

Standard III: Resources – Fiscal

Wiki Link:

<http://financialaccreditation.pbwiki.com/>

D. Financial Resources

1. The institution relies upon its mission and goals as the foundation for financial planning.

1.a Financial planning is integrated with and supports all institutional planning.

Descriptive Summary: The budget planning process changed dramatically four years ago with a new President. The entire campus got together and went through a long range strategic planning process. Out of that day long event and additional planning sessions came 8 strategic goals (IIID.1). Along with the goals the District prepared a matrix (IIID.2) that demonstrated where the funding was coming from to support the goals. Since much of the general fund budget is salaries, the goals are being funded by grants, industry partnerships and fund raising

As departments prepared their program reviews they were to demonstrate how the department was adhering to the strategic plan. A matrix was added to the end of the recommendation section of the review that would identify which recommendations had budget impact and how much. It was not until there was specific one time funding from the state that the District, at the direction of College Council, actually began a prioritization process that directly linked program review requests to the budget. There has, however, always been a link between the program reviews and new faculty positions but not other types of requests.

The District has an educational master plan (IIID.3), prepares a five year facility plan yearly, is in process of developing a five year technology plan (IIID.4) and used the Fusion data to develop a capital needs plan. These plans form the basis of not only the budget planning process but the foundation for fund raising and grant development creating a comprehensive funding model. In order to ensure that there is a linkage between the budget (IIID.5) and strategic planning, these functions are both under the purview of the college council.

Self Evaluation: The yearly planning process begins with setting the revenue constraints. Once these parameters are known then the various constituent groups compare current expenditure levels with expected plans for the next fiscal year. All staffing is reviewed by the Deans, Directors and Managers. During the spring semester management has an opportunity to meet with the faculty and staff within their divisions as well as review the program service reviews for needs that must be included in the budget. The results of the climate survey (IIID.6) and the focus groups indicate that this step may not be uniform in its application. Since budgets have been tight the last few years, managers have been asked to move budget around to accommodate new expenditures. The one time funding from 06-07 (IIID.7) has provided an opportunity to get new allocations for requirements from the program

service review process. All requests are sent to the College Council for prioritization. Additionally, there are numerous committees on campus but the structure is too new to ascertain if it will actually provide a conduit to the budget process.

Planning Agenda: The College is in full compliance with this standard. However, the following planning agenda is intended to improve beyond compliance.

Outcome: The budget planning process will provide more opportunities for wider spread participation in the shared governance process.

Tasks: Integrate the new committees: Institute for Sustainability, Innovation Center Advisory Committee, International-Multicultural Education Committee, Academic Technology Committee, Facilities Committee as well as the new Board Sub-committees into the budget calendar to ensure that their work gets included into the budget planning process. Make sure that the timeline for budget preparation is clearly understood.

Ensuring ongoing compliance: will result from the addition of the committee work on the budget calendar. Also, the Budget program review will serve as a check on compliance with this standard.

Impact on student learning: With a higher level of integration between the budget process and shared governance, the College Council should be able to better prioritize college needs and allocate funds that will best enhance student learning and general institutional improvement.

1.b Institutional planning reflects realistic assessment of financial resource availability, development of financial resources, partnerships, and expenditures requirements

Descriptive Summary: The Ohlone Community College District is primarily funded through the state apportionment calculation. In 2006-07 that formula changed as a result of the passage of Senate Bill (SB) 361 (IID.8). The District consists of a single campus and a center. The center is located in Newark and is currently under construction with a target completion date of January 2008. Even though there is not a specific physical location for the center, the District has maintained the service to the Newark community through courses taught at Newark Memorial High School and the University of Phoenix with student services being provided at the One Stop Center also located in Newark. These efforts were sufficient to warrant the inclusion of the Newark activity as a Center and qualified for full Center funding.

The District is also the Western Regional Center for Gallaudet University (IID.9). As a result of this and the proximity of the K-12 School for the Deaf (IID.10), there is a need to provide extensive services to the deaf community which is only partially funded by the state allocation of Disabled Student Program & Services (DSP&S). This further constrains the District's General Fund. There is a modest amount of private funding through the Ohlone Foundation that assists with specific student needs that are not otherwise funded.

