval approach to fiscal oversight as outlined in Administrative Procedure 8.01 (Budget Preparation and Fiscal Accountability) and Administrative Procedure 8.12 (Fiscal Management and Accounting).^{64 65} All of these individuals working together provide for continuous improvement throughout the process.

Since January 2014, the College has widely distributed budget status reports among the College community and has posted them on the College website, and the College community has many opportunities to be involved in the process through PGC, budget forums, and Board meetings.⁶⁶
⁶⁷

Evaluation through whistleblower program. In 2015, the College implemented an online whistleblower program. Using a web-based form, located on the internal auditor website, anyone can submit an anonymous tip to express concerns about an activity. The internal auditor reviews, assesses, and follows up on these tips.⁶⁸

⁶⁰ [Screenshot of Annual Financial Report, June 30, 2015](#), p. 80 (Source: [Annual Financial Report, June 30, 2015](#), see p. 80)

⁶¹ [Screenshot of Corrective Action Matrix](#), p. 4 (Source: [March 2016 Board Report](#), see p. 4 for the Corrective Action Matrix)

⁶² [Cash Handling Audit with District Responses](#)

⁶³ [Screenshot of all reports currently available in Argos](#)

⁶⁴ [AP 8.01](#) (Budget Preparation and Fiscal Accountability)

⁶⁵ [AP 8.12](#) (Fiscal Management and Accounting)

⁶⁶ [Monthly Budget Status Reports by Area](#)

⁶⁷ [Monthly Budget Status Report by Area](#); See for example, [5/5/16 PGC Meeting, Item 9-b](#), [7/28/16 Board Agenda, Item XIII-3](#)

⁶⁸ [Office of the Internal Auditor Whistle Blower Form](#)

III.D.8. Analysis and Evaluation

Board Policy and Administrative Procedures set in place the internal control structure within the College, both financial and non-financial. The College reviews and assesses the effectiveness of these controls through use of the College's internal audit department (or use of the City and County Internal Audit Department) and through annual financial and compliance audits. The College addresses audit findings (internal or external) through the implementation of corrective actions in a timely fashion. Annual audits are a primary mechanism for evaluating and assessing the College's financial and internal control systems. The College's external auditors specifically review, evaluate, and assess internal controls related to the validity of financial reports, federal compliance, and state compliance.

Since January 2014, the College has widely distributed budget status reports among the College community and has posted them on the College website, and the community has many opportunities to be involved in the process through PGC, budget forums, and Board meetings.

The College ensures continuous improvement by incorporating multiple individuals throughout the process.

Conclusion. The College meets Standard III.D.8.

III.D.9. *The institution has sufficient cash flow and reserves to maintain stability, support strategies for appropriate risk management, and, when necessary, implement contingency plans to meet financial emergencies and unforeseen occurrences.*

III.D.9. Description of Evidence of Meeting the Standard

The College has sufficient cash flow and reserves to maintain stability, to support strategies for appropriate risk management, and to implement contingency plans to meet financial emergencies and unforeseen occurrences.

Sufficient Cash Flow. The College has sufficient cash flow. To address cash flow concerns for fiscal year 2015-16, the College entered into a short-term borrowing agreement with the City and County of San Francisco Controller's Office for a line of credit not to exceed \$15 million.⁶⁹ This amount marks a tremendous improvement over cash flow management efforts four years prior that included a short-term borrowing agreement with the City and County of \$55 million and the issuance of Tax and Revenue Anticipation Notes (TRANS) in the amount of \$49.61 million. This significant improvement of the College's cash balances is the result of the passage of the local parcel tax, reduction in statewide deferrals, improved fiscal oversight, and adherence to the Plan for Long-Term Fiscal Stability.⁷⁰ Going into fiscal year 2016-17, the College's cash flow continues to improve. It bears repeating that due to improved fiscal conditions and controls, the

⁶⁹ [Short-term borrowing agreement with the City and County of San Francisco Controller's Office](#)

⁷⁰ [Long-Term Fiscal Stability Plan](#)

borrowing needs of the College were reduced from an up-to authorization of \$104.61 million (\$55 million plus \$49.61 million) down to \$15 million in the span of four fiscal years. This dramatic shift provides demonstrable evidence that the Board Policies and Administrative Procedures, forming the foundation of the College's fiscal practices, are providing stability and supporting daily operational needs.

The College monitors cash flow on a weekly basis as part of its regular financial monitoring and internal controls. Included as evidence is an example of the weekly Cash Management Report prepared as of March 7, 2016.⁷¹ As of this date the total cash on hand was \$106,080,143. This represents 320% of the College's cash reserve balance.

Sufficient Reserves. As of this fiscal year end (2015-16), the College has a reserve of approximately 21 percent. As discussed in Standard III.D.1, the College has strategically built up its reserve to maintain stability for fiscal year 2017-18, when the stability funding from the state sunsets. This reserve is the direct outcome of Board Policies and Administrative Procedures that require the institution to continually monitor the internal and external fiscal environment and develop primary, secondary, and tertiary plans to ensure fiscal stability and solvency. Board Policy 8.01 (Budget Preparation) requires reserves to be between 5 percent and 9 percent.⁷²

Contingency Plans. Over each of the last three fiscal years, the College has had contingency plans in place (the multi-year financial projections as first described in III.D.1.). These plans included multiple scenarios reflecting changes in enrollment trends and the resulting local or State funding reductions. Annually, when the College develops new scenarios, it uses prior years' scenarios as the foundation for improved future plans. This iterative cycle creates continuous quality improvement with respect to the College's budget development and fiscal monitoring processes. By purposefully increasing its reserves with stability and other one-time funds, the College has positioned itself to be able to implement contingency plans addressing financial emergencies.

