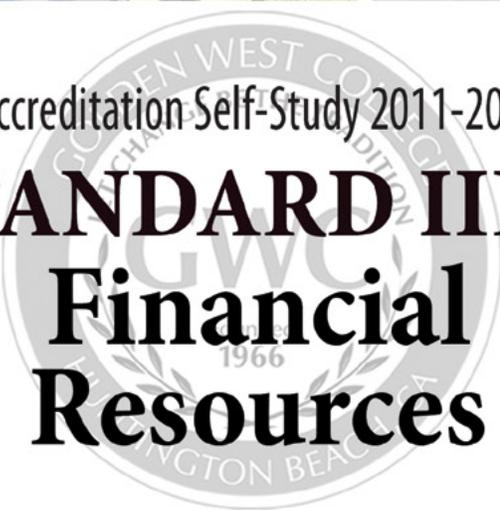




Accreditation Self-Study 2011-2012

STANDARD III.D

Financial Resources



Standard III.D Subcommittee

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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 is integrated with institutional planning at both college and district/system levels in multi-college systems.

III.D.1

The institution mission and goals are the foundation for financial planning.

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

III.D.1.a Descriptive Summary

In 2004, Golden West College (GWC) adopted the Pathways document that outlines the College's Mission Statement, Vision Statement, and Educational Philosophy as well as the College Goals. This Pathways document was created from the College Master Plan that was also adopted in 2004. This Pathways document guided the college through its planning until last year when a new master plan was completed. This new Educational Master Plan will guide the campus' planning and integrate the financial decision process ([III.D.1.a.01: Pathways 2004](#); [III.D.1.a.02: GWC Educational Master Plan 2011](#)).

GWC has a Planning and Budget committee that consists of over 25 individuals who represent all constituent groups on campus ([III.D.1.a.03: Planning and Budget Membership](#)). In addition to the Planning and Budget Committee (P&B), the College has two planning teams that consist of Student Life and Administrative Services Planning Team and the Student Success Committee/ Planning Team. Each of these planning teams reviews and updates their goals annually with the master plan as its guide. In addition to the two standing committees, the campus has established two specialized subcommittees: one for technology and another for facilities, safety and land development. These specialized subcommittees report to the P&B Committee. The Technology Subcommittee, which is co-chaired by an administrator and a faculty member, makes recommendations to the P&B Committee that are in line with the Technology Master Plan. The Facilities, Safety and Land Development Subcommittee, which is chaired by the Vice President of Student Life & Administrative Services and the Academic Senate President, makes recommendations to the P&B Committee. Both of these subcommittees are constituent-based committees ([III.D.1.a.04: Membership Lists of Planning Teams, College Technology and Facilities, Safety and Land Development](#)). These standing committees help the larger P&B Committee stay informed to assist them in their decision-making process.

Through the campus program review process, departments/divisions are asked to identify One Time Funding requests ([III.D.1.a.05: Program Review Directions and Forms](#)). One Time Funding requests are for those projects that require funding outside of a department/division's existing budget ([III.D.1.a.06: Spreadsheet of One Time Funding Requests](#)). These one-time funding requests are categorized and submitted to the appropriate committee for review. The committees review for feasibility and present the lists to the P&B Committee for consideration. The final list is then sent to the President for a final decision.

III.D.1.a Self Evaluation

GWC meets the standard.

District policy on budget preparation guides the work of the College in fiscally supporting integrated planning ([III.D.1.a.07: Board Policy 6200 Budget Preparation 0512](#)). Throughout the years, the Pathway 2004 document has also guided the college in its planning efforts. Planning and Budget utilizes the Pathways 2004 goals to establish a "wildcard" rating to be considered when items are considered for funding through the program review process ([III.D.1.a.08: Program Review Directions and Forms](#)).

In addition to the Pathways document, the College planning structure has demonstrated the flow of information from various committees to the P&B Committee for consideration and potential funding ([III.D.1.a.09: Core Planning Committee Structure October 18, 2011](#)).

