

BOARDreport

The Governing Board believes in open lines of communication
with employees and the community

Contra Costa
Community
College District

pathways to success

BOARD MEMBERS

Jo Ann Cookman, President (Ward V) • Tomi Van de Brooke, Vice President (Ward II) • Sheila A. Grilli, Secretary (Ward III)
John T. Nejedly, (Ward IV) • Dr. Anthony T. Gordon (Ward I) • Pamela J. Hampton, Student Trustee

The Governing Board of the Contra Costa Community College District is comprised of five trustees elected from the individual wards and one student member with an advisory vote selected on a rotating basis from our colleges. The Governing Board typically meets on the last Wednesday of the month in the George R. Gordon Education Center, 500 Court Street, Martinez. Regular meetings/study sessions are also held three times a year at the colleges and centers. You can reach the Governing Board by calling (925) 229-1000, ext. 1204. Minutes of the meetings are available online at www.4cd.net/governing_board/minutes07_08.asp

Governing Board Meeting of September 26, 2007

The Contra Costa Community College District (CCCCD) Governing Board met in the George R. Gordon Education Center on September 26, 2007. The regular meeting began with a closed session at 5:00 p.m., followed by open session at 6:00 p.m. Highlights of the meeting follow:

Los Medanos College Educational/Facilities Master Plans

Los Medanos College President Peter Garcia and Managing Principals Tom Beckett and Deborah Shepley of tBP/Architecture summarized the educational/facilities master plans for the college. The facilities master plan is based on the educational master plan (EMP). The ten-year EMP includes an environmental assessment and analysis; program and facilities assessment and plans; and goals, objectives and strategies. The EMP was developed by LMC's Planning Committee and endorsed by the Shared Governance Council. The facilities plan was based on an analysis of the existing campus site and planning data. The facilities plan focuses on proposed new construction, college complex renovation and site improvements.

Fraud Prevention and Detection

District Auditor Judy Vroman made a presentation on the above topic. The purpose of the report was to define occupational fraud and provide background information; to discuss fraud prevention and detection tools; and to make recommendations for consideration by the chancellor and the Governing Board about how the District can improve its fraud prevention and detection program.

Calendar of Governing Board Meetings for 2008

In **Board Report No. 20-A**, the Governing Board approved their meeting calendar for 2008. This calendar is posted on the web at: http://www.4cd.net/governing_board/schedule.asp

2007-2008 Adopted Budget

The Board approved the adopted budget for 2007-08 (**Board Report No. 21-A**). Attached is a summary of the budget contents.

Approval of Tentative Agreement with United Faculty

The Board approved United Faculty's (UF) agreement (**Board Report No. 22-A**) ratified on September 10, 2007, by a vote count of 411 in favor to 20 opposed.

New Classification Descriptions

In **Board Report No. 22-B**, the Governing Board approved a total of fifteen new classifications as a result of recommendations from the Hay study. These positions include five management; two supervisory; two confidential; and six classified.

CCCCD Strategic Directions 2005-2008

The chancellor and college presidents presented the attached highlights of the accomplishments made in 2006-07 in the context of the strategic directions for the three year period 2005-08.

Update on DVC Matter

District Auditor Judy Vroman gave an update on the DVC grade change case. Ms. Vroman noted that one of the individuals charged in the case pled guilty to 15 felony counts. Ms. Vroman stated that maintaining confidentiality during the course of the investigation was critical in the conduct of the investigation and helped protect the integrity of the case. Regarding the LMC grade changes, Ms. Vroman noted that LMC will send out letters to the eight LMC students whose grades were found to be unauthorized and will also notify institutions and/or organizations that received a transcript with unauthorized grades.

CCCCD's 60th Anniversary Celebration

The District will celebrate its 60th anniversary in 2008. Jo Ann Cookman and Tomi Van de Brooke volunteered to serve on a subcommittee to help plan activities commemorating the District's founding.

Upon approval at the next regular meeting, complete Governing Board minutes for this meeting will be posted at: http://www.4cd.net/governing_board/minutes07_08.asp.

