Standard III.D: Financial Resources

Financial resources are sufficient to support student learning programs and services and to improve institutional effectiveness. The distribution of resources supports the development, maintenance, 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 level of financial resources provides a reasonable expectation of both short-term and long-term financial solvency. Financial resources planning are integrated with institution planning.

Submit comments

Skyline College's overall budget for 2005-06 was $37,404,534, of which $21,364,388 is in the general unrestricted fund. Ninety-five percent of the general unrestricted fund is expended on salaries and benefits.

The College relies primarily on its share of the District's general unrestricted fund. In the past, site allocations were calculated using the average FTES for the past three years. Under this allocation model, sites received additional funding as enrollment increased, however in 2000-01, use of the three-year average FTES was discontinued. Instead, site allocations were increased each year for COLA, long service increments and step and column increases only. Any new funding was distributed based on the proportion of each site allocation to the district total. There were no provisions for funding special programs, nor rewarding growth.

In Spring 2003, the District Committee on Budget and Finance began work in developing a new resource allocation model. The new model must be simple, predictable and stable. It must protect the integrity of base funding, accommodate good and bad years, and be in synch with the District's mission and goals. DCBF developed a new resource allocation model which takes into consideration the 3-year average of FTES. The model was approved by the District Shared Governance Council for implementation in fiscal year 2006-2007. (Budget Handbook section 5)

In FY 2002-2003 and 2003-04, the SMCCCD was forced to reduce its general unrestricted fund budget by $12 million largely due to the state's budget deficit. Skyline had to reduce its budget by $3.5 million. The College did not have any significant reserves to meet the cuts. Instead of lay-offs, the Strategic Alternatives to Institutional Funding Committee (SAIF) made recommendations to the President on how to address the budget reduction. The committee recommended that some positions left vacant after retirements not be replaced. In addition, several vacant faculty, staff and administrator positions were un-funded. The hourly instruction budget was considerably reduced, and the prior year ending balance was given up.

Submit comments

The College relies on vacant positions to provide funding for hourly instructional and counseling salaries as needed, as well as funding for unforeseen expenditures that arise. Skyline has not yet recovered from this budget reduction. The College's ability to offer additional sections or develop new programs continues to be significantly impacted as a result of these budget cuts.

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

Description
The development of the College budget is driven by the College's vision, mission, values, goals and strategies, in accordance with the College's Educational and Facilities Master Plan, Matriculation Plan, Student Equity Plan, the Accreditation Planning Agenda and others.

Submit comments

In Fall 2002, Skyline College began work on a new strategic and operational planning process. The process began with a strategic analysis of the internal and external environment (i.e. enrollment and community demographics, economic and labor market shifts, and educational and technological advances) to determine trends that could impact enrollments, programs, services, staffing and facilities planning decisions. The planning cycle included annual work plans along with an annual year-end report on the progress made in each of the ten goal areas. As a result of this process, division deans and departmental directors submitted the first three-year work plans in March 2006.

In addition to being the transition year from the annual to the three-year work plan, fiscal year 2005-06 was also the implementation year for planning and budget process changes. In previous years, the College developed a tentative budget. College goals were incorporated in the Tentative Budget report which was published by the District. While the goals remained the same year after year, the College also identified specific priority activities for each institutional goal. At that point, Skyline did not have a long-term strategic plan. There was great uncertainty about the state budget as well. The District's status as a self-supporting District also contributed to the difficulty in making long-range projections

Self Evaluation
Financial planning, through the processes described above, is now guided by the mission and goals of Skyline.

Submit comments

Planning Agenda
None

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

Description
Until fiscal year 2002, the Planning and Budget Committee (renamed College Budget Committee) was primarily responsible for the allocation of the College's discretionary budget. Funding for budget requests was prioritized considering program needs, FTES

and load for the division and program. Hiring priorities, the instructional equipment priority list and program reviews were presented to the Planning and Budget Committee for information. There was no direct link between goals and budget.

(Note from Steering Committee: Please note that this seems to repeat what is stated several paragraphs up—is that intentional?) In Fall 2002, Skyline began work on a new strategic and operational planning process. The process began with a strategic analysis of the internal and external environment (i.e., enrollment and community demographics, economic and labor market shifts, and educational and technological advances) to determine trends that could impact enrollments, programs, services, staffing and facilities planning decisions.