In 2007, the District funded a technology initiative to put a computer in every faculty office as well as in every classroom. Although the computers were a great addition to the campus, there was no consideration for the printer needs that would follow. In March 2008, the College Technology Subcommittee made a recommendation to the P&B Committee to fund the purchase of 50 printers to be utilized throughout the campus. On March 12, 2008, the Vice President, Administrative Services brought that proposal to the P&B Committee and received authorization to purchase the printers ([III.D.1.a.10: Planning and Budget Meeting Summary, March 12, 2008](#)).

This same process is followed for the Facilities, Safety and Land Development Subcommittee as well. The District provided the College with funds to be spent on Emergency Preparedness on campus. In late 2007, the Facilities, Safety and Land Development Committee discussed the option of hiring a consultant to help the campus develop an Emergency Response Plan. This recommendation was made to the P&B Committee in December 2008. The P&B Committee approved the expenditure. The College now has a comprehensive emergency response plan ([III.D.1.a.11: Planning and Budget Minutes re Emergency Response Plan](#)).

Although there may not always be funding for all initiatives, it is imperative that the planning continue to identify needs on campus. With this in mind, the program review process continues to help the College identify needs. This process identifies requests for equipment, supplies, facilities and personnel. Creating this list also allows the College to identify needs and to look for potential external sources of funding.

III.D.1.a Actionable Improvement Plan

None

III.D.1.b

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

III.D.1.b Descriptive Summary

The extent of resources available to the College is determined by analyzing several different pieces of information that are compiled to establish the campus' available financial resources. Being part of a larger district, GWC relies on the Coast Community College District's (CCCD) Allocation Model to identify our allocation for the fiscal year ([III.D.1.b.12: CCCD Allocation Model](#)). This model includes state apportionment as well as dedicated revenue ([III.D.1.b.13: Dedicated Revenue Projections](#)). GWC is asked to estimate its revenue for the year. Revenue sources include facility rental income, non-resident tuition, transcript fees, and many other sources. This is revenue that comes back directly to the campus. A tentative model is established in early spring that gives each campus the ability to start its tentative budget development process.

In March of each fiscal year, the Fiscal Services Office distributes budget development worksheets to each department with a cover letter identifying the amount of funds they are allocated. These are typically rollover budgets from the prior year ([III.D.1.b.14: Budget Development Memorandum and Sample Budget Sheet](#)). If additional funding is requested, those requests must be processed through the program review process and forwarded to the P&B Committee.

Any necessary modifications to the allocation model are made based on updated information from the May revise or changes in estimates from the District. If required, budget development sheets are redistributed.

At the beginning of each fiscal year, the College reviews its ending balance from the previous year, its State apportionment, and all other sources of funding. This review allows the campus to get an overall picture of its financial resource availability. These documents are presented to the P&B Committee for review ([III.D.1.b.15: Allocation Information Presented to Planning and Budget](#)). Recommendations are made to the College President on how these funds should be allocated.

The College utilizes State Funded Equipment dollars, when available, as well as State Lottery funds to help equip classrooms with updated technology and supplies. These funds have assisted in getting a variety of items for the classrooms from whiteboards to computer labs. In addition, the CCCD passed their Measure C local bond that has paid for classroom improvements, computer labs, and new facilities for the campus.

The College actively seeks external funding for programs and develops partnerships with local businesses to assist in meeting its financial needs. Although the campus does not have a Grants Office or Resource Development Office, the College has been quite successful in acquiring various sources of funding. From fiscal year 2006/2007 through 2011/2012, Golden West has received over \$7,000,000 in grants from various sources ([III.D.1.b.16: Grants Received](#)).

In addition, the Foundation received a \$1,000,000 cash donation from the Frank and Gertrude R. Doyle Foundation for a naming opportunity of the new School of Nursing Building. These funds have been endowed and the interest designated to the support of the building and the programs. In 2010-2011, the Foundation also distributed \$145,625 (2010-2011) in student scholarships ([III.D.1.b.17: Scholarship Information](#)).