Risk Management. Reducing uncertainty is a vital part of maintaining stability. The College created and filled the new position of Risk Services Coordinator to design, implement, support, and encourage strategies for appropriate risk management, including the areas of safety, insurance, compliance, and loss control.⁷³ This new position helps the College to reduce or mitigate negative risk at all levels of the organization.⁷⁴

III.D.9. Analysis and Evaluation

The College has employed policies and procedures to ensure fiscal integrity and stability. Through planning and ongoing monitoring, the College has ensured that sufficient cash flow is

⁷¹ [March 7, 2016 Cash Management Report](#)

⁷² [BP 8.01](#)

⁷³ [Risk Services Coordinator Job Description](#)

⁷⁴ [CCSF Risk Management Website](#)

available to meet daily operating needs. Due to improved fiscal conditions and controls, the borrowing needs of the College were reduced from an up to authorization of \$104.61 million (\$55 million plus \$49.61 million) down to \$15 million in the span of four fiscal years. This dramatic shift provides demonstrable evidence that the Board Policies and Administrative Procedures that form the foundation of the College's fiscal practices are providing stability and supporting daily operational needs.

There was a significant improvement of the College's cash balances as a result of the passage of the local parcel tax, reduction in statewide deferrals, improved fiscal oversight, and adherence to the Plan for Long-Term Fiscal Stability.

Although reserves were significantly reduced due to statewide workload reductions and categorical cuts, the College has employed an eight-year plan to rebuild reserves to levels experienced prior to the downturn in California's economy. As of this fiscal year end (2015-16), the College had a reserve of approximately 21 percent. As discussed in Standard III.D.1, the College has strategically built up its reserve to maintain stability for fiscal year 2017-18, when the stability funding from the state sunsets.

Over each of the last three fiscal years, the College has had contingency plans in place (the multi-year financial projections as first described in Standard III.D.1.). These plans included multiple scenarios reflecting changes in enrollment trends and the resulting local or State funding reductions.

The College created and filled the new position of Risk Services Coordinator to design, implement, support, and encourage strategies for appropriate risk management, including the areas of safety, insurance, compliance, and loss control. The College's Risk Services Coordinator helps to reduce uncertainty by managing risk exposures and implementing tools to reduce the likelihood of costly, unforeseen events.

Conclusion. The College meets Standard III.D.9.

III.D.10. *The institution practices effective oversight of finances, including management of financial aid, grants, externally funded programs, contractual relationships, auxiliary organizations or foundations, and institutional investments and assets.*

III.D.10. Description of Evidence of Meeting the Standard

Effective Oversight of Finances. The College maintains effective oversight of its finances and related processes through the use of policies and procedures that establish appropriate internal controls:

- Board Policy and Administrative Procedure 8.01 (Budget Preparation and Fiscal Accountability) define guidelines and processes for financial planning and budget development.⁷⁵
- Board Policy 8.05 (Budget Management) speaks to how the College will manage its reserves and budget transfers to adhere to Title 5 restrictions but also to provide assurance that budgets are being maintained appropriately.⁷⁶
- Board Policy 8.06A (Procurement of Supplies, Equipment and Services) and Administrative Procedure 8.06A (Contracts) specify requirements for Board approval or ratification and execution of contracts.⁷⁷
- Board Policy and Administrative Procedure 8.12 (Fiscal Management and Accounting) assure that the College’s fiscal management is in accordance with principles contained in Title 5 Section 58311 of the California Code of Regulations, including: provisions for adequate internal controls; fiscal objectives, procedures, and constraints are communicated to the Board and constituent groups; adjustments are made to the budget in a timely manner; the management information system provides timely, accurate, and reliable fiscal information; and responsibility and accountability for fiscal management are clearly delineated.⁷⁸

The College applies these practices in managing financial aid, grants and externally funded programs, contractual relationships, auxiliary organizations, and institutional investments and assets. The following provides more information about these financial aspects of the College:

- **Financial aid.** The College effectively monitors and manages student loan default rates, grant revenue and the overall student loan program to ensure appropriate financial oversight and compliance with all applicable requirements (see Standard III.D.15.).
- **Grants and externally funded programs.** The College submits regular categorical program and grant quarterly and annual reports to federal and state granting agencies and to local granting agencies and private funding agencies as required. The departments with categorical funds use these reports to monitor, report spending, and to make any adjustments or augmentations requested as a result of the expenditure analysis reports. Budget managers also have the use of Argos and Banner to access reports covering burn rates, negative balance, and budget history to assist with ensuring that expenditures are appropriate, analyzing trends, and making budget adjustments. See also Standard III.D.14.

⁷⁵ [BP 8.01](#); [AP 8.01](#) (Budget Preparation and Fiscal Accountability)

⁷⁶ [Board Policy 8.05](#) (Budget Management)

⁷⁷ [BP 8.06A](#) (Procurement of Supplies, Equipment and Services); [AP 8.06A](#) (Contracts)

⁷⁸ [BP 8.12](#); [AP 8.12](#) (Fiscal Management and Accounting)

- **Contractual relationships.** As noted above, Board Policy 8.06A (Procurement of Supplies, Equipment and Services) and Administrative Procedure 8.06A (Contracts) govern the approval and administration of contracts.⁷⁹ Legal Counsel reviews and approves all incoming and outgoing contract language prior to execution by the Vice Chancellor of Finance and Administration or designee based on the recommendation of the manager responsible for carrying out or overseeing the work.⁸⁰ The District Business Office establishes an account and fund number for incoming contracts. The Purchasing Department administers all outgoing contracts.⁸¹ All outgoing contracts with individuals or entities include a description of services, deliverables, a timeline for completion of deliverables, and requirements for documenting progress made on deliverables when invoicing the College for payment.⁸² ⁸³ Supervising administrators monitor progress and sign off on invoices prior to processing by the Purchasing Department. See also Standard III.D.16.
- **Auxiliary organizations or foundations.** As detailed in Standard III.D.14., the College has one auxiliary, the San Francisco Community College District Bookstore Auxiliary, a 501(c)(3) corporation. This Auxiliary Corporation is owned by the District but operates as a separate entity from the District under management by Follett. For financial management purposes, the Bookstore Auxiliary is a component unit of the College and is included as part of the San Francisco Community College District’s annual financial statements and audit reports.