Submit comments

In 2003, the Strategic Planning Task Force was formed composed of student, faculty, staff and community members. In-depth analysis and review of community needs, labor markets (current and projected) were performed in the course of the study. This exercise resulted in the formation of the Institutional Planning Council (IPC) in September 2003. The IPC, which is governed by charter and By-Laws of the College Council, is the primary body responsible to coordinate, communicate and integrate College-wide planning at Skyline College (http://www.smccd.net/accounts/skypro/IPC/index.htm). It is also the primary body responsible for the development and implementation of the College-wide performance measurement system (i.e. indicators, metrics and benchmarks) and the College-wide research agenda. The IPC's initial task was to define the College's mission statement, vision, and values. In addition, one of its first recommendations was to move from an annual to a three-year work plan. Subsequently, goals were established and during the 2005-2006 school year, strategies were developed for each goal. To date, the College has five goals each with one to three strategies. (mission_vision_values_goals_strategies.pdf) The three-year work plan is delineated according to the Skyline College Budget and Planning Calendar. The Calendar encompasses 31 activities which specifically detail the integration of financial planning with all institutional planning for the college. (Office of Institutional Planning, Research, and Institutional Effectiveness: (http://www.smccd.edu/accounts/skypro/home.html)

Self-Evaluation

The College meets this standard. Through IPC and the Skyline College Planning and Budget committee, financial planning is integrated with and supports all institutional planning.

Submit comments

Planning Agenda

None.

Standard III.D.1.b.

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

Description

In Fall 2005 the IPC began the revision of the planning process in an effort to more closely link the strategic planning activities to the budget planning process. In addition, the IPC led an effort to develop strategies that are aligned to each goal so that departments and divisions could develop objectives in response to a concrete set of guideposts. The outcome of these revisions are: 1) A more useful version of the division work plans, 2) An extended cycle of planning (one year development and three year implementation), and 3) An improved process for linking budgetary decisions to planning actions. For the first time Skyline College has produced a three year College-wide work plan. This plan will be implemented over the course of three years with annual reviews and revisions as needed. A year-end report on the objectives will continue as an annual update on progress made toward each goal area.

Submit comments

Goals and strategies are prioritized by the instructional and student services leadership teams and submitted as a recommendation to the IPC. (See Budget & Planning Process flowchart*)* Final recommendation is made to the President. Divisions develop their work plans guided by the prioritized goals and strategies as well as program reviews and state mandates. During the budget development process, divisions submit to the College Budget Committee (CBC) funding requests for faculty and staff positions and discretionary items (e.g. supplies, equipment needs).

The CBC reviews and evaluates each request using a rubric (Exhibit III.D.1.b.2) which measures the request against prioritized goals, strategies and activities. Funds are allocated depending on the amount of available funds in the College's general unrestricted fund site allocation. The CBC submits its budget recommendation to College Council. College Council in turn submits the budget to the President for final approval.

Skyline College is dependent upon state revenues for a major portion of its funding and is therefore highly sensitive to fluctuations in enrollment. The College implemented a number of strategic initiatives aimed at increasing enrollment, which have been informed through program reviews and dialogue with faculty and staff.

Further, the District has developed a managed hiring program to be used in the event of state revenues decreases. This plan was used in fiscal year 2003 in order to implement cost reductions without layoffs.

Submit comments

Each year departments identify faculty, staff and discretionary (i.e. supplies and instructional equipment) through the program review process. Instructional equipment requests are presented annually by the Division deans to the Instructional Leadership Team, where they are prioritized and funded based on the availability of state Instructional Equipment funds. Requests for faculty positions are developed and prioritized by the divisions and then forwarded to the FTEF Allocation Committee for review and prioritization. Based on available funding, the CBC makes recommendations to the Academic Senate, who in turn recommend to the Vice Presidents and finally the President as to the number of faculty positions to be included in the following year's budget allocation.

Self-Evaluation

The College meets the requirements for this standard. Resources and expenditures are carefully assessed each year through a combined College and District process. From FY 2000-01 to 2004-05, Skyline held the record across the district of having the lowest cost per FTES for Student Services expenditures. During the same period, except for FY 2001-02, Skyline's cost per FTES for Instruction and Instructional Services was also the lowest of the three colleges in the district. (Exhibit III.D.1.b.3)

Submit comments

There is a continual effort to ensure an adequate college budget to successfully implement identified goals and strategic planning efforts. In addition, the College is working to increase its reserves which have been in decline over the past years, in order to remain fiscally solvent.