The College is continually looking for creative ways to make additional revenue that would help support student success efforts. In Spring, 2013, representatives from each college within the Coast Community College District will be working on increasing facility rental income by reviewing the current board approved rates. We need to remain competitive with our rates. We find that we are receiving more requests from outside agencies to utilize our facilities. This could potentially create a much larger source of income ([III.D.1.b.18](#): *Current Board Approved Facility Rate Sheet*).

III.D.1.b Self Evaluation

GWC meets the standard.

The District Vice Chancellor for Finance and Administrative Services meets regularly with the campus Vice President of Student Life and Administrative Services. These meetings allow the campus to stay up to date on the most current financial information from the District. The budget development sheets that are distributed in March are based on a tentative budget model created by the District. Although, the College is provided budget information throughout the year, the official Tentative Budget Model is printed in June. In August, the District prints and distributes the Adopted Budget Model. This final budget allocation model for the given fiscal year identifies the figure to which each campus has to balance. There are sometimes discrepancies requiring changes, but they are minor. These changes usually result from changes to dedicated revenue on the College's part or last minute updates from the State. Overall, these projections are very close to the final figure ([III.D.1.b.19](#): *Tentative and Adopted Budget Models 2009-10 and 2010-11*).

Any identified reductions are communicated to the P&B Committee for discussion. In 2010-11, the College was facing reductions of approximately \$950,000 and this information was shared with the P&B Committee ([III.D.1.b.20](#): *Planning and Budget Summaries April 28, 2010, May 26, 2010 and September 8, 2010*).

In agreement with the District, each college is able to keep any ending balance identified at the end of the fiscal year. This provides incentive for the College to increase its revenue generating opportunities as well as keep expenses to a minimum. At the beginning of the next fiscal year, this information is presented to the P&B Committee to identify potential uses. At the end of 2010-11, GWC had an ending balance of \$1.8 million ([III.D.1.b.21](#): *Planning and Budget Summary September 14, 2011*). Subsequent discussions took place as to how much of the money would be allocated to one-time requests. ([III.D.1.b.22](#): *Planning & Budget Minutes, September 28, 2011*)

III.D.1.b Actionable Improvement Plan

None

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, plans, and allocates resources for payment of liabilities and future obligations.

III.D.1.c Descriptive Summary

District-level administrators annually evaluate long-range financial planning that involves GWC. The CCCD Board of Trustees, the District Chancellor, Vice Chancellor for Finance and Administrative

Services, and the Administrative Director of Fiscal Services provide advice and consent. These senior administrators and the Board of Trustees make budgetary planning decisions based on anticipated revenue and planned expenditures ([III.D.1.c.23: Budget Presentation to the Board of Trustees](#)). This group informs the three colleges within the District. After receiving the District's budgetary planning decisions, the President of GWC sends that information to several constituent groups, including the Vice Presidents, the P&B Committee, and the Academic Senate.

One of the most significant long-term financial obligations the District faces is the retiree health benefit liability. The Board of Trustees passed a resolution in fall, 2005 to set aside funds to address the future obligation. As part of the District's ongoing assessment of future obligations, a retiree liability actuarial study is performed biannually to determine the amount of the District's retiree health benefit past-service liability as well as the normal cost. The amortization of the unfunded liability plus the normal cost equals the annual required contribution. The District has a funding plan and is currently funded above the required amount resulting in an asset in the District financials. Funds are deposited in an irrevocable trust ([III.D.1.c.24: Board Minutes September 15, 2010 p. 11 item 22.01](#); [III.D.1.c.25: Actuarial Study](#)).

At the campus level, the annual financial plan includes a review of the prior year's actual expenditures and revenue, and projected ongoing operations and obligations. The budget is then adjusted to meet the needs of the new fiscal year. Once that amount has been established, the College P&B Committee determines funds to be utilized for one-time projects. Knowing that this amount can fluctuate, the committee makes this funding decision on an annual basis to insure flexibility.