The Foundation of City College of San Francisco is a nonprofit public benefit corporation and is exempt from tax as a public charity described in sections 501(c)(3) and 509(a)(1) of the Internal Revenue Code. It is not an auxiliary organization of the College and is governed by an independent board of directors; membership includes College personnel to ensure that the Foundation fulfills its mission to provide financial support to the students and the programs of City College of San Francisco. The Foundation undergoes its own separate audits.

Ensuring Oversight of Finances is Effective. The ongoing assessment and evaluation of these processes occur through the following:

- Annual audits and related audit findings
- Other financial and non-financial analyses
- Budget and expenditure reports and analysis
- Categorical program and grant reports

⁷⁹ [BP 8.06A](#) (Procurement of Supplies, Equipment and Services); [AP 8.06A](#) (Contracts)

⁸⁰ [Legal Affairs Website](#)

⁸¹ [CCSF Purchasing Website](#)

⁸² [Short Form Contract](#)

⁸³ [Agreement for Professional Services - Attachment A](#)

- Productivity reports and FTES analysis
- Position control and staffing plans
- Annual planning and Program Review
- Internal and external assessments

As the response to Standard III.D.7. describes, the College undergoes annual audits. Part of the scope of the audit includes an evaluation and review of financial statements, internal controls, and state and federal compliance. The most recent audit yielded one federal and three state compliance audit findings and recommendations. The College tracks and monitors corrective actions being implemented to address these findings by way of using its corrective action matrix (CAM). See III.D.7 for more information about the CAM and the current status of these audit findings.

Perhaps the most critical area of financial assessment, evaluation, and change implementation is the budget development process of linking enrollment/FTES targets with budget allocations. Senior management has increased the emphasis and analysis focused on development, monitoring, adjusting, and evaluating instructional schedules; productivity; and efficiency. Through the Enrollment Management Committee and ongoing dialogue, the College considered different scenarios, and the committee made recommendations regarding the College wide FTES targets to the Chancellor.⁸⁴ Academic Affairs and the Office of Research and Planning have created many online reports that allow the College to analyze course productivity and efficiency. These reports inform budgetary and course offering decisions weekly (see FTES/FTEF table in III.D.1).⁸⁵ College departments and the enrollment management committees use these reports to balance offerings across the disciplines and maintain academic program integrity.

The College continues to use position control to build, monitor, and maintain personnel budgets for all funding sources.⁸⁶ Through the use of position control, the College better analyzes and identifies staffing needs in support of Program Review priorities and recommendations. Critical replacement position requests flow up from the departments to the vice chancellors where they are prioritized based on the critical nature of the position using criteria such as legal mandates, accreditation requirements, health and safety, critical threshold of educational or support services, essential operations, and supervision. More recently, a Classified Staffing Plan has helped shaped priorities for classified staffing, and faculty position priorities have gone through the Faculty Position Allocation Committee (FPAC).⁸⁷ Both plans were then taken to the PGC for vetting. Position funding, using the established position control model, is then allocated or reallocated (as circumstances warrant) to fund these approved priorities. Most recently, 15 classified positions and 30 faculty positions have gone through this process, been funded, and are

⁸⁴ [Enrollment Management Committee Thursday, February 14, 2013; DRAFT Enrollment Management Plan](#)

⁸⁵ [Instructional Productivity interactive report in Tableau](#); Argos productivity report - [instructional and non-instructional screenshots](#)

⁸⁶ [AP 8.01A](#) (Position Control)

⁸⁷ [Classified Staffing Plan](#)

included in the fiscal year 2015-16 budget.⁸⁸ The 2016-17 budget will include results of the Fall 2015 Program Review requests for classified staff and faculty. One of the beneficial outcomes of the timing of the implementation of the position control model and the identification of these 62 positions was that it permitted the opportunity to evaluate the organizational structure and needs of all divisions. The Chancellor presented the positions to the PGC to seek input and recommendations regarding funding.

III.D.10. Analysis and Evaluation

The College maintains effective oversight of its finances and related processes through the use of policies and procedures that establish appropriate internal controls. The College applies these practices in managing financial aid, grants and externally funded programs, contractual relationships, and auxiliary organizations. The College employs numerous ongoing assessment and evaluation processes in ensuring the effective oversight of institutional finances.

The College systematically assesses the effective use of fiscal resources and uses the analysis as the basis for improvement. The greatest example of this is with the integration and direct linkage of FTES targets and resource allocations down to the discipline and department level, as provided for in Administrative Procedure 8.01 (Budget Preparation and Fiscal Accountability).

The Vice Chancellor of Finance and Administration provides budget review and analysis including monthly budget status reports, position control reports, budget development scenarios and other analyses that are used to evaluate fiscal resource allocations and recommendations for improvements. The College reviews all categorical and grant funding requests, reallocations, and quarterly and annual reports to ensure expenditures are aligned with grant awards and the College's mission and goals.

Conclusion. The College meets Standard III.D.10.

III.D.11. *The level of financial resources provides a reasonable expectation of both short-term and long-term financial solvency. When making short-range financial plans, the institution considers its long-range financial priorities to assure financial stability. The institution clearly identifies, plans, and allocates resources for payment of liabilities and future obligations.*

III.D.11. Description of Evidence of Meeting the Standard

Solvent and Stable. The College's financial resources provide a reasonable expectation of short- and long-term solvency, and the College makes short-term financial plans in consideration of long-range financial priorities. The College has implemented policies and procedures that

⁸⁸ Need evidence [Classified Prioritization 2015-16](#); [2015-16 Full-Time Faculty Prioritization](#) (Source: [2014-2015 Program Reviews - Resource Prioritization](#)); also see Resource Prioritization from [2013-2014](#) and [2012-2013](#) Program Reviews

prioritize and emphasize developing a strong record of prudent fiscal planning and management (especially Board Policy 8.01).