California Community Colleges are the lowest per full time equivalent student (FTES) funded in the state educational system as well as in the Country. Chancellor Nussbaum addressed the Assembly Budget Subcommittee on Education in February of 2001 (IID.11), he

indicated that CCC are the single worst funded institutions in the country, even K-12's are funded at a higher level almost twice per full-time equivalent student (FTES).

- Average CCC \$ 4,675
- K-12 \$ 7,080
- CSU \$10,822

The general fund is designed to support the various operational needs and specific building maintenance is funded through statewide bonds as part of the scheduled maintenance program. While Ohlone has successfully leveraged these funds to the fullest extent possible they are still inadequate to support the needs of the aging buildings and not all the maintenance needs are provided for under this mechanism.

The District passed a prop 39 bond (IIID.12) for \$150,000,000 to build a Newark Center and a Student Support Center as well as provide safety, maintenance, and upgrades on the Fremont Campus. Even with these efforts and the utilization of state funding, private partnerships and grants there is still \$165,119,500 more maintenance, upgrades, added features and conservation programs that can not be addressed.

Technology has also taken its toll on the funding sources of the District partly due to the reduced funding for The Telecommunications and Technology Program (TTIP) and instructional equipment block grants that was experienced in the 2003-04 fiscal. The biggest constraint however, is the age of our current infrastructure and the speed with which technology is changing. There is state funding for instructional equipment but these funds do not provide for the added support that is needed to maintain the new equipment and systems and keep them functioning and users trained. The District is developing a five year technology plan to assist with some of these difficult conditions.

As a result the many needs of the District must be met with alternative funding. Specific efforts have been made to:

- Increase community partnerships to help support high cost programs like nursing and athletics,
- Use grants to spring board institutional and programmatic change as well as technology,
- Increase fund raising efforts to support unmet needs of programs and students,
- Develop the frontage property to provide a future funding source for the continued maintenance of facilities,
- Look at alternative land uses and possible advantageous land swaps

Self Assessment: The old funding formula indicated that California Community Colleges are funded at about half of what is needed to provide the level of service that is expected. A recent report from The Institute for Higher Education Leadership and Policy, "The Rules of the Game" (IIID.13) also indicated that the system is under funded. With all of that, the District has made realistic assessments of the technology needs, Capital needs, Facilities needs and Human Resource needs. The Strategic goals of the District highlight the need for alternate sources of funding from community and corporate partnerships, building and field naming opportunities, frontage property leases, additional bond issuances, grants and fund raising. All of these are being explored and developed. The District is also looking at ways of reducing costs particularly in the area of alternative energy. A new position was developed to lead the effort in this area in an attempt to curb the increasing cost of utilities.

Planning Agenda: The College is in full compliance with this standard. No planning agenda is needed.

1. c When making short-range financial plans, the institution considers its long-range financial priorities to assure financial stability. The institution clearly identifies and plans for payment of liabilities and future obligations.

Descriptive Summary: Currently the District has very little long range debt with the exception of the Prop 39 Bond (IIID.12) which is paid for from an increase in tax revenues. These transactions are recorded in the debt service fund and appear in the footnotes of the audit. The District does have a future retiree health benefit liability. The recent actuarial study (IIID.14) estimated that the extent of the liability is \$4,124,684. The District anticipated this requirement and for the past five years has been funding this debt, although not at the level that is currently required. The board reviewed the actuarial study at its regular meeting on April 11, 2007, item #18 (IIID.15). A proposal to set up an irrevocable trust with the California Community College League JPA was discussed at the April 25th meeting of the Board Sub-committee on Audit, Finance, and Facilities. Additional information will be presented at future Sub-committee meetings. The District plans to be an early adopter. All other obligations such as lease purchases are part of the regular fixed expenditure budget process.

Self Assessment: All obligations are included as part of the Tentative budget planning process and are considered part of fixed costs. Since the budgets tend to be roll over budget particularly for these categories the District has successfully met this standard.

Planning Agenda: The College is in full compliance with this standard. No planning agenda is needed.

1.d The institution clearly define 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.

Descriptive Summary: The yearly operational budget process begins with the adoption of the budget planning calendar. The revenue projections are taken from the Governor's January Budget (IIID.16). From that the District's Finance Department prepares preliminary revenue assumptions. At the same time the staff is preparing the second quarter financial report for the current year which forms the basis for the next fiscal year.