**THE NEXT REGULAR MEETING OF THE GOVERNING BOARD
WILL BE HELD ON OCTOBER 24, 2007, AT 6:00 P.M.
IN THE GEORGE R. GORDON EDUCATION CENTER,
500 COURT STREET, MARTINEZ, CALIFORNIA**

Contra Costa Community College District

Adopted Budget Report

Revenues, Expenditures and Fund Balances

2007-2008

The Adopted Budget is the final compilation of the projected revenues, expenditures and ending balances (reserves) for all of the District's funds, and a second look at the Unrestricted General Fund, which was compiled using the District's Budget Values and parameters. With the exception of the Unrestricted General Fund, all of the revenue and expenditure projections are based upon actual 2006-07 revenues and expenditures along with specific knowledge of subsequent-year revenue streams. Budget projections for the 2007-08, Unrestricted General Fund (Fund 11) are also based upon the previous year's revenues and expenditures, plus the following assumptions:

Beginning Fund Balance Assumptions

- The Beginning Fund Balance is based upon the pre-audited Ending Fund Balance for 2006-07, and was derived using "actual" amounts as of August 31, 2007. The projected 2007-08 Beginning Fund Balance is \$22,617,604 and is comprised of the "ongoing" and "one-time" components listed below. It should be noted that this Beginning Fund Balance is \$5.1 million more than the amount projected in the tentative budget. This difference was due to the following:
 - budgeted, but unspent, "one-time" expenditures, \$2.9 million;
 - unspent salaries and benefits related to unfilled positions, \$1.3 million;
 - under-spent utilities due to the year's mild weather, \$0.6 million; and
 - \$0.3 million which is the net of unspent operational expenditures and increased transfers-in.

Ongoing Component:

- \$7,796,537 which represents the projected minimum 5% reserve required for 2007-08 ongoing expenditures.

One-time Components:

- \$52,103 which represents the projected minimum 5% reserve required 2007-08 one-time expenditures.
- \$3,200,193 which represents the college carry-over of unspent, 2006-07, self-funded, fee-based, and co-curricular activities
- \$11,568,771 which represents all remaining fund balance in excess of reserve and designated amounts.

Revenue Assumptions

- **COLA:** Per the enacted budget, the 2007-08 COLA is 4.53%.
- **Growth:** Although the colleges have stated a collective goal of 29,759 FTES, in 2007-08, which would indicate FTES-growth of 1.6%, the District will not budget any increased

(restoration/growth) revenue until next Fall, and only if the then-census-data indicates that an increase in FTES has occurred.

- **Deficit Funding:** For fiscal years 2001-02 through 2003-04 State-wide apportionment was under-funded. The only reason 2004-05 did not have any deficit funding is because the State included \$33 million for 2004-05 property tax (deficit) backfill in the 2005-06 budget. 2005-06 and 2006-07 did not have any deficit funding due to the fact that there were unused state funds available to cover the property tax and enrollment fee shortfalls. There are no guarantees going into 2007-08, but based upon the number of districts that appear to have “borrowed” FTES from 2007-08 into 2006-07, it is assumed that there will again be unused state funds available to offset any shortfall.

Expenditure Assumptions

- **Salary Costs:** Employee salary and benefit expenses are derived from data in the Position Control Budgetary Files. The 2007-08 expenditure-budgets reflect those pertaining to all current employees and any other approved (but as yet unfilled) vacant positions.

The budgetary amount reflects all known changes that took place as of July 1, 2007. Changes in salary costs include all step, column and longevity increases (for all negotiation groups) plus the savings-effect of retirements.

Note: Salary Costs (per this Adopted Budget) do include allowances for the tentative agreement with United Faculty to be approved by the Board this month.