Liabilities and Future Obligations. The College plans, identifies, and allocates resources for the payment of liabilities and future obligations, ensuring short-term and long-term solvency. The College has approved and put into practice Board Policies and Administrative Procedures that require the College to incorporate the funding of long-term liabilities within the annual budget planning process as well as require the budget to reaffirm and support the mission of the College. Board Policy 8.01 (Budget Preparation and Fiscal Accountability) requires the College to address specific criteria while developing its fiscal year budget.⁸⁹ Of the eight criteria, one specifically mandates that the College’s budget contain a reserve (minimum fund balance) of between 5 percent and 9 percent of budgeted expenditures. The accompanying administrative procedure includes five budget directives.⁹⁰ Both documents mandate that the mission and annual goals of the College inform the allocation of resources, that the budget is balanced (budgeted revenues equal or exceed budgeted expenditures), and that long-term liabilities are recognized and budgeted for as part of a long-term funding plan (see also the response to Standard III.D.2).

The Board-approved “Plan for Long-Term Fiscal Stability” covers fiscal years 2013-14 through 2020-21.⁹¹ Using this plan, the College has and continues to allocate funds focused on the institutional mission and annual goals. Specifically, the College has directed funding toward increasing the reserve to a prudent level (outlined in Board Policy 8.01), allowing the College to meet financial emergencies, to provide for operating expenses without the need for excessive borrowing for cash flow purposes (see Standard III.D.13.), and to provide funding for long-term liabilities associated with other post-employment benefit obligations (see Standard III.D.12.).

In addition to Other Post-Employment Benefits (OPEB, discussed in depth in Standard III.B.12.) and capital bonds, the College incorporates provisions for long-term liabilities and obligations in the Plan for Long-Term Fiscal Stability, Education Master Plan, Five-Year Capital Outlay Plan, Scheduled Maintenance Plan, annual financial audits, and the Multi-Year Financial Projections discussed in Standard III.D.1.^{92 93 94 95 96} The College will also include provisions for long-term liabilities and obligations in the Facilities Master Plan currently under development.⁹⁷

⁸⁹ [BP 8.01](#) (Budget Preparation and Fiscal Accountability)

⁹⁰ [AP 8.01](#) (Budget Preparation and Fiscal Accountability)

⁹¹ [Plan for Long-Term Fiscal Stability](#)

⁹² [Plan for Long-Term Fiscal Stability](#)

⁹³ [Education Master Plan](#)

⁹⁴ [Five Year Capital Outlay Plan](#)

⁹⁵ [Schedule Maintenance Plan](#)

⁹⁶ [Annual Financial Report, June 30, 2015](#)

⁹⁷ [Facilities Master Plan Website](#)

The College is also committed to meeting longer-term building obligations and is aware that, as the campus and Centers grow and age, the cumulative cost for operating and maintaining facilities significantly impacts the overall institutional budget. The College plans accordingly. For example, the College has allocated additional funds for completing scheduled maintenance projects (\$866,406) including roof replacements, door and door hardware replacements, and water intrusions remediation; completing state allocated Proposition 39 energy sustainability and modernization projects (\$1,959,134) including boiler replacements, chiller replacements, and HVAC controls replacements; completing classroom modernizations and smart classroom conversions (\$5.4 million); and Child Development facility remediation (\$1 million).⁹⁸

The College has developed and implemented a Total Cost of Ownership (TCO) model that incorporates data from current course scheduling; staffing plans; the facilities space inventory report and documented maintenance and support costs; energy; operation, maintenance, and repair costs; replacement costs; residual values—resale or salvage values and disposal costs; and non-monetary benefits (see also the response to Standard III.B.4.).⁹⁹

The TCO model and the State’s FUSION software provide the College with effective tools to identify opportunities for cost efficiencies, to budget for operations and maintenance costs, and to address deferred maintenance and larger repair/replacement costs.¹⁰⁰ For example, based on data and the TCO model, the College prepared and submitted three initial project proposals (IPPs) for major capital outlay projects. The three IPPs that the College submitted are: Utility Infrastructure Replacement (\$61.6 million), Cloud Hall Seismic Upgrades (\$69.9 million), and Seismic Upgrade and Remodel of Civic Center Campus (\$31.6 million).¹⁰¹ These projects are reflected within the College's Five-Year Capital Outlay plan.¹⁰² These projects, now Final Project Proposals, are primarily Categories A3 and A4 projects that correct seismic deficiencies or those projects that represent a pending failure of infrastructure systems. Category A projects have a greater likelihood of being funded, unlike Category B, C, D, E and F projects, which are competitive.

III.D.11. Analysis and Evaluation

The College has a well-defined and clearly articulated planning and budgeting process that establishes priorities for funding that support meeting short-term and long-term institutional goals and liabilities. Institutional planning reflects realistic assessment of financial resource availability, development of financial resources, partnerships, and expenditure requirements.

The College plans, identifies, and allocates resources for the payment of liabilities and future obligations, ensuring short-term and long-term solvency. The Board-approved “Plan for Long-

⁹⁸ Proposition 39 for [Batmale](#) and [Arts](#); [Five Year Capital Outlay Plan](#) that speaks to meeting our standard.

⁹⁹ [Total Cost of Ownership](#)

¹⁰⁰ [FUSION](#) is the State Chancellor’s Office software that provides tools to support facility assessment, space inventory, planning, and project management, among other features.

¹⁰¹ 5 Year Capital Outlay Plan and FPPs (JCAF 32s) for [Utility Infrastructure](#), [Civic Center](#), and [Cloud](#)

¹⁰² [Five-Year Capital Outlay Plan](#)

Term Fiscal Stability” covers fiscal years 2013-14 through 2020-21. Using this plan, the College has and continues to allocate funds focused on the institutional mission and annual goals.