Since 85% (IIID.6) of the budget is salaries the position budgets are reviewed very closely, first by the finance office staff and then by all of the Deans, Directors and Managers. Concurrent with looking at current staffing levels, possible increases are reviewed by the President's staff. If the district has grown, then the faculty senate reviews the list of requests for new faculty positions from the program service reviews, along with all of the retirements and puts forth their recommendations for faculty hires.

Reviews are done of the major fixed cost increases such as utilities, licenses, services agreements and negotiated agreements. Beginning in February each division is asked to

look at their second quarter budget and actuals and ascertain what they will need for the next fiscal.

From all of the input and the assumptions, preliminary expenditure budget is prepared and is matched with the revenue budget. These assumptions and preliminary projections are reviewed by the Presidents Staff.

After all constituent groups have had an opportunity for input the Tentative Budget is prepared and presented to all the groups and a workshop is done in May for the Board of Trustees that is open to everyone.

All new information that is received from May through August is assessed and then added to the Final Budget. This information comes from the California State Budget (IIID.16) on the Revenue side and year end close on the expenditure side. These revisions go through the same process as the Tentative Budget prior to passage in September.

Self Assessment: The budget planning calendar is the guideline for the development of the budget. The College Council is the primary budget committee and strategic planning committee. The College Council is made up of a cross section of the college community. The concept of having a combined strategic planning committee and budget committee was intended to draw the connection between the strategic plan and the budget. The climate survey (IIID.6) indicates that 58% of staff and 52% of faculty disagree or have no opinion about the effectiveness of the College Council as a conduit for prioritizing the budget. The budget document and all quarterly reports are reviewed by this group and the Board of Trustees. At that time they are posted on the website (IIID.15).

The focus group comments indicated that there is a vast spectrum of involvement at the faculty level. The involvement in the budget process seemed to be positively correlated to the department's participation in regular meetings. However, additional information would be necessary to draw a true causal relationship. Program service review is seen as the main instrument of accessing the budget process. The climate survey indicates that 76% of the responding faculty agreed while 58% of the classified staff agreed that program service review is an effective evaluation instrument. All three focus groups indicated little or no regular communication with their Deans. While this was not seen as problem from the instruction side it represents a disconnect from the budgetary side since the Deans are the main messengers of budget information from the business office to the faculty. A well publicized process with regular opportunities for input was a desirable outcome.

Planning Agenda: The college is in partial compliance with this standard. The following planning agenda has been developed for improvement to reach compliance.

Outcome: Alternative sources of information and planning tools will be more readily usable leading to increased staff and faculty understanding of the budget process and their ability to participate in the planning and operations of the budget.

Tasks: The District will develop formal and informal training sessions such as regular meetings with the Deans and Directors, making finance staff available to participate in department meetings, develop a manual for budget management, publish the budget calendar and post regular emails when opportunities to provide input. Additionally, Business Services staff will work with the College Council to document and develop new

processes and use electronic media to keep the campus community informed through web postings, Budget Bits e-mail, and blogs.

Ensuring ongoing compliance: This will be accomplished through a training schedule, implemented programs and program service review of the budget process.

Impact on student learning: These changes will assist faculty and staff to understand and participate more fully in the budget and other institutional planning. Ultimately, better connection with all of the planning processes will provide an informed allocation of funds where the greatest need and benefit will be to assist with and encourage institutional participation and student learning.

2. To assure the financial integrity of the institution and responsible use of financial resources, the financial management system has appropriate control mechanisms and widely disseminates dependable and timely information for sound financial decision making.

2.a Financial documents, including the budget and independent audit, reflect appropriate allocation and use to support student learning programs and services. Institutional responses to external audit findings are comprehensive, timely and communicated appropriately.

Descriptive Summary: The District has regular external audits. The financial findings have been limited to items that do not have an impact on the financial statements and in 06-07 there were no findings at all. With the passage of the Prop 39 Bond (IID.12), the District also has the required performance audit. The District had a good working relationship with the audit firm that conducted the audits for the past 10 years but the Board, at the recommendation of staff decided that they would make a change for 06-07. The staff does some internal audits of cash handling but not in the amount and frequency that the staff would like but they are adequate.