Planning Agenda

None.

Standard III.D.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.

Description

Skyline has identified its financial priorities through the development of a long range educational and facilities master planning process. As a result of this process, short-range financial plans will be able to be addressed that are aligned with the long range planning. Several components of this educational and facilities master plan will be accomplished as the result of the passage of a new bond issue of $468,000,000 in 2005. The Education and Facilities Master Plan will reflect changes in educational programs and current campus facilities needs.

To address both long term and short term financial needs not other wise funded, the College is supported by the San Mateo County Community Colleges Foundation (SMCCCF) and by Skyline's Office of Development, Marketing and Public Relations (see Standard IIID.2.e).

Submit comments

Financial reserves are maintained by the College District in order to meet long-term obligations as well as budget emergencies. Current reserves are maintained at approximately 4 percent of the District operating budget. This, in conjunction with other District reserves, has led to the District having a reserve approximating 9% per year. See Standard IIID.2.c for further discussion.

The District also addressed long term liabilities by establishing a Post-Retirement Benefits Fund to cover the medical insurance costs for retirees. In addition to capping the benefits a number of years ago, the District also started putting $1.5M per year into the

Post-Retirement Benefits Fund, which has now amassed over $24M. The District will be contracting for an actuarial study of its liability in fiscal year 2006-07.

Self-Evaluation

The College does not fully meet the standard. As a result of the budget reductions in FY 2003-04, Skyline's ending balance has been in decline since. During FY 2005-06 and 2006-07 the district budgeted $1.5 million to help the colleges bump up enrollment. Skyline relied on its share of these FTES growth enhancement funds to add sections and increase marketing and outreach efforts that otherwise would have been difficult to accomplish given the college's lean budget.

In addition, the District does not yet have a plan in place to address the long term issue of funding post retirement benefits. However, plans are in place to begin addressing this issue in Fall 2006, starting with the actuarial study.

Submit comments

Planning Agenda

After receiving the actuarial study, develop a plan for addressing the unfunded liability.

Standard III.D.1.d.

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

Description

Skyline defines and follows its guideline and process for financial and budget development and provides all constituent groups with the opportunity to participate in developing institutional plans and budgets through the shared governance process. The IPC, CBC, and College Council are broad-based committees made up of all constituencies including faculty, staff and administrators.

The District Committee on Budget and Finance is a District wide committee representing all constituencies at all three Colleges. The District Committee on Budget and Finance meets on a year round basis. The Committee prepares an annual budget calendar consistent with the requirements of the California Education Code. Meeting minutes and other materials are available on the District Committee on Budget and Finance website. College Council and the IPC hold monthly meetings during the academic year, while the CBC meets twice a month. All three groups publish meeting notes, agendas, and informational handouts to the campus community via Skyline Notes at http://www.smccd.net/accounts/skynotes/ .

Submit comments

Self Evaluation

The College meets the standard. Shared governance policies ensure that all major constituencies are represented throughout the budget development and planning process.

Planning Agenda

None.

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

Description
The Banner software is used at SMCCCD. Information is available and accessible to managers on the Banner system. Upon request, managers are able to retrieve budget data and reports in detail or in summary. The purchasing and procurement system in place have spending controls that preclude charges to accounts that have insufficient funds. Procurement cards with established dollar limits are issued to appropriate staff and approved by department managers.

Submit comments

Decisions to augment budgets go through an approval process beginning with department and division heads, then through the Vice President offices and finally completed at the Budget Office.

Self-Evaluation
Since the last accreditation visit, the creation of a new position of Financial Analyst to assist the Director of Business Services has contributed greatly to the success of Banner training at Skyline. Several upgrades of the software have also improved user proficiency. Communication between managers, staff and the College Business Office has improved and a more thorough understanding of the finance system has evolved in the last five years. The total count for purchasing training District Wide during the timeframe 2001 - 2006 is the following: Freshman 56, Sophomore 58, and Junior 15. From Employee Voice Survey Skyline provides adequate opportunities for training in technology related to my area of responsibility. The results are the following: 2.8% Completely Disagree, 11.2% Disagree, 28.8% Somewhat Agree/Disagree, 38.6% Agree and 18.6% Completely Agree.