The College is committed to meeting longer-term building obligations and is aware that, as the campus and Centers grow and age, the cumulative cost for operating and maintaining facilities significantly impacts the overall institutional budget. The College has developed and implemented a Total Cost of Ownership model that incorporates data from current course scheduling; staffing plans; the facilities space inventory report and documented maintenance and support costs; energy; operation, maintenance, and repair costs; replacement costs; residual values—resale or salvage values and disposal costs; and non-monetary benefits, see Standard III.B.4.

Conclusion. The College meets Standard III.D.11.

III.D.12. *The institution plans for and allocates appropriate resources for the payment of liabilities and future obligations, including Other Post-Employment Benefits (OPEB), compensated absences, and other employee related obligations. The actuarial plan to determine Other Post-Employment Benefits (OPEB) is current and prepared as required by appropriate accounting standards.*

III.D.12. Description of Evidence of Meeting the Standard

The College has allocated funds to support its mission and annual goals in consideration of liabilities and future obligations, including Other Post-Employment Benefits (OPEB), using the “Plan for Long-Term Fiscal Stability” (covering fiscal years 2013-14 through 2020-21).

Planning for Future Obligations. Planning for the payment of future obligations, including OPEB, takes place in part through Governmental Accounting Standards Board Statement 45 (GASB 45) reporting. GASB 45 is an accounting and financial reporting provision that requires government agencies to measure and quantify the liabilities associated with OPEB and report the liabilities on financial statements. OPEB expenditures and liabilities include post-retirement health and welfare benefits (medical, pharmacy, dental, and vision) that are not associated with typical pension plans.

GASB 45 was enacted by the Governmental Accounting Standards Board in 2004 because of concern surrounding the undocumented magnitude of government employer obligations for post-employment benefits negotiated within employment contracts and collective bargaining agreements. GASB 45 requires the College to:

Provide within the District’s financial statements a description of OPEB benefits provided, eligibility requirements, and the number of employees and retirees covered within the plan;
Provide an Actuarial Accrued Liability (AAL) as determined by a licensed actuarial firm based upon the benefits provided. An actuarial study is required no less than once every two years; and

Report as an expense the annual liability incurred and, in addition, the cumulative unfunded liability of the actuarial accrued liability on the District's balance sheet.

In full compliance with GASB 45, the College provides financial statements that include a description of OPEB benefits, eligibility requirements, and the number of individuals covered in the plan. The College also regularly utilizes an actuarial firm to assess annual liabilities incurred and the cumulative unfunded liability in the College balance sheet.

The College is required by collective bargaining agreements to provide and pay for post-employment obligations for all retired contract employees and eligible dependents if the employee has attained a minimum age requirement and met or exceeded a minimum number of years of service. The level of benefits provided is in accordance with negotiated contracts with various bargaining units.

The College's plan is a single-employer defined benefit healthcare plan administered by the College. The plan provides medical and dental insurance benefits to eligible retirees and their eligible dependents. As of June 30, 2014, participation in the plan consisted of 1,036 retirees and beneficiaries receiving benefits and 1,536 active employees and dependents.

Funding Future Obligations. According to the College's annual audit report for the fiscal year ending June 30, 2015, the College recognizes its long-term financial obligations and incorporated those into its financial plans, including retirement and other post-employment benefits (OPEB). According to this audit report, the College had made all of its required contributions to CalPERS, CalSTRS, and SFERS.¹⁰³ To irrevocably begin funding the Actuarial Accrued Liability (AAL), the Board approved a "Plan for Long-Term Fiscal Stability" covering fiscal years 2013-14 through 2020-21. Using the plan, the College continues to allocate funds to support its mission and annual goals. Specifically, the College allocated funding to address long-term liabilities associated with other post-employment benefit obligations. This funding plan consists of three sources:

- The first source is the annual funded pay-go allocations. For the 2015-16 fiscal year this is approximately \$7.8 million.
- The second source are annual allocations for accrued future obligations. Since 2012, the College has accumulated approximately \$6 million in College contributions. These amounts are deposited into the San Francisco City and County Retiree Health Care Trust Fund where they are invested. In fiscal year 2015-16, the College allocated \$2.5 million (part of the \$6 million referred to above). In fiscal years 2016-17 through 2020-21, annual allocations will be \$2.75 million, \$3 million, \$3.25 million, \$3.75 million, and \$4 million.
- The third source comes from employee contributions. In December 2013, the College reached agreements with each of its collective bargaining groups that include all

¹⁰³ [Screenshot of Annual Financial Report, June 30, 2015](#), pages 63-64 (Source: [Annual Financial Report, June 30, 2015](#), see pages 63-64)

employees contributing toward funding the college’s OPEB liability. New employees hired on or after November 1, 2013 (and October 2013 for SEIU) will contribute 2 percent of salary. Employees hired prior to November 1, 2013 will contribute 0.25 percent of their salary beginning July 1, 2016, with the percentage increasing each year by 0.25 percent until a maximum of one percent is reached in fiscal year 2019. It is projected this will contribute approximately \$500,000 beginning in fiscal year 2016-17 and go up to \$1.0 million per year in fiscal year 2019-20 in addition to the employer contribution.

Based upon this adopted and implemented funding plan, the College funds approximately 67.55 percent of the Annual Required Contribution (ARC) and it is projected the College will fund 105.95 percent of the Actuarial Accrued Liability within the next 20 years (based upon an assumed an annual return on investment of five percent). The table below captures this information.

Beginning Balance of College Accrued Contributions			
2011		2016	2036
			PV @ 2016
<u>189,190,224</u>		<u>175,975,011</u>	
<u>16,451,333</u>		<u>15,900,008</u>	
		7,741,180	115,169,211
	3,500,000	2,500,000	56,445,233
		500,000	14,206,347
		<u>10,741,180</u>	<u>\$185,820,791</u>
		67.55%	
			105.59%

III.D.12. Analysis and Evaluation

The College has incorporated into its planning and budgeting processes measures that ensure long-term liabilities and obligations are accounted for and funded. With the implementation of its funding plan, the College is currently funding 67.55 percent of the Annual Required Contribution and is on a pathway to fund 105.95 percent of the OPEB Actuarial Accrued Liability (AAL) within 20 years. Additionally, the College has joined the San Francisco City and County Retiree Health Care Trust Fund (an irrevocable trust) and started to transfer funds to be invested in accordance with the bylaws and investment policy. To irrevocably begin funding the

Actuarial Accrued Liability (AAL), the Board approved a “Plan for Long-Term Fiscal Stability” covering fiscal years 2013-14 through 2020-21. Using this plan, the College has continued to allocate funding to support the institutional mission and annual goals.