GWC has instituted the capital replacement schedule to ensure proper planning. On an annual basis the P&B Committee reviews the list of existing assets with a value greater than \$10,000. This list includes the estimated useful life of the asset as well as the projected date of replacement. The P&B Committee prioritizes items that are anticipated to need replacement in any given fiscal year. The P&B Committee then allocates any available funds to this replacement schedule on a priority basis ([III.D.1.c.26: Capital Replacement Schedule](#)).

III.D.1.c Self Evaluation

GWC meets the standard.

Long-term financial planning is done at the District level. This can prove difficult given the challenging financial situation at the State level. The long-term planning has to be flexible given the revenue fluctuations. Short-term financial planning is done at the District and College levels. The District provides an overall allocation to GWC and the campus works within the guidelines of that allocation to balance its budget on an annual basis ([III.D.1.c.27: Chancellors Budget Forum 5/7/12](#)).

Departmental needs are identified through program review. Ideally, funding would be available on an annual basis to fund a portion of the high priority items. Unfortunately, due to ongoing budget reductions, it has been difficult to identify funds.

III.D.1.c Actionable Improvement Plan

None

III.D.1.d

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

III.D.1.d Descriptive Summary

The P&B Committee makes recommendations to the President. The P&B is comprised of representatives from all constituent groups. This committee meets twice a month throughout the academic year, with special meetings being scheduled if necessary. The goal is to keep all constituent groups updated on the status of the State, District and Campus budget. The Vice President of Student Life and Administrative Services presents quarterly statements to the P&B committee and provides updates as they are received and answers questions as asked ([III.D.1.d.28: Planning and Budget Quarterly Statement for September, 2012](#)).

As previously mentioned, the budget development cycle begins each spring. At that time, each department/division is given the opportunity to reallocate its existing funds to the appropriate accounts where it anticipates the need. If additional funds are needed, then through the program review process, a request can be made for One-Time Funding.

The College has several auxiliary operations that have established annual budgets: Community Services, Associated Student Body, Foundation and Enterprise. Each of these auxiliaries operates independently with outside funding sources ([III.D.1.d.29: Auxiliary Operations Budgets](#)). The P&B Committee is beginning to review these budgets and major expenditures. The Enterprise, or Swap Meet, is a corporation that has a Board of Directors that meets quarterly and ratifies all expenditures. Large expenditures are approved prior to being expended.

III.D.1.d Self Evaluation

GWC meets the standard.

Although there is a process for budget development and budget analysis, there are some individuals who have expressed a desire to know more about the budget process; both budget development and budget management. These processes are being reviewed and a Budget Development and Management packet is under development to address these concerns.

Throughout the year, the Vice President of Student Life and Administrative Services provides budget updates to the P&B Committee to ensure that all constituent groups are given an opportunity to get up-to-date financial information ([III.D.1.d.30: Minutes and Reports, Planning and Budget](#)).

During budget development, the Director, Fiscal Services provides budget development worksheets and a cover letter giving direction. Each manager is provided the appropriate development sheets that coincide with their areas of responsibility. All categorical and grant budget development sheets are distributed by the campus, but the District does the budget development input for those programs (IIID.1.d 4: *Sample Budget development sheet and cover memo*).

III.D.1.d Actionable Improvement Plan

None

III.D.2

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

III.D.2.a Financial documents, including the budget and independent audit, have a high degree of credibility and accuracy, and reflect appropriate allocation and use of financial resources to support student learning programs and services.

III.D.2.a Descriptive Summary

The CCCD has an internal audit department that frequently reviews College financial documents to ensure the financial integrity of the auxiliary operations.

The District Office also contracts with an independent external audit firm to complete the annual financial audit for the entire district. The audit is conducted in accordance with generally accepted accounting standards that are applicable to the College. These standards are set forth in the Governmental Accounting Standards Board (GASB). These standards require that the independent auditor obtain reasonable assurance that the financial statements are free of material misstatement. The audit includes examining test documents, financial statements, and supporting documentation.