Evidence: Email between Skyline College and District on Freshman Training and General Training for banner.

Sophomore Banner Training Materials
http://www.smccd.edu/portal/Finance/Forms/AllItems.aspx?RootFolder=%2fportal%2fFinance%2fFinance&View=%7b3E36E34B%2dA4FD%2d4F11%2dB785%2d8B7524E43FA4%7d

Submit comments

Planning Agenda
None.

Standard III.D.2.a.
Financial documents, including the budget and independent audit, reflect appropriate allocation and use of financial resources to support student learning programs and

services. Institutional responses to external audit findings are comprehensive, timely, and communicated appropriately.

Description

Allocation of resources to support student learning programs and services are reflected in the annual planning process. As required by the California Education code, an annual audit is performed by an independent Certified Public Accountants (CPA) firm on all financial records of the District, including all District funds, student financial aid, bookstore, associated students, trust funds and reports required by the state. The annual audit report is presented to the Board of Trustees by the independent auditor. The audited financial report is placed on the District website and is available to all.

Submit comments

The District prepares financial reports which include budget at year end and at mid-year. These reports are presented to the board of trustees and are available to all on line. The mid-year report and final budgets is distributed to the members of the Skyline College Budget Committee and the District Committee on Budget and Finance.

San Mateo County Community College District Budget Reports

http://www.smccd.edu/accounts/smccd/aboutdistrict/budget.asp

At the end of each month, the District Business Office performs the close and generates month- end reports, which indicate financial activities for the month, by fund, with comparisons of actual year-to-date expenditures versus budgets and remaining budget balances. These reports are made available to the College Business Services for distribution to the divisions and departments. The District strives to complete each month-end close on or before the 10th of the following month. Financial statements are provided to departments and divisions on a monthly basis.

Each College department and division office in conjunction with the College Business Office monitors budget activity and provides reports to College staff for planning and decision-making.

Self-Evaluation

Skyline College meets this standard; Educational Master Plan, Strategic Plan and Program Review guide the College in review and assessment of the financial resources needed to support student learning programs and services in addition to the current financial resources currently used in this area.

Submit comments

Audit findings are supported by recommendations by the external auditor and require a response by the affected department in the form of an action plan. The annual audit report is presented to the Board of Trustees by the independent auditor. The audited financial report is placed on the district website and is available to all.

SMCCCD Portal Accounting: SMCCD AUDIT Report 05

http://smcweb.smccd.net/portal/Accounting/SMCCD%20AUDIT%20RPT%2005.pdf

District Audit
http://smcweb.smccd.net/portal/District%20Information/Rules%20And%20Regulations/8_05.pdf

Auditing of Courses
http://smcweb.smccd.net/portal/District%20Information/Rules%20And%20Regulations/6_31.pdf

Submit comments

San Mateo County Community College District Budget Reports
http://www.smccd.edu/accounts/smccd/aboutdistrict/budget.asp

Audit findings have been relatively minor and have been appropriately addressed. The district has obtained an unqualified opinion for many years. This means that the auditors believe that the District's financial statements fairly represent the financial position of the District. The district became fiscally accountable in July, 2005. This was a process that required the District to take more responsibility for and strengthen its internal controls and gave it the ability to process its own payroll instead of having the County Office of Education prepare the payroll.

Planning Agenda
None.

Standard III.D.2.b
Appropriate financial information is provided throughout the institution.

Description
SMCCCD uses the Banner system to record and monitor functions and activities related to student, financial aid, finance, position control, payroll, grants and human resources. In finance, fund accounting is used to account for revenues and expenditures separately for each fund. The final budget is loaded after Board approval. Expenditures are recorded through the requisition and procurement card processes in which orders go through approvals beginning with the division administrator and finally the Business Office. Similar processes are followed for expediting budget transfers, expense reimbursements, independent contracts and petty cash.

Submit comments

Skyline College uses the Banner Finance Module to record and review financial transactions and information online. Each manager has access to all accounts, both restricted and unrestricted, for which they are responsible. The manager has the option to view Banner screens or run various reports at any time using either native Banner or through WebSMART. These records are accurate and reliable. Unposted documents (i.e. documents awaiting review) are not reflected and only included in the amounts displayed online and on reports as of the date they are approved and posted. Efforts to improve user training have been significant within the last couple of years. The General Services

Department as well as the College Business Services offices have successfully trained number of users and managers. College staff is trained on how to access and interpret financial reports. Additional budget workshops at the College are held as needed to disseminate budget information.