Self Assessment: The Ed. Code (IID.17) and the California State Chancellors Office require an annual audit and provide the guidelines. The Finance Department is responsible for gathering and preparing all documents for the financial audit. Financial Aid and Student Services are responsible for various state and federal compliance sections of the audit. The District recently changed audit firms as part of a new policy encouraged by staff, to rotate audit firms on a periodic basis. The past audit had no findings. Prior to that, findings were integrated in a timely manner into the operations. The audit report is presented to the Presidents staff; College Council; Audit, Finance, and Facilities Committee; the Full Board as well as the Bond Oversight Committee.

The Finance Department is responsible for gathering the information together for the budget and presenting the results to the Presidents staff, College Council, and the Board of Trustees' Audit, Fiscal and Physical Plant Sub-Committee.

51.66% of the General Fund resources in the 2005-06 fiscal year (IID.18) were spent on direct class room education instruction with another 9% spent on student services and instructor support. Additional Categorical Funds are spent solely for educational support. The District

utilizes a roll over budget that strongly supports the educational mission of the college. More could be done to assess what programs are resulting in student success.

The financial system while not directly impacting any of the Educational Master Plan goals, does provide appropriate reporting.

Planning Agenda: The College is in full compliance with this standard. However, the following planning agenda is intended to improve beyond compliance.

Outcome: A report that combines all of the statistical data about each program in one report including average cost, positive outcomes, FTES generation per FTEF, as well as financial information by program, will be available for use in program review.

Tasks: While program service reviews provide this information on a four-year cycle, the college will develop a report that will combine all of the statistical data about each program in one report including average cost and positive outcomes. The report will include FTES generation per FTEF as well as financial information by program on a yearly basis.

Ensuring ongoing compliance: This will be part of the budget calendar and will be provided on a yearly basis to the Presidents staff for staffing and Faculty Senate.

Impact on student learning: With increased statistical information available, more informed decisions can be made in the prioritization processes. This will allow the departments with the most growth and student interest to receive appropriate allocations of resources.

2.b Appropriate financial information is provided throughout the institution.

Descriptive Summary: Expenditure budgets are primarily the responsibility of the budget managers. Each manager has a unique code that is embedded into the account code structure so that they are recognizable to everyone that works with the general ledger and the budget process. At least quarterly these budgets are also reviewed by the finance department staff. Revenue is the responsibility of the VP of Business Services, the Dean of Business Services and the finance staff. The assessment of adequacy of the budgeted revenue is assessed at the same time as the expenditures and is reported to all the constituent groups on a quarterly basis as part of the 311q report (IIID.19) to the Chancellors Office. These reports are presented to all of the shared governance groups including final approval by the Board of Trustees.

The communication of financial and budget information is formally done through Presidents staff meetings, College Council and the Board of Trustees. The Districts enterprise system, Datatel's Colleague is open to everyone and the budget and actual information is currently available campus wide. Training materials were developed to assist those that were new to the system.

Self Assessment: With the implementation of the Datatel Colleague system, all budget managers, faculty and staff have log in access to financial information. Although this is available to everyone, the survey and focus group results indicate that this is not commonly known throughout the campus. Additionally, these reports are not necessarily easy to pull and take some effort to read. Instead of spending time to create easier methods to retrieve

data, the District is focusing on making information available through Datatel's web interface, Web Advisor.

The financial reports and budget process are presented to the Presidents Staff, the College Council, the Board Sub-Committee on Audit, Fiscal and Facilities and the Board of Trustees. These presentations are open to everyone.

Planning Agenda: The college is in partial compliance with this standard. The following planning agenda has been developed for improvement to reach compliance.

Outcome: Budget reports that are easier to read and are more readily available

Tasks: The District will make appropriate financial information more accessible by implementing the Colleague web interface to budget reports and through regular emails to staff and faculty that will inform, educate, train and solicit feedback.

Ensuring ongoing compliance: This process will be on going and will be linked to the budget calendar. It will be reviewed as part of the budget program service review.

Impact on student learning: The better informed the campus community is, the better equipped everyone will be to provide important input to enhance the collaboration, innovation and learning for students, faculty and staff.

2.c The institution has sufficient cash flow and reserves to maintain stability, strategies for appropriate crisis management, and realistic plans to meet financial emergencies and unforeseen occurrences.