In addition to GASB, the CCCD also follows the guidelines of the California Community Colleges Budget and Accounting Manual. Each fiscal year, after its adoption by the District Board of Trustees, the College and District budget is disseminated to the State Chancellor's Office and the Orange County Department of Education.

As required by the 50% law, at least 50% of the District's General Fund allocation must be spent directly on Instruction. Based on the District's calculation, all three campuses are in compliance with this regulation.

III.D.2.a Self Evaluation

GWC meets the standard.

College practice is guided by Board policy on fiscal management ([III.D.2.a.01: Board Policy 6300 Fiscal Management](#)). Throughout the year, the District Internal Audit department visits the campus to ensure that bank reconciliations are completed in a timely manner. In addition, they complete a random sample of payments made to ensure compliance with the appropriate accounting principles. Upon completion of this review, the Internal Auditor submits quarterly reports to the Board of Trustees ([III.D.2.a.02: Quarterly report to Board of Trustees](#)).

Over the last six years, GWC has received clean audits with no material findings. There have been findings, such as material fees, which the College has worked diligently to correct in an expeditious manner ([III.D.2.a.03: Past six years external audit reports](#)).

In addition to the adopted budget being submitted to the State Chancellor's Office, the District Office also completes the CCF311 which is a state report that provides a summary of revenue and expenditure categories for the District as well as compliance with the 50% law, lottery proceeds, and inter-fund transfers. This report is completed by the District Office and submitted annually ([III.D.2.a.04: District Budget](#); and [III.D.2.a.05: CCF311 the Annual Financial Report](#)).

III.D.2.a Actionable Improvement Plan

None

III.D.2.b

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

III.D.2.b Descriptive Summary

Based on the external auditors' annual audit, Golden West has had no material findings for the last six years.

The District, in working with the colleges selects an external audit firm. This process is done in conjunction with the Audit and Budget Committee that has representatives from the Board of Trustees, District and the campuses.

The District's Internal Audit department coordinates the external audit effort and schedules accordingly with the campus. The audit process includes all general fund, Foundation, Enterprise and Auxiliary Accounts.

III.D.2.b Self Evaluation

GWC meets the standard.

All correspondence with the auditors and responses to all questions and/or findings are comprehensive, timely and communicated clearly and thoroughly. ([III.D.2.b.06](#): *External Audit reports for the last six years*)

III.D.2.b Actionable Improvement Plan

None

III.D.2.c

Appropriate financial information is provided throughout the institution.

III.D.2.c Descriptive Summary

The College community may review financial information at any time through the District financial management system, Banner. In addition, those individuals who require access to the auxiliary financial information have access to Dynamics, the auxiliary accounting software, to request up-to-date reports. Those individuals without access to the District system or Dynamics can request a report through the College Fiscal Services Office at any time and receive up-to-date reports and financial statements.

In addition to financial information being available through the financial management system, regular updates are provided to constituent groups through P&B, Academic Senate, ERC Planning Team, and Student Life and Administrative Services Planning Team. If there is a specific item that groups are interested in, then a more detailed presentation will be made in an effort to keep everyone informed.

Budget development sheets are distributed to department/division heads in spring, which also show expenditures to date. These development sheets are utilized to input the Tentative and

Adopted Budget ([III.D.2.c.07](#): *Budget Development Memorandum and Sample Budget Sheet*). Hard copies of the Adopted Budget are made available as requested and are available online on the District Website.

The external audit report is distributed upon request.

III.D.2.c Self Evaluation

GWC meets the standard.

The Banner implementation has taken several years, but, throughout that time, people have learned to benefit from the system. Although report writing is not perfect, there has been improvement in that area as individuals are allowed to gain access to the financial information and learn more about the budget.