External funds and grants are all restricted. Coordinators are responsible for program administration and budget monitoring. The College Business Office and the District Grants Analyst also have oversight responsibilities.

The Skyline College Budget Committee is the primary budget recommendation group for the College, thereby establishing recommendations to the College administration on College budgetary matters. The Committee is responsible for reviewing the revenues and expenditures of the College. Notes from the meeting of this group can be found at http://www.smccd.net/accounts/skycbc/home.html, along with agendas and the compendium of committee members.

Submit comments

The District Committee on Budget and Finance is made of all major College constituencies from all three Colleges. Information on budget development, minutes as well as other financial information is posted on their website. Additional information posted on the District websites includes year end and mid-year budget reports, the audited comprehensive financial statements, annual budget calendar and information on capital project. This information is available to all.

District Committee on Budget and Finance
http://www.smccd.edu/portal/dcbf/default.aspx

San Mateo County Community College District Budget Reports
http://www.smccd.edu/accounts/smccd/aboutdistrict/budget.asp

Self-Evaluation
The College meets the standard in that the information is readily available.

Planning Agenda
None.

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

Submit comments

Description
The District prepares and annually presents to the Board of Trustees a cash flow statement prior to assessing the need for issuing Tax Revenue Anticipation Notes. This cash flow is updated monthly and as needed. Each year, the District issues Tax Revenue Anticipation Notes (TRANs) to provide the necessary cash flow to fund District operations prior to the receipt of property tax and State apportionment revenues. A

separate cash flow is developed for capital project expenditures prior to the issuance of any bonds.

The District monitors its risk strategies regularly. The District recently reviewed alternative risk management programs with the objective to reduce the budgetary burden, improve claims administration, improve the scope of coverage, and achieve greater overall value. The review included an examination of the District's claims history and costs and an actuarial study of the District's Workers' Compensation program. As a result, the District withdrew from the various joint powers authorities that it was a member of and procured insurance independently as well as increasing the self-insured retention, deductibles and, in some cases, self-insuring.

Submit comments

The District maintains insurance of various types, including employee health benefits, and a workers' compensation plan. The District obtains health benefits from CalPERS and the San Mateo County Schools Insurance Group (SMCSIG). The District is self-insured for workers' compensation insurance. The District maintains property insurance over $300,000,000 with a deductible of $150,000. The District maintains liability insurance coverage up to $15,000,000, with a self-insured retention that varies between $7,500 and $200,000. Coverage above $5,000,000 is provided by SELF

The District conservatively budgets both revenues and expenditures with the expectation that unforeseen occurrences typically occur. The District's budget provides for a 4% reserve to address financial emergencies. Each year, the District issues Tax Revenue Anticipation Notes (TRANs) to provide the necessary cash flow to fund District operations prior to the receipt of property tax and State apportionment revenues. In addition to using TRAN proceeds for cash from its other funds.

Self-Evaluation

The College meets the standard.

Planning Agenda

None.

Standard III.D2.d

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.

Submit comments

Description

The institution has an annual external audit, prepared in accordance with generally accepted accounting principles, that is comprehensive and thorough. All externally funded programs, grants and financial aid require year-end financial and program reports that are submitted to the State Chancellor's Office after final review by the District. All grant and externally funded program journal entries, new hires and purchase requisitions are approved by the Skyline College Business Office prior to action at the District level.

The student body accounting is done by the College Business Office with oversight by the District.

Institutional investing is done at the District level, utilizing the San Mateo County investment pool as well as other investment options as needed. The San Mateo County Community Colleges Foundation (SMCCCF) is a separate 501(C)3 entity and is not a component unit of the District.

In addition, the College Business Office prepares financial summary reports for review by the Cabinet, the management council and College Budget Committee. Regular training is available for all managers in printing and understanding reports from the District's Banner system.

Submit comments

Self-Evaluation

Skyline College meets the standard in a manner consistent with the goals and mission of the College. The College follows a financial review process that starts at the Division level and includes evaluation by the College Budget Committee, the President's Cabinet and the College Council for all decision making. This process is documented through the College Business Office to the District level.

Planning Agenda

None.