Response to findings from the Restoration Evaluation Team/January 2015 Action Letter.

The Restoration Evaluation Report included the following comments related to this Standard:

While the College has identified sources to begin to address the funding of the Other Post-Employment Benefits (OPEB), the resources are not adequate given the significance of the unfunded liability. The College has a plan. However, the plan falls short of addressing the liability of this magnitude. Without adjusting benefits and/or increasing contributions to the irrevocable trust, the OPEB liability will be a significant threat to the fiscal viability of the College. The College continues to offer lifetime benefits to employees, which is not sustainable under the current resource allocation with the revenues projected over the next few years. Without adjusting benefits or increasing contributions to the irrevocable trust, the OPEB liability will be a significant threat to the fiscal viability of the College.

The actuarial plan to determine OPEB liability has been prepared pursuant to the accounting standards and GASB guidance. As described above, the College is fully addressing its OPEB liability.

Conclusion. The College meets Standard III.D.12.

III.D.13. *On an annual basis, the institution assesses and allocates resources for the repayment of any locally incurred debt instruments that can affect the financial condition of the institution.*

III.D.13. Description of Evidence of Meeting the Standard

Assessing and Allocating Resources. The College completes annual assessments and allocation of resources for the repayment of any locally incurred debt instruments, and none currently carry a balance. In the past, the College used significant borrowing to cover cash flow deficiencies (especially those caused by State apportionment deferrals and related conditions), including a short-term borrowing agreement with the City and County of \$55 million and the issuance of Tax and Revenue Anticipation Notes (TRANS) in the amount of \$49.61 million. To address cash flow concerns for fiscal year 2015-16, the College entered into a short-term borrowing agreement with the City and County of San Francisco Controller’s Office for up to \$15 million.¹⁰⁴ This amount marks a \$40 million improvement over prior year’s cash flow management efforts. This short-term line of credit represents the only locally incurred debt that may become an obligation of the College (should the College borrow funds under this agreement). The College has issued facility bonds for which the payment of that debt is in reality a liability of property taxpayers, even though the liability appears on the College’s books.

¹⁰⁴ [Short-Term Borrowing Agreement with the City and County of San Francisco Controller's Office, 2013](#)

III.D.13. Analysis and Evaluation

The College completes annual assessments and allocation of resources for the repayment of any locally incurred debt instruments, and none currently carry a balance. The College has entered into a short-term borrowing agreement with the City and County Treasurer to address cash flow requirements. This short-term borrowing agreement provides sufficient liquidity to address cash flow shortages caused by State apportionment deferrals and other conditions. This short-term line of credit represents the only locally incurred debt that may become an obligation of the College (should the College borrow funds under this agreement). Further, per Board Policy 8.01, the College maintains a reserve range of between 5 percent and 9 percent.

Conclusion. The College meets Standard III.D.13.

III.D.14. *All financial resources, including short- and long-term debt instruments (such as bonds and Certificates of Participation), auxiliary activities, fund-raising efforts, and grants, are used with integrity in a manner consistent with the intended purpose of the funding source.*

III.D.14. Description of Evidence of Meeting the Standard

Using Resources with Integrity and for the Intended Purpose. City College of San Francisco practices effective oversight of finances and investments in order to ensure that it uses all funding with integrity and in a manner consistent with the intended purpose of the funding source.

The College tests and verifies this through a number of internal and external controls. As required by Board Policy 8.03 (Audits), the College undergoes annual audits on its financial records including the financial statements, internal control procedures, and compliance with state and federal requirements.¹⁰⁵ The annual audits include review of institutional investments and assets as well as financial aid grants. Annual audits also include all auxiliary, capital outlay, capital bond funds, and parcel tax and grant funds.

College budget managers have access to the Banner ERP system as well as to the Argos reporting system that provides tools and reports to allow managers the ability to practice effective oversight of budgets. The Finance and Administration Office monitors all College funds on an ongoing basis and recommends any needed adjustments to department, divisions, and to participatory governance committees.

The College uses a multi-tiered approval approach to fiscal oversight. Budget managers initiate purchase requisitions and changes to individual budgets. The purchase requisitions then flow through the District Business Office (DBO) for review to ensure there is available budget and that the expenditures meet relevant requirements. This allows corrections or adjustments to be made prior to the actual expenditure. All contracts entered into must be reviewed by the area

¹⁰⁵ [BP 8.03](#)

manager, department chair, general counsel, and vice chancellor. Administrative Procedures 8.06a (Contracts) sets forth the requirements, procedures, and controls for processing contracts.¹⁰⁶

Specific information about short- and long-term debt instruments, auxiliary activities, fund-raising efforts, and grants appears below.

Short- and long-term debt instruments. Debt repayments obligations are reviewed on an ongoing basis and planned and budgeted for as part of the College's annual budget development process (see also Standard III.D.3.). All debts are accounted for and reported within the College's annual financial statements and audited as part of the annual audit report. Debt obligations include general obligation bonds, compensated absences, other post-employment benefits, and temporary borrowing authority from the City and County of San Francisco.

