

constituencies the current status of campus technology, and the agreed-upon priorities for technology upgrades. The team strongly encourages the college to develop a long-range Technology Plan. (IIC2)

Financial Resources

The college has established a mission statement which is reviewed periodically and has incorporated the goals and expectations for the college into its EMP. The college notes evidence that it relies upon this mission statement as the foundation for its financial planning. Through the EMP the college has procedures and processes in place that link financial planning to institutional planning. However, there is not sufficient evidence that these processes are systematically reviewed to ensure effectiveness. (IID1).

The department, discipline and program (DPP) plans are the primary evidence cited in linking institutional planning to financial planning. Future funding needs of the college are recorded in the Planning and Needs Assessment (PNA) component of the EMP. These resource needs are reviewed by CPAC and a recommendation is forwarded to the president. All human resource, major technology and facilities requests must also be forwarded to the Chancellor's Cabinet for approval. At this level decision making is based on balancing the needs of the district and the needs of the college. Despite the recent financial difficulties experienced throughout the district the college is commended on its ability to continue operating and expanding the college with limited discretionary resources. (IID1b)

Through the CPAC, the college reviews revenues and expenditures and recommends a budget to the college president. CPAC is comprised of various constituent groups on campus and acts within a participatory governance model. However, when some large resource requests are presented to the committee some constituent groups have not given its representatives authority to act. On several occasions the Academic Senate has required that recommendations of the CPAC be reviewed by the Senate. This process renders the CPAC ineffective at making timely recommendations and may impede the planning process from having meaningful input in the budget development process. The team recommends that the constituent groups commit to vesting recommendation making authority in its representatives on the CPAC.

CPAC considers information on the districts revenue and expenditure outlook as well as the needs of its programs and facilities. Through the support of the Administrative Services office CPAC makes every effort to develop financial plans that reflect a realistic assessment of available resources. However, the college relies heavily on the district office to manage fixed expenses and the financial planning of the college must react to revenue and expense changes that affect the district. Additionally, with the construction of several new facilities funded by Measure E the college will need to work with the district to insure that sufficient funding is identified for the furnishing, equipment and maintenance needs of new facilities. (IID1b).

The majority of financial resources for SCC are controlled at the district level. RSCCD has instituted prudent levels of reserves (currently at 5%) as well as maintained generally accepted accounting practices. The district in coordination with SCC identifies and plans for payment of current and future liabilities. Evidence of this exists in the budget allocation process, its annual budget, and annual financial statements. Furthermore, the district has actuarially determined its future port-retirement benefits liability. It has established a fund to set aside monies to pay for this liability and annually contributes 1% of salaries and the amount paid out for retiree health premiums to this fund (currently budgeted at \$3,770,463) as determined during the budget allocation process. The college, with the support of the district, is encouraged to determine its long-term fiscal exposure and develop a funding mechanism for establishing necessary reserves that will mitigate potential negative effects on the college's future operating budgets.

The RSCCD Board has established clear policies that govern the process for financial planning and budget development. Evidence of this exists in Board Policies #3000-3405. Through the district BAPRC and the college's CPAC the college has a defined process for financial planning. (IID1d)

RSCCD has a financial audit conducted annually by a qualified accounting firm. The results of the audit are presented to the Board and made available to the colleges and all constituents. The previous audit was unqualified and no exceptions noted. The district also prepares, approves and distributes an annual budget for the district and each college. These budgets reflect a systematic and transparent allocation of financial resources to support student learning. However, SCC has raised concerns that the current allocation model does not adequately support all of the goals of its EMP. (IID2a, IID2b).

Financial reports that communicate information on the budget and in particular reserve levels, expenditures, fixed costs, cost of insurance and workers' compensation and cash flow requirements are made available by the SCC Administrative Services Office and the RSCCD. Board Policies #3216, 3220, and 3201 demonstrate evidence that such financial reports are required by the district. The district also maintains oversight of all bargaining unit agreements, contractual relationships, grants, externally funded programs and auxiliary functions. The district fiscal services division, in coordination with SCC, manages all major accounting functions and provides all state and federal reporting. Evidence of this oversight exists in the districts annual financial audit (IID2c, IID2d, IID2e, IID2f).

Through the BAPRC and the CPAC both the district and the college have mechanisms to evaluate the financial management processes. The SCC CPAC reviews the budget process and the opportunity exists for constituent groups to make recommendations. Likewise, recommendations on the district budget process can be made through the BAPRC. The Self-Study Report again expresses concern that recent financial difficulties have made it difficult for SCC to adequately support the costs associated with growth. The college is encouraged to look at external funding sources, increase the capacity of its foundation and work with the district office to identify means to fund the growth needs of the college. (IID3)