Managers and their support staff have access to the Banner finance system. Managers are expected to monitor their budgets and be responsible for his/her accounts. Each manager also has access to approve purchase order requisitions in their area of responsibility. Once approved, the requisitions are forwarded electronically to the appropriate vice president and then to Fiscal Services for processing. Fiscal Services provides training for new hires and updates to existing personnel ([III.D.2.c.08](#): *Banner approval documentation*).

On a regular basis, the Vice President for Student Life and Administrative Services provides updates to the P&B Committee on the current expenditure patterns of the College. In addition, on an annual basis, the previous year's expenditures are summarized by major category and presented in graph and pie chart format ([III.D.2.c.09](#): *Planning and Budget minutes*).

The budget details for the District as well as the [budget summaries](#) are available at. These documents provide overall information for the District and each individual college.

III.D.2.c Actionable Improvement Plan

None

III.D.2.d

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

III.D.2.d Descriptive Summary

The College auxiliary operations have established annual budgets. In these budgets, the surplus from the previous fiscal year is included as distributable funds ([III.D.2.d.10](#): *2011-2012 Auxiliary Budgets*). The Associated Student Body requests proposals from the campus and prioritizes and, when possible, funds these proposals. These proposals range from funding hourly/student employees in the Tutoring Center to paying for referees for athletic events. The Associated Student Body (ASB) sponsors many student events. For instance, College Diversity Week and College Preview Day are greatly supported by the ASB.

Community Education offers various non-credit classes to the community that range from yoga to notary training ([III.D.2.d.11](#): *Calendar of Events*). This program is currently under review for potential growth opportunities and partnerships with outside agencies.

The Swap Meet on campus is held each weekend and operates quite successfully. Their revenue is utilized to fund campus improvements and repairs to parking lots and grounds. They also pay a rental fee for use of the parking lot, which is included in the campus dedicated revenue and contributes directly to the general fund. Their support helps free up funds that can be utilized in support of instruction and other student services.

The auxiliary operations on campus are operated with the best interest of the College and students in mind and serve the mission and goals of the campus.

The use of facilities by outside groups and agencies provides a welcomed revenue source to the campus. In FY 10-11 the District raised its rental fees for facility usage that has generated additional revenue to help GWC work toward its budgetary goals ([III.D.2.d.12](#): *Board Minutes February 16, 2011 page 15 22.02 (040-2.1.1)*).

III.D.2.d Self Evaluation

GWC meets the standard.

On an annual basis, the Associated Student Body (ASB) distributes an application form for potential funding to the various units at the College ([III.D.2.d.13](#): *Funding Application*). The number of requests for ASB funding has grown over the course of the last few years due to the reductions of general fund department budgets. The Finance Commission, which is co-chaired by the Vice President of Student Life and Administrative Services and the Student Finance Commissioner, meets annually to review the ASB proposed budget and to review each of the applications for potential funding. The students review each proposal and consider the greater good of the student body when making recommendations on funding to the College department applicants ([III.D.2.d.14](#): *Associated Student Body Budget*).

The Foundation greatly supports the campus goals and objectives. The annual Gala, which the Foundation coordinates, realizes proceeds that support student scholarships and important campus programs and projects that directly benefit students. These projects include the annual donation to the Star Book Reserve Program that provides needed textbooks to the Library for student use ([III.D.2.d.15](#): *2010-11 Foundation Annual Report - Gala, Star Book Reserve Program; p. 10 & 11*).

The Enterprise (Swap Meet) contributes greatly to the general fund budget on campus ([III.D.2.d.16](#): *Dedicated Revenue Projections*). In addition to its contribution to general fund, the Enterprise provides support for parking lot repairs and restriping, tree trimming and salary reimbursements ([III.D.2.d.17](#): *Enterprise Expense Statements*).

III.D.2.d Actionable Improvement Plan

None

III.D.2.e

The institution's internal control systems are evaluated and assessed for validity and effectiveness and the results of this assessment are used for improvement.

III.D.2.e Descriptive Summary

During the annual external audit, the auditors identify any material weaknesses that they may identify. As they are identified, the campus works to put the necessary controls in place to rectify. If a weakness were identified, the college would work closely with necessary personnel on campus and at the District to monitor the controls put in place to ensure that no further weakness existed.