- **Healthcare Costs:** Healthcare premium costs are based upon cost-increases of 11.09% for Healthnet, and 13.1% increase for Kaiser. During 2007-08, employee contributions will cover 6% of the “active” employee premium costs.
- **Other Benefits:** The employer costs associated with payroll (such as FICA, Medicare, Unemployment Insurance, Workers Compensation, STRS, PERS, Salary Continuance, etc.) have roughly the same cost- rates as that of the previous year, with a few minor changes.
- **Full-time Faculty Obligation (FTO):** The District will employ roughly 469 full-time faculty, during 2007-08, which is more than enough to meet the projected minimum-FTO, calculated at 386 FTEF (Full-time Equivalent Faculty).
- **College Allocations:** The budgets for operations and adjunct faculty are based upon 2007-08 FTES goals. The allocation for adjunct faculty was calculated using established budgetary formulas. The allocation for college allocations was calculated using a new formula that eliminated previous growth disincentives.
- **District Office and Districtwide Costs:** District Office, Facilities, Police Services, and other Districtwide budgets are based upon prior expenditure levels, and are augmented for known increases (and decreases). Two of the larger decreases are:
 - a projected decrease in electricity costs as a result of the District’s energy-savings and solar-panel projects; and
 - approximately \$1 million in savings, primarily from the shifting of allowable managerial bond-expenditures from the Unrestricted Fund to the Bond Fund.
- **50% Law:** The District will meet its 50% law requirement (that no less than 50% of total costs of education costs are spent on instructor salary costs).

Net Resources over Uses

- **2007-08 Resources in Excess of Uses:**

Based on the above assumptions, the District's 2007-08 "resources" (beginning fund balance plus revenues, totaling \$177,299,858) exceed "uses" (expenditures plus a minimum 5% reserve, totaling \$164,821,439), by \$12,478,419.

Net Expenditures over Revenues

- **2007-08 Ongoing Expenditures in excess of Ongoing Revenues:**

Based on the above assumptions, the District's 2007-08 ongoing expenditures exceed ongoing revenues by \$1,248,487. This is a *temporary situation* created by the 1.25% "fronted growth" that was part of the negotiated agreements reached with the District's employee-groups. Although deemed unlikely, should enrollment-growth not take place, by the end of 2008-09, this "fronted" cost would be eliminated from the budget. The 2007-08 cost of the "fronted growth" is \$1,285,858. Were it not for this cost, ongoing revenues would have exceeded ongoing expenses by \$37,371.

- **2007-08 One-time Expenditures in excess of One-time Revenues:**

As of the Adopted Budget, there are no projected "one-time" state revenues. One-time local revenues are recognized as they are earned. As such, the Adopted Budget only shows the one-time expenditures planned for 2007-08.

Ending Fund Balance

- The "total" Unrestricted General Fund, Ending Fund Balance is projected to be \$20,327,059 and is comprised of the following "ongoing" and "one-time" components. This represents a reserve of 12.95% of total expenditures.

Ongoing Components:

- \$7,796,537 which represents the projected minimum 5% reserve required for 2007-08 ongoing expenditures. (For 2007-08, this required a transfer of \$1,248,487 from the "One-time" component of the Ending Fund Balance.)

One-time Components:

- \$52,103 which represents the projected minimum 5% reserve required 2007-08 one-time expenditures.
- \$3,180,478 which represents the "currently projected" college carry-over of unspent, 2007-08, self-funded, fee-based, and co-curricular activities.
- \$9,297,941 which represents all remaining fund balance in excess of reserve and designated amounts. This represents an additional reserve of 5.92% of total expenditures.

It Takes a Village

District and College Accomplishments: 2006 – 2007 Academic Year

Presentation to the Governing Board
September 26, 2007

**Contra Costa
Community
College District**

pathways to success

Village Goals and Objectives

- Achieve enrollment growth to better serve our community.
- Reestablish the fiscal health of the District.
- Improve morale throughout the entire District.
- Improve student learning and achievement of their educational goals.

Village Services: 2006 - 2007

- The District served 58,451 students.

CCC: 12,625

DVC: 32,207

LMC: 13,619

- The District generated 29,592 FTES.

CCC: 6,084

DVC: 16,734

LMC: 6,774

- The District had a total budget of \$171.3M.