In November 2001, the voters of San Francisco approved the issuance of \$195 million general obligation bonds to be used to finance the acquisition, construction, and modernization of certain property and District facilities. Then again, in November 2004, San Francisco voters approved for the District an additional \$246.3 million authorization to issue Proposition A General Obligation Bonds for Educational Facilities improvements. This award combined with the November 2001 approval, brought the District's Proposition A authorization up to \$441.3 million. Both bonds are required to meet all of the obligations of a Proposition 39 bond measure including the establishment of a Citizen's Bond Oversight Committee. The debt will be paid through the collection of property taxes charged to City and County of San Francisco property owners' secured and unsecured property based on the property's assessed value. The long-term liability and bond series information is properly accounted for in the annual audit with repayment schedules provided.¹⁰⁷ Annual performance and financial audit reports are conducted on these funds to ensure the funds are being correctly reported and accounted for as well as assurance that the funds are being spent on projects that meet the requirements of Proposition 39 and the ballot language as voted for by the constituencies.

Auxiliary activities. In 1995, the San Francisco Community College District Bookstore Auxiliary was created as a 501(c)(3) corporation. This Auxiliary Corporation is owned by the District but operates as a separate entity from the District. Follett began operating all of the College's campus and Center bookstores on April 1, 2013. As part of the contractual agreement, Follett provides monthly commission checks to the Bookstore Auxiliary, which is the primary source of income. This revenue source supports and funds the ongoing liabilities of the auxiliary. For financial statement purposes, the Bookstore Auxiliary is a component unit of the College and is included as part of the San Francisco Community College District's annual financial statements and audit reports.

¹⁰⁶ [AP 8.06A](#) (Contracts)

¹⁰⁷ [Annual Financial Report, June 30, 2015](#)

Fundraising. Donations to the District require review by the following relevant individuals, as applicable: department chair, school dean/unit administrator, vice chancellor over relevant area, Associate Vice Chancellor of Institutional Development, and the Chief Financial Officer.¹⁰⁸ The Board of Trustees accepts donations that fall into particular categories on a monthly basis and receives a list of all donations received each fiscal year annually in August.¹⁰⁹ These review and approval processes ensure that the donations are appropriate to the mission of the College and that all relevant individuals are informed about and can support their intended purpose. As with grants (see below), the appropriate unit managers, grant accountants, and vice chancellors or associate vice chancellors monitor donations and their expenditures.

The Associate Vice Chancellor of Institutional Development works closely with the Foundation of City College of San Francisco to ensure that donations to the Foundation of City College of San Francisco similarly receive the appropriate review and approval within the College.

Grants. Grant applications undergo several iterations of review and approval prior to submission to ensure the grants align with the mission of the department and College, and support the goals established by the College.¹¹⁰ A “Grant Concept Approval Form” requires that the Chancellor and Chief Business Officer approve all grants prior to submission.¹¹¹ Principal investigators/project directors, unit managers, grant accountants, and vice chancellors or associate vice chancellors monitor grants and categorical funds. Principal investigators/project managers and the District Business Office collaboratively prepare quarterly and annual categorical and grant reports prior to submission to the relevant vice chancellor and/or Chancellor for approval and signature.

III.D.14. Analysis and Evaluation

The College follows specific policies and procedures for reviewing and monitoring all facets of fiscal management. The College tests and verifies this through a number of internal and external controls. Through these established business processes, internal controls are present ensuring financial transactions are appropriately reviewed and vetted, and only selected senior administrators are authorized to obligate or commit College resources. The Governing Board is provided with all commitments entered into by the College, as required by Education Code and Board Policy.

College budget managers have access to the Banner ERP system as well as to the Argos reporting system that provides tools and reports to allow managers the ability to practice effective oversight of budget. Debt repayments obligations are reviewed on an ongoing basis

¹⁰⁸ [Acceptance of Gifts Procedures; Donation Approval Form](#)

¹⁰⁹ [Board Policy 8.08 \(Acceptance of Gifts\); June 23, 2016, Board Resolution, 160623-IX-172, August 27, 2015, Board Resolution, 150827-VIII-455, Attachment B](#)

¹¹⁰ [Grants Approval and Preparation Process](#); see also [Form A \(Grants Criteria Assessment Form\)](#) and [Form B \(Grant Concept Approval Form\)](#)

¹¹¹ [Form B \(Grant Concept Approval Form\)](#)

and planned and budgeted for as part of the College’s annual budget development process, see Standard III.D.3.

In 1995, the San Francisco Community College District Bookstore Auxiliary was created as a 501(c)(3) corporation. This Auxiliary Corporation is owned by the District but operates as a separate entity from the District. Donations to the District require review by the following relevant individuals, as applicable: department chair, school dean/unit administrator, vice chancellor over relevant area, Associate Vice Chancellor of Institutional Development, and the Chief Financial Officer. Grant applications undergo several iterations of review and approval prior to submission to ensure the grants align with the mission of the department and College, and support the goals established by the College.

Conclusion. The College meets Standard III.D.14.

III.D.15. *The institution monitors and manages student loan default rates, revenue streams, and assets to ensure compliance with federal requirements, including Title IV of the Higher Education Act, and comes into compliance when the federal government identifies deficiencies.*

III.D.15. Description of Evidence of Meeting the Standard

Student Loan Default Rates. The College monitors student default rates in accordance with Federal standards.

The Financial Aid Office monitors the College’s cohort default rate (CDR) annually. After new CDRs are published in Spring of each year, the Financial Aid Office reviews the data and borrower information to ensure accuracy. In the event the College identifies errors, it notifies the U.S. Department of Education (DOE). Additionally, the Financial Aid Office maintains communication with the Federal Common Origination and Disbursement (COD) and other loan servicers to provide them with information on current and past borrowers.

The table below displays the student loan default rates over the most recent three fiscal years for which these data are available, as reported to the United States Department of Education (DOE).¹¹²

¹¹² [Student Default Rates through June 30, 2013: 2012-2013, 2011-2012, 2010-2011](#)

	2009-10	2010-11	2011-12
Received Federal Financial Aid (unduplicated headcount)	8,962	10,746	11,464
Total Enrolled (unduplicated headcount)	107,261	108,219	98,051
Total Student Participation Rates	8.36%	9.93%	11.69%
Federal Perkins Loan Program Cohort Default Rate	17.25%	19.43%	40.90%
Direct Loans Default Rate	22.3%	21.1%	16.6%

During this time period, the College has maintained its default rates below the maximum permitted by the DOE.