Descriptive Summary:

The District passed an investment policy in order to remain in compliance with Governmental Accounting Standards Board (GASB) pronouncement 34/35 (IID.20). As such, the District has limited abilities to provide investment opportunity. Most of the funds are located in the County Treasury. Additionally, the District maintains a collateral agreement with the local bank and is getting the maximum possible return on all accounts and certain services are provided at no additional cost.

The return on investment (ROI) was at less than 2% at the County Treasury July 2005 when the District received the \$110,000,000 proceeds from the second bond issuance. As a result, a RFP for financial services was issued and the District received a Guaranteed Investment Contract (GIC) with AIG Investments for 4.745% (IID.21). This will provide the District with as much as \$10,000,000 in additional funding for cost overruns on Bond Projects. Because there is arbitrage risk, these funds are monitored on a weekly basis.

To support possible operational cash flow shortages, each April as noted in the Budget Calendar, the Finance Office reviews the cash flow projections to ascertain if there is a need to participate in a Tax Revenue Anticipation Note (TRAN). For the past three years the District has not needed to participate since cash flow has been more than adequate.

The district participates in the Bay Area Community College District Joint Powers Agency for property and liability coverage. The coverage is for up to \$250,000 in property losses and up to \$100,000 in liability losses. The Bay Area Community College District Joint Powers Agency is a member of the State Wide Association of Community Colleges

(SWACC), which provides coverage up to \$5,000,000 in property losses and up to \$5,000,000 in liability losses.

Self Assessment: The District monitors its cash flow on a weekly basis and every April an assessment is done to evaluate the necessity for a TRAns. The cash flow has been sufficient for the past 3 years so that the District has not required any outside assistance. After the mid year budget cuts of 2003-04, the District Board at the request of staff, set up a Rainy Day Reserve. This is in addition to the 5% contingency reserve that is recommended by the State Chancellors Office. The current level of the reserve is \$800,000 (IIID.19). This reserve is specifically for short term use until a long term solution can be developed or for one time unanticipated events.

In early February, 2007, crystallized chemicals were found in a campus lab. The authorities were notified and the chemicals were disposed. The incident was reported to OSHA. After completing an independent investigation, OSHA proposed an \$18,000 penalty to the district. In May, 2007, the district contracted with Keenan and Associates for consulting services relating to the handling of hazardous materials. Keenan will work with the district to develop a hazardous materials compliance program. The compliance program will include (a) an inventory of hazardous materials (b) a communications plan (c) a blood born pathogen exposure plan. Kennan employees will attend monthly safely meeting with district officials and conduct monthly building inspections. Plans are in place.

Planning Agenda: The College is in full compliance with this standard. No planning agenda is needed.

2.d The institution practices effective oversight of finances, including management of financial aid grants, externally funded programs, contractual relationships, auxiliary organizations of foundations, and institutional investments and assets.

Descriptive Summary: The Districts enterprise management system is Datatel's Colleague. It is an integrated database providing for student services, human resources and financial information. The Districts financial team makes sure that the data is recorded in a timely manner and many processes are real time. The internal controls over purchasing, payables, receivables, general ledger, check processing and cash management are sufficient to ensure the integrity of the financial data. While there are strong controls in place there are efficiencies that could be realized through the implementation of some of the added features that Datatel has introduced over the last few years

Self Assessment: The Finance Office is responsible for managing the oversight of finances. Each program has a direct program and budget manager. They are responsible for expending funds in an appropriate manner and preparing the necessary reports. All reports are approved by finance before submission to the funding organization. The number of grants and the size of the Foundation are growing. As part of the recent reorganization, a new department has been configured to provide added oversight, functionality and

continuity of mission with respect to the grants, fund raising, and asset development functions.

Planning Agenda: The College is in full compliance with this standard. No planning agenda is needed.

2.e All financial resources, including those from auxiliary activities, fund-raising efforts, and grants are used with integrity in a manner consistent with the mission and goals of the institution.

Descriptive Summary: The Ohlone College Foundation (IID.22) is a 501(c) (3) organization governed by a volunteer Board of Directors. The primary purpose of the foundation is to support the mission of the college by raising funds, developing endowments, and dispersing scholarship and program funds to the College. The Financial Aid Office generally serves as the contact agent on campus for student scholarship donations. The foundation director, along with the board of directors, is responsible for maintaining the integrity of the distribution of foundation funds in accordance with donor intentions. Foundation activities include the cultivation of major donors via a capital campaign and interaction with the governmental entities served by the District. The foundation seeks capital grants from selected foundations and promotes the foundation and the district to the general public and local businesses. The foundation oversees two annual fund raising events: a golf tournament and a citizen of the year luncheon.