Standard III.D.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.

Description

The San Mateo County Community Colleges Foundation (SMCCCF) seeks funding from the private sector for scholarships and other projects not funded by Skyline College. The Foundation works with the College President in an effort to seek funding that will support the mission of the College. Funds raised from individuals, corporations and foundations are received, documented, and administered by the SMCCCF. Funds raised by Skyline College are deposited with the Foundation, and the Foundation accountant prepares and distributes the checks for reimbursement for Skyline projects and scholarships after receiving the appropriate invoices and paperwork.

Submit comments

The Foundation is governed by a 24-member Board of Directors. Twenty two are community volunteers and two are ex-officio, the District Chancellor and Executive Vice Chancellor. The Foundation undergoes an audit separate from the District. As a separate entity, the foundation operates independently and is responsible for its annual independent audit to ensure that the SMCCCF is handling the assets of donors in accordance with their wishes.

San Mateo County Community Colleges Foundation (SMCCCF)
http://www.smccd.net/accounts/foundation/
http://www.smccd.net/accounts/foundation/about.html
http://www.smccd.net/accounts/foundation/message.html
http://www.smccd.net/accounts/foundation/pdfs/fdtn_annual%20report_0405_combined%20pages.pdf

The Foundation is governed by a 24-member Board of Directors. Twenty two are community volunteers and two are ex-officio, the District Chancellor and Executive Vice Chancellor. The Foundation undergoes a separate audit from the District. As a separate entity, the foundation operates independently and is responsible for its annual independent audit to ensure that the SMCCCF is handling the assets of donors in accordance with their wishes.

Submit comments

Foundation Current Board Members
http://www.smccd.net/accounts/foundation/board.html

Skyline's Office of Development, Marketing and Public Relations is dedicated to developing effective communications about the accomplishments of the College, its faculty and students, and to maximize financial contributions to the College. The department works closely with the SMCCCF, its non-profit partner.

In its fundraising role, the Office of Development, Marketing and Public Relations works in conjunction with the President's Council, composed of community leaders who serve as advisors to the President. The primary role of the President's Council is to provide community input and feedback for the resource development program at Skyline College. Membership of the council includes representatives from business, industry, government, nonprofits and other organizations whose commitment to Skyline College provides a strong base of knowledge and support for the President of the College.

In addition, there is a President's Council Advisory Board, a group of community leaders that agree to support the College, and when called upon, offer advice. The President's Breakfast, held annually in the spring, is the major fundraising event of the year. The President's Breakfast Committee of the President's Council oversees the planning and execution of the event, during which funds are raised from individuals and businesses for the President's Innovation Fund.
http://www.smccd.net/accounts/skypio/pif/index.html

Submit comments

All funds raised by the Office of Development, Marketing and Public Relations are deposited with--and disbursed by--the SMCCCF.
http://www.smccd.net/accounts/skypio/

The President annually presents funding priorities to the Foundation. The recent priorities are:
President's Innovation Fund, Friends of Skyline Scholarship Fund & Jump Start. The Development, Marketing & Public Relations Office secures grant support for Jump Start, and contracts with a grant writer for that project.

College President's Priorities, 2005-06
http://www.smccd.edu/accounts/foundation/projects.html

The College Auxiliaries includes the following activities: bookstore, food service, and associated students. The bookstore is managed and operated through the District office, food services is contracted out by the District office, and the associated students reports directly through the college. The College Auxiliary Services Advisory Committee (CASAC) whose members are also on the District Auxiliary Services Advisory Committee (DASAC), meet two to three times a year and more if needed. These committees make recommendations and provide input into the operations, and assist in assuring that college mission and goals are met. DASAC's agendas and minutes are available online. The bookstore staff works closely with the college to make sure student concerns are addressed; for example, the bookstore handles the EOPS grants as well as other grants and interfaces with the student financial aid system. ASSC, the student government organization, is the responsibility of the College.

Submit comments

District Auxiliary Services Advisory Committee (DASAC)
http://www.smccd.edu/portal/dasac/default.aspx

Other financial resources available include funds from two bond issues, approved by voters in 2002 and 2005 for capital improvements. As of June 2006, expenditures of bond funds and other capital outlay funds district-wide total approximately $185,000,000. The bond measure mandates a citizens' advisory committee, which is responsible for the oversight of all bond expenditures. This 11 member committee meets quarterly and is responsible for reviewing the annual independent audit of bond expenditures and has preview over all bond financed projects in the District.