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The West Village

- “Meetings with Mack” were held during the fall and spring semesters to hear staff concerns.
- Another successful Staff Appreciation Day (5/4/07) was held for classified, faculty, managers and students. The event involved games, music and food.
- High school students who did not pass the CASHEE exam were recruited to attend CCC. This effort was funded by a grant from the State Chancellor’s Office.
- CCC resurrected the Pyramid Program after a five-year hiatus. This program is designed to encourage African American youth to remain in school and to consider college as an option after high school graduation. 23 students were enrolled in the class.



The Central Village

- Major collegial efforts were made by administrators, faculty and classified senates through frequent meetings and planning of meaningful, inclusive events to improve campus morale. Collegial assistance was sought from both the Community College League of California (CCLC) and the Statewide Academic Senate to help gain a shared vision of shared governance.
- Many outreach efforts were restored, focusing on the reestablishment of high school liaisons.
- Due to efforts of dedicated staff, relocation to the new San Ramon Center took place over a weekend with zero student attrition.
- Significant progress was made in developing a DVC website to make it easier for staff to provide accurate and updated information to the students and the community.
- A major study related to the District's environmental scan was completed by the Office of Planning and Research. DVC's 2006-2011 Strategic Plan and its 2007-2017 Educational/ Facilities Master Plan were also completed.



The East Village

- LMC completed its largest facilities expansion since its opening in 1974, including the completion of both the new library and the new math building in June 2007.
- The Process Technology (PTECH) manufacturing training program was initiated. This diversely populated program adds a high wage, high growth curricular offering to LMC's Vocational/Career training options and identifies LMC as heavy industry's most skilled and responsive training/educational partner in the Bay Area.
- LMC exceeded its FTES target for 2006-2007 and it had a positive operating budget balance. Additionally, the 2002 Measure A projects were completed within accepted budget tolerances.
- The college's efforts in student learning outcomes (SLOs) and assessment are well underway as a faculty-led process with institutional support – fiscal, moral, and intellectual.
- LMC staff, faculty, managers and students expanded their involvement with community organizations, civic groups and public events. In addition, the Foundation has sponsored a very well-received speaker series.



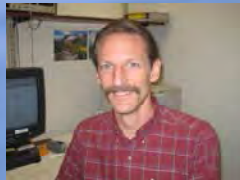
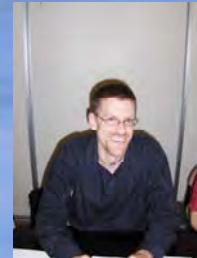
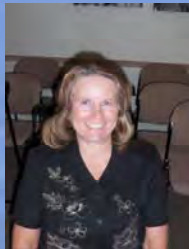
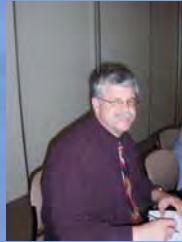
The Village Depot

- The District made significant progress in re-establishing its fiscal health by spending conservatively and planning realistically, resulting in the following:
 1. a District reserve well beyond the required 5% minimum;
 2. restoration of the reduced salaries of all employees; and
 3. development of a plan for funding the retiree health benefits liability.
- Technology audit was completed and major improvements were made to the system resulting in smooth registration processes at all sites.
- The five-year decline in enrollment was halted and a .26 enrollment increase was achieved.
- Significant progress was made in filling a backlog of vacant classified positions across the District.



The Village People

- Leadership Team for 2006 - 2007



Village Plans: 2007 - 2008

- Create Districtwide college enrollment management plan that includes access and equity.
- Develop comprehensive, Districtwide plan for professional development.
- Analyze results of November employee morale survey to identify key opportunities for improvement and address them by location, including access and equity issues.
- Develop action plan for implementation of the District strategic plan.
- Implement educational and facilities master plans.
- Develop and implement Emergency Preparedness Plans for seven locations.
- Conduct ongoing assessment of appropriate relationship between colleges and District.
- Establish dialogue around ethics.
- Complete accreditation self-studies.
- Establish parameters and timeline for parameters of classification study for classified employees.
- Develop equitable adjunct faculty (C-hourly) budget and allocation model.
- Develop and implement an evaluation schedule for all managers and confidential employees.