As part of a new Asset Development team, grants administration and marketing have been combined with the Foundation to form a comprehensive funding model that adheres to the strategic goals of the institutions. A grant accountant has been added to the staff to ensure that the high standards of accounting are maintained. This was done in response to the need to find additional funding for providing adequate educational and operational equipment for the Newark Center that is scheduled to open in January 2008. In that endeavor a matching grant has been secured and the total amount of the combined grants will be \$5million. The current level of grants is at approximately \$6.2million with both senior accounts overseeing approximately half each as part of their responsibilities. There are grant managers but the finance department reviews all transactions and reports prior to submission.

The Bookstore financial statements are also monitored with in the finance department as well as marketing and merchandising strategies.

Self Assessment: These activities are managed by the various departments that oversee the activity but the Finance Department maintains the requirements and reviews the transactions on at least a quarterly basis depending on the size of the grant and/or department. Each year the program manager and the finance office meet to review current activity and look at the next fiscal year. This process is documented in the budget calendar. With the receipt of a \$2.5 million matching grant, the District has added another position to the newly formed asset develop department to provide the necessary financial depth to handle the increased demand.

While the programs are handled with integrity, these programs are growing and becoming more complex and there is currently not a manual to assist managers with the set up and maintenance of programs. Part of the responsibility of the new position will be to set this process up with the assistance of the finance department. In addition to the manual a checklist will be developed to ensure that grants and fund raising activities are meeting the college wide goals.

Planning Agenda: The College is in full compliance with this standard. No planning agenda is needed.

2.f 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.

Descriptive Summary: Section 81655 and 81656 of the Education Code (IIID.17) and the Public Contract Code (IIID.23) regulate all contractual agreements with outside entities under the bid limit and 81645 for bid processes. Board policy 6340 (IIID.24) and Administrative Procedure 9.2.3.1 (IIID.25) were designed to meet these requirements. All contracts are reviewed by the Director of Purchasing, Contracts and Auxiliary Services. If there is language that is questionable or different than is acceptable, the contracts are forwarded to the District's Attorney for review and recommendation. Periodically all service contracts are assessed for their appropriateness and continued viability. Additionally, the signature authority is limited and all parties are approved by the board.

Self Assessment: The audit specifically reviewed the bid process as part of the 05-06 Bond Audit (IIID.18) and the conclusions were that the process as designed was adequate to meet the Board Policy and was being carried out as designed. The District reviews each contract and if there are unusual or unacceptable sections the attorneys are consulted. Contracts are taken to the Board for approval.

Planning Agenda: The College is in full compliance with this standard. No planning agenda is needed.

2.g The institution regularly evaluates its financial management processes, and the results of the evaluation are used to improve financial management systems.

Descriptive Summary: The yearly audit is the primary source of outside financial management process review. The District implements these strategies as appropriate. As part of the required 311q (IIID.19) quarterly report process all aspects of the budget are reviewed and adjustments made to reflect changes in direction, costs and revenue. The cash flow needs are assessed on a weekly basis via reports generated by the Bond Accountant and One of the two Senior Accountants. A new system for collections was instituted in the beginning

of the 2005-06 fiscal year to assist with outstanding student fees. The District no longer issues student loans.

Self Assessment: Review of the material indicates that the District is following these procedures. The reviews are being completed as part of the regular quarterly process. There are plans in place to add features for student assistance in the area of payment plans and financial aid debit card programs.

Planning Agenda: The College is in full compliance with this standard. No planning agenda is needed.

3. The institution systematically assesses the effective use of financial resources and uses the results of the evaluation as the basis for improvement.

Descriptive Summary: The processes that are in place to assess the effective use of financial resources are the audit and program service review and are built into the planning processes as well as in the year end reflective processes that results in the Presidents Annual Report. The decline in funding that occurred in 2003-04 resulted in the District analyzing the effectiveness of programs and divisions and terminating academic programs and reorganizing departments. This process is not built into the formal evaluations but does occur any time funding is reduced. Several systematic reviews since then have been completed by the Presidents staff that resulted in structural management reorganizations designed to provide more effective supervision and build in budget efficiencies. Each year, the faculty senate reviews the requests for new faculty and replacement faculty and engages in prioritization of the requested positions.