Swinerton Management was hired by the District to assist in managing the projects. Projects are designed and implemented with input from various ad hoc committees from the college faculty and staff. President's cabinet provides input and oversight to assure college mission and goals are met.

All funds, including grants, contracts and auxiliaries, are audited annually. Auxiliaries, with the exception of Associated Students of Skyline College (ASSC), are managed by the District and they operate under the same financial requirements, procedures and policies that apply to Skyline College. ASSC, the student government organization, is the responsibility of the College.

Submit comments

Self-Evaluation
By assuring that grant applications are consistent with the College mission and goals, by working with the auxiliaries to ensure that services meet the needs of the students and staff in a cost-effective manner and by managing bond funds wisely with significant oversight, the College ensures that the mission and goals will be achieved and assets safeguarded.

Planning Agenda
None.

Standard III.D.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.

Description
Contracts are required for annual service, maintenance agreements, professional services, copyright or licensing agreements, and facility or vehicle rental. These contracts need to be submitted to the Office of the Executive Vice Chancellor for review and approval prior to the services being rendered. Board approval is required for contracted services in the amount of $50,000 or more. An exception to this amount is public contract code agreements, which require Board approval if they exceed $15,000.

Submit comments

Purchases exceeding $65,100 for materials, supplies or services sold or leased to the District must be legally advertised, formally bid and awarded by the Board of Trustees to lowest responsive bidder. There are two exceptions to the $65,100 limit: public contract code work, and professional services. Public works projects require the formal bidding procedure if expenditures are greater than $15,000. This process must be completed before purchase orders can be issued. Professional services are exempt from bid requirements.

Three written quotations must be obtained and compared for competitive pricing on the purchase of any services or equipment in excess of $5,000. Purchases exceeding $1,000 require three verbal or simple e-mail quotes. For purchases in excess of $20,000, but less than the legal bid requirement of $65,100, a Request for Quotations, must be prepared.

Contracts are required for service work performed by an independent contractor. An independent contractor is defined as an individual who performs a service for the District, rather than a company or individual who provides a tangible product to the District. Independent contractors are in business for themselves and they are responsible for their own tax reporting to the IRS. The independent contractor uses a social security number for tax identification purposes, rather than a federal tax ID number. SB1419 sets specific guidelines for appropriate use of Independent Contractors.

Submit comments

Purchasing Procedures and Contract Requirements
http://www.smccd.net/purchasing/policies.htm
http://www.smccd.net/portal/PurchasingGeneral%20Services/Contracts/Standard_Services_Contract_2006.doc

Standard Services Contract 2006
http://www.smccd.edu/portal/PurchasingGeneral%20Services/Forms/AllItems.aspx?RootFolder=%2fportal%2fPurchasingGeneral%20Services%2fContracts&View=%7b8AFE6C40%2d7CF1%2d4862%2dA192%2d6A9BDF155231%7d

Additional contracts include, but are not limited to: 1) Clinical agreements for placement of students in clinical settings, 2) Grant and sub-recipient contractual agreements, 3) Facilities usage agreements, 4) Vendor agreements held by the San Mateo County Community College District Office that produce revenue for the College and Associated Students, 5) Bookstore agreements held by the San Mateo County Community College District office.

Self Evaluation

The College has sufficient controls in place to assure that contracts and agreements are consistent with the College's goals and missions and appropriate controls are also in place to ensure the integrity of the process.

Submit comments

Planning Agenda

None.

Institutional Planning Committee (I P C)

http://www.smccd.edu/accounts/skypro/IPC/index.htm

Planning Agenda

None.

Skyline College Budget and Planning Calendar

http://www.smccd.edu/accounts/skypro/planning/planning_calendar_vr7.pdf

Description

Policies and procedures regarding contracts are developed and implemented in compliance with: Education Code, Public Contracts Code, and Civil Code. Only the Chancellor and Executive-Vice Chancellor are authorized to sign contracts for the District. A contract without these signatures is not a valid contract.