III.D.2.e Self Evaluation

GWC meets the standard. No weaknesses have been identified.

III.D.2.e Actionable Improvement Plan

None

III.D.3

The institution has policies and procedures to ensure sound financial practices and financial stability.

III.D.3.a 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.

III.D.3.a Descriptive Summary

Through the CCCD funding model, the institution has sufficient cash flow and reserves to maintain stability. Historically, the District has achieved estimated revenue projections and been able to maintain operations. During the 2004-2005 fiscal year, the CCCD Board of Trustees prepared a board resolution mandating reserves of 5% or higher. As of June 30, 2011, the District reserves were greater than 5%, with additional contributions being made to the District Retiree Health Benefit Liability.

Cash flow is governed by the state budget. Once the state budget has been approved by the legislature, apportionment is channeled through the Orange County Office of Education and received monthly by the District Accounting Office. Enrollment fees and non-resident tuition are received at the beginning of the fall and spring semesters, and property tax revenue is received throughout the property tax cycle. During a period of surplus cash flow, the District invests the surplus in the Orange County Treasury Office to maximize return. When cash flow is tight and funds are needed to meet operational costs, the District has had an agreement with County Treasurer to borrow cash during the fiscal year.

The CCCD is a member of the State-Wide Association of Community Colleges (SWACC) and maintains insurance policies to protect itself from financial loss from liability claims and/or property damage. The District Office of Risk Management is responsible for monitoring and ensuring federal and state mandated compliances with the Air Quality Management District (AQMD), California Occupational Safety and Health Administration (Cal OSHA), hazardous materials, storm water management, and environmental health and safety issues.

III.D.3.a Self Evaluation

GWC meets the standard.

The District and the College work closely to ensure that there is sufficient cash flow and reserves to provide stability. The colleges within the Coast Community College District has reduced course offerings and made reductions elsewhere as required to meet budgetary needs. In addition to making reductions, the District and Colleges have implemented cost saving measures through separation incentives, negotiated benefit savings and operational reductions. The College continually monitors its expenditure patterns and shares that information with the Planning and Budget Committee on a quarterly basis ([III.D.3.a.01: Quarterly Financial From Planning and Budget](#)).

III.D.3.a Actionable Improvement Plan

None

III.D.3.b

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

III.D.3.b Descriptive Summary

The CCCD Board of Trustees is responsible for fiscal oversight of the District. As part of the Board's ongoing fiscal oversight, the Board reviews quarterly budget reports. All financial aid, grants, categorically-funded programs, externally-funded programs, contractual relationships, and auxiliary organization expenditures must be approved by the CCCD Board of Trustees.

The GWC Fiscal Services Department and the District Office monitor the general fund requisitions and expenditures. Both offices insure that expenditures being made are in compliance with State Law and District guidelines. There is a multi-layer approval process that is followed at a College level and a District level.

In addition to the general fund, the GWC Fiscal Services Department monitors all expenditures out of auxiliary operations. These operations consist of Associated Students, Enterprise, Foundation, and Community Services. The CCCD Board of Trustees must approve any contractual obligations for these entities.

The College contracts out its operation and management of food services to Sodexo. The proceeds from the cafeteria go to the Associated Student Body ([III.D.3.b.02: ASB Financials – Food Services Income and Expenses](#)). Associated Student Body maintains the equipment and the facility. Currently Sodexo is on an annual contract with the campus.

CCCD Enterprise, Inc. oversees the fiscal management of the swap meets within the District, including the swap meet at Orange Coast College and GWC. The Enterprise is a separate corporation whose shareholders include the CCCD Foundation and the CCCD. The campus Fiscal Services Department, in conjunction with the Vice President of Student Life and Administrative Services and the Director of the Swap Meet, monitors the expenditures of these funds to insure they are in line with sound financial practice. An external auditor audits this corporation annually, as is the practice for all auxiliary operations ([III.D.3.b.03: 2011-2012 External Audit](#)).