Self Assessment: The audit assesses that there are systems in place to ensure the integrity and accuracy of the financial information as well as the effectiveness of the system of internal controls. However, this process provides little documentation as to the effectiveness of the use of financial resources. The program service review is the primary step in this process. The College Council added a prioritization process for one time funds directly related to the program service reviews. The College Council, in its January retreat assesses the progress made on the strategic plan and sets goals for the next fiscal year. The president's annual report gives departments an opportunity to share achievements related to the strategic plan. The President has taken steps to formalize this process.

Planning Agenda: The College is in full compliance with this standard. No planning agenda is needed.

REFERENCE DOCUMENTS:

IIID: Resources - Fiscal

IIID.1. Strategic Goals

<http://www.ohlone.edu/org/president/docs/20052010strategicplan.pdf>

IIID.2. Strategic Planning Matrix

<http://financialaccreditation.pbwiki.com/f/matrix.pdf>

IIID.3. Educational Master Plan

<http://www.ohlone.edu/org/academicaffairs/masterplandocs.html>

IIID.4. Technology Master Plan – Working Document

http://docs.google.com/View?docid=dhbrhxx_2hkg6fn

IIID.5. Final Budget 2007 – 2008 – All Funds

<http://www.ohlone.edu/org/accredselfstudy/docs/20072008finaldistrictbudget.pdf>

IIID.6. Climate Survey

<http://www.surveymonkey.com/Report.asp?U=327493263823> – Faculty Survey

<http://www.surveymonkey.com/Report.asp?U=342428272697> – Staff Survey

IIID.7. One Time Funding 2006 – 2007

<http://www.ohlone.edu/org/accredselfstudy/docs/20062007onetimefunding.pdf>

IIID.8. Senate Bill (SB) 361

http://info.sen.ca.gov/pub/07-08/bill/sen/sb_0351-0400/sb_361_bill_20070220_introduced.pdf

IIID.9. Gallaudet University

<http://www.gallaudet.edu/>

IIID.10. California School for the Deaf

<http://www.csd.k12.ca.us/>

IIID.11. Assembly Budget Subcommittee on Education Finance

http://www.eric.ed.gov/ERICDocs/data/ericdocs2sql/content_storage_01/0000019b/80/23/15/8d.pdf

IIID.12. Bond Website

<http://www.ohlone.edu/org/bondprojects/>

IIID.13. Higher Education Leadership and Policy, “The Rules of the Game”

http://www.hewlett.org/NR/rdonlyres/A4DFB403-0374-4D07-A24E-1F7619B66B22/0/Rules_of_the_Game.pdf

IIID.14. Actuarial Study of Retiree Health Liabilities

<http://www.ohlone.edu/org/board/packets/2007/20070411/18b-actuarialstudy.pdf>

IIID.15. Ohlone College Board of Trustees

<http://www.ohlone.edu/org/board/>

IIID.16. California State Budget

http://www.dof.ca.gov/budget/Historical_Documents.php

IIID.17. California Education Code

<http://www.leginfo.ca.gov/cgi-bin/calawquery?codesection=edc&codebody=&hits=20>

IIID.18. 2005 – 2006 Financial Statements

<http://financialaccreditation.pbwiki.com/f/0506financialstatements.pdf>

IIID.19. 311q

<http://www.ohlone.edu/org/board/packets/2007/20071010/26a-4thquarterfinancialsrev.pdf>

IIID.20. GASB 34/35

<http://www.gasb.org/st/summary/gstsm34.html>

<http://www.gasb.org/st/summary/gstsm35.html>

IIID.21. Arbitrage Report

<http://financialaccreditation.pbwiki.com/f/ArbitrageReport111907.pdf>

IIID.22. Ohlone College Foundation

<http://www.ohlone.edu/org/foundation/>

IIID.23. California Public Contract Code

<http://www.leginfo.ca.gov/cgi-bin/calawquery?codesection=pcc&codebody=&hits=20>

IIID.24. Board Policy 6340

<http://www.ohlone.edu/org/board/policy/policy-chapter6.html#bp6340>

IIID.25. Administrative Procedure 9.2.3.1

<http://www.ohlone.edu/org/board/policy/chapter9reg.htm>