Self Evaluation

(Note from Steering Committee: It's not clear what this is addressing; please revise to reflect standard.) RE: FAILURE TO PERFORM. If, at any time, in the opinion of District, Contractor fails to render services of proper quality or has failed to perform, keep, and observe any of the terms or conditions herein contained on the part of Contractor to be performed, kept, and observed, District may give Contractor written notice to correct such conditions or cure such default; and if any such condition or fault shall continue for ten (10) days after said written notice, then, and in that event, the Agreement shall cease and expire. Thereupon District or its duly authorized representative may employ other parties to carry the Agreement to completion as District may deem proper.

Submit comments

Planning Agenda:

Provide better assessment in survey.

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

Description

The formation of the District Committee on Budget and Finance in 2002 has created a process of shared governance among District constituencies. In its role as the primary forum responsible for SMCCCD's budget decision-making, the District Committee on Budget and Finance reviews the budgeting process and financial information at the District and College level. Policy changes and procedures are discussed during their bi-monthly meetings. The information flows to the Skyline College Budget Committee for discussion, input and recommendations at the College. A committee of business officers, the Business and Finance Officers Group (BAFOG), and business staff from the District meet monthly to discuss, evaluate and make recommendations on financial processes such as internal controls and software enhancements. This group regularly assesses the effectiveness of business processes and discusses and implements needed changes. Any recommendations in the annual audit are quickly addressed. Information from BAFOG is shared with Cabinet, the Management Council and the Skyline Finance Operations Group (SKYFOG) which is the college's business operations team. This group is composed of staff from all college units who are responsible for performing various activities relating to purchasing, payroll and budgets.

Submit comments

Banner financial reports are available on line for all divisions to review and track all expenditures. Quarterly reports are sent to managers. Divisions can also request financial reports from the Business Services departments. Divisions can also request in-person meetings with the Business Services finance employees for more in depth knowledge or guidance with regards to financial analysis of their divisions' budgets, or completion of any required year end reports. District finance and purchasing staff are invited to the college to hold training and familiarization sessions as needed.

Skyline Finance Operations Group (SKYFOG) is Skyline College Business Operations Team.

District Committee on Budget & Finance
http://www.smccd.edu/portal/dcbf/default.aspx

Submit comments

Business and Finance Officers Group (BAFOG)
http://www.smccd.edu/portal/District%20Information/Forms/AllItems.aspx?RootFolder=%2fportal%2fDistrict%20Information%2fBAFOG&View=%7bF268A2B9%2d228C%2d4AE5%2dB3A1%2dEF3D1F2D2DB1%7d

Skyline College Budget Committee (CBC)
http://www.smccd.edu/accounts/skycbc/home.html

Self-Evaluation

Both the College and the District review, revise and occasionally revamp the business processes to keep the flow of financial information timely, accurate and useful for decision-making.

Planning Agenda

None.

Standard III.D.3

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

Submit comments

Description

The effective use of the institution's financial resource is assessed by the Skyline College Balanced Scorecard (BSC). The Skyline College Balanced Scorecard (BSC) is a strategic management system adopted by the Skyline College Institutional Planning Committee (a shared governance committee) as a way to enhance the existing college-wide planning process. The BSC translates the college vision and mission into meaningful indicators which are directly linked to college goals and strategies. The BSC provides a vehicle for collaborative decision-making by measuring, tracking and communicating performance of goals and strategies.

The Balanced Scorecard makes use of a set of core indicators that define and measure institutional effectiveness. This effectiveness is viewed from four perspectives, each with a balance of financial and non-financial indicators and measures: Internal Stakeholders, External Stakeholders, Financial and Operational Performance, and Growth and Innovation. The BSC incorporates a balance of lead indicators which identify what the college puts into the system to drive performance, and lag indicators which identify outputs or explanations of institutional performance. These outcomes are reported through a Scorecard which tells how well the college is performing. The Scorecard uses benchmarks which were established through a collaborative process of research, analysis and negotiation among the various constituency groups across the college. These benchmarks provide the means for assessing goals and adjusting strategies for meeting these goals. Financial and Operational Performance is measured using the following benchmarks: Productivity, FTES, WSCH, Efficiency, Budget Efficiency, Facilities Planning. (http://www.smccd.edu/accounts/skypro/balancedscorecard/home.htm)

Submit comments

Self Evaluation

The institution systematically assesses the effective use of financial resources and uses the results of the evaluation as the basis for improvement. (Note from Steering Committee: This repeats the language of the standard with nothing else added. Please add more and include the planning agenda section.)

Planning Agenda