Revenue Streams and Assets. The College undergoes an OMB-133A audit annually. As evident in the District’s June 30, 2015 audit, the District maintains compliance with all federal compliance requirements.¹¹³ When the audit identifies deficiencies, the College utilizes its Corrective Action Matrix to address those deficiencies.

III.D.15. Analysis and Evaluation

City College effectively monitors and manages student loan default rates, grant revenue and the overall student loan program to ensure compliance with all applicable requirements. The Financial Aid Office monitors the College’s cohort default rate (CDR) annually. After new CDRs are published in Spring of each year, the Financial Aid Office reviews the data and borrower information to ensure accuracy. The College undergoes an OMB-133A audit annually. As evident in the District’s June 30, 2015 audit, the District maintains compliance with all federal compliance requirements. If deficiencies are discovered, the College addresses those findings through the CAM.

Conclusion. The College meets Standard III.D.15.

III.D.16. *Contractual agreements with external entities are consistent with the mission and goals of the institution, governed by institutional policies, and contain appropriate provisions to maintain the integrity of the institution and the quality of its programs, services, and operations.*

¹¹³ [Screenshot of Annual Financial Report, June 30, 2015](#), pp. 82-83 (Source: [Annual Financial Report, June 30, 2015](#), see pp. 82-83)

III.D.16. Description of Evidence of Meeting the Standard

The College's policies, procedures, and an established review and approval process ensure that contracts are consistent with the mission and goals of the College and that all contractual provisions maintain the integrity of the College and the quality of programs, services, and operations.

Contracts are Consistent with the Mission and Goals of the College. The College follows policy and procedures that govern contractual agreements in order to ensure the consistency of all contracts with the mission, vision, and values of the institution.

Contracts are Governed by Policies. Board Policy 8.06 delegates the authority to enter into contracts to the Chancellor, and Administrative Procedures 8.06 and 8.06a then delegate signature authority to selected positions within the College.^{114 115} These Board Policy and Administrative Procedures establish the processes to be used for contracting goods, professional services, construction, and electronic systems and materials to meet Government, Education, Labor, and Public Contract Codes. The policy and procedures ensure that contracts are firmly rooted in the values of the College.

Furthermore, an established review and approval process for the processing of contractual agreements ensures contracts are consistent with the mission and goals. Processing contracts for approval is a multi-tiered process requiring various approvals and signatures along the way. Appropriate personnel can initiate a contract through the completion and submission of a short form contract template.¹¹⁶ Larger contracts, either in complexity, scope, or monetary value may use a more expanded contract template, if necessary. These documents include a cover sheet where the initiator details the description, purpose, justification, and funding source related to the contract request. The appropriate area dean, appropriate vice chancellor, and general counsel (if contract meets certain criteria) review the request and then submit the request to the Vice Chancellor for Finance and Administration for final review and approval.

Contracts that exceed certain thresholds must be placed on the Board agenda for review and approval prior to executing the agreement. Depending upon the type and nature of the agreement, some contracts may be subject to formal bidding requirements per applicable Public Contract Codes. All contracts have an accompanying purchase order number to encumber funds to pay the associated obligation. All purchase orders are presented to the Governing Board for review and approval at every Board meeting.

¹¹⁴ [Board Policy 8.06](#) (Contracts)

¹¹⁵ [Board Policy 8.06A](#) (Procurement of Supplies, Equipment and Services); [Administrative Procedure 8.06A](#) (Contracts)

¹¹⁶ [Short Form Contract](#)

Executed contracts, including clinical agreements for the nursing program, Ellucian, Strata, Adobe, Aegis, and CurricUNET, all provide evidence that contracts are consistent with institutional goals.¹¹⁷

Contracts Contain Appropriate Provisions to Maintain Integrity and Quality. The College maintains the integrity of the institution and the quality of programs, services, and operations in all contractual provisions. It does this by following the aforementioned processes. Board resolutions for contracts require the originator to connect the contract in question with the College goals or plans.¹¹⁸

III.D.16. Analysis and Evaluation

Processes and procedures clearly define all contracting requirements and articulate the process to be followed. Contractual agreements support the integrity, quality, mission, and goals of the institution. Contracting practices and agreements support the college mission, goals, and priorities and are in compliance with board policies and administrative procedures. The College employs policies that ensure the integrity of such agreements. Purchasing practices are reviewed as part of the annual audit and program and services review processes. This review includes statistical testing of expenditures for contracts. There have been no exceptions cited for contractual agreements with external agencies.

Conclusion. The College meets Standard III.D.16.

¹¹⁷ Contracts are consistent with institutional goals: For an example, [contract with Dr. Jim Riggs](#) who facilitated the Board of Trustee's annual meeting

¹¹⁸ See, for example, [Board Resolution 160526-IX-125](#)

Standard III.D. Changes and Plans Arising out of the Self Evaluation Process

Changes Arising Out of the Self Evaluation Process				
Goal	Associated Action(s)	Person(s) Responsible	Completion Date	Outcome
<p>Ensure long-term financial stability (Standards III.D.2., III.D.4., III.D.12.)</p>	<p>Generate multi-year financial projections (MYFPs) and update monthly based on changing conditions and adjustments to original budget assumptions; ensure that these MYFPs account for long-term liabilities such as OPEB</p> <p>Develop policies that require direct linkage between spending and FTES</p> <p>Identify additional revenue sources</p> <p>Maintain reserves to offset temporary future deficit spending</p>	<p>Vice Chancellor of Finance and Administration</p>	<p>2012-13 and ongoing</p>	<p>Plans in place for long-term financial viability and stability of the College that takes into consideration future liabilities and funding fluctuations</p>

The College has no plans to report for Standard III.D. beyond those that are part of the College’s regular quality improvement cycles.