GWC also has a separate 501(c)3 foundation. Although it has a separate tax identification number, this foundation still operates under the internal control guidelines established at the campus and the district. The CCCD Board of Trustees approves its contracts and agreements and it is subject to an independent audit ([III.D.3.b.04: Foundation Audit](#)). The Foundation also has an established Board of Directors that monitors all expenditures and adopts an operational budget annually.

All categorical programs and contracts are audited on an annual basis at the District Office. These programs include Financial Aid, AB77, EOP&S, CalWorks, Matriculation, and all categorical programs. The District works with the internal and external auditors to ensure that all programs are following the State guidelines and spending specifications ([III.D.3.b.05: External Audit](#)).

III.D.3.b Self Evaluation

GWC meets the standard.

GWC is extremely proud of the clean audits that it has received over the past five years. With an operational budget of \$50,000,000 plus from both General Fund and Auxiliaries, effective controls have to be in place to provide proper oversight. The external audit reports demonstrate this effective oversight ([III.D.3.b.06: External audits for past 5 years](#)).

The College monitors its student loan default rate, which is tentatively 13.9 percent for 2010 ([III.D.3.b.07: GWC Student Loan Default Evidence](#)). The College does not have an excessive rate. Therefore, the College operates within the parameters of the ACCJC policy on compliance with Title IV of the HEA ([III.D.3.b.08: ACCJC Policy on Institutional Compliance with Title IV](#)).

The Enterprise Corporation has a separate Board of Directors, which holds quarterly meetings. In 2011-12, the Board of Directors and the staff support spent a great deal of time reviewing and editing the By-Laws and Master Agreement ([III.D.3.b.09: Enterprise By-Laws and Master Agreement](#)). These documents stipulate the financial commitments to the District. The Enterprise is audited separately and has received clean audits ([III.D.3.b.10: 5 years history of Enterprise audits](#)).

III.D.3.b Actionable Improvement Plan

None

III.D.3.c

The institution plans for and allocates appropriate resources for the payment of liabilities and future obligations, including Other Post-Employment Benefits (OPEB), compensated balances, and other employee related obligations.

III.D.3.c Descriptive Summary

In accordance with the Governmental Accounting Standards Board (GASB) Statements 43 and 45, the District has identified its future liabilities for Other Post-Employment Benefits (OPEB) expenses through analysis by an independent actuary. According to the most recent actuarial report, the District's Actuarial Accrued Liability (AAL) as of May 1, 2012 is \$99,096,647. This amount includes both the Normal Cost and the Past Service Liability for the District's employees determined using various assumptions for mortality rates, inflation, interest rates, service period, etc. In order to mitigate the liability, the District has developed a plan to fund it completely by the 2024/25 fiscal year. This plan takes into account the fact that the District has already set aside over \$44 million in an irrevocable trust with the Community College League of California, as well as over \$9.5 million locally at the County Treasury. In addition to these current assets, the District's Board has approved a plan to contribute \$480,000 of lease revenue annually to the fund, as well as reinvesting the interest earnings on the balance already in the accounts, which results in an estimated \$2-\$3 million annually using a conservative estimate of 4% as a rate of return.

III.D.3.c Self Evaluation

GWC meets the standard.

The District has followed the requirements of GASB 43 and 45 and has developed a plan to fund the liability over the course of the next 15-20 years, even though funding is not required under the GASB 43 and 45 regulations. Barring any changes to the plan made through negotiations, the

District has a plan to fully fund the liability and adjusts the plan every two years according to the current and projected economic circumstances.

III.D.3.c Actionable Improvement Plan

None

III.D.3.d

The actuarial plan to determine Other Post-Employment Benefits (OPEB) is prepared, as required by appropriate accounting standards.

III.D.3.d Descriptive Summary

In compliance with GASB 43 and 45, the District is required to have an independent actuarial valuation of its OPEB liabilities every two years. The District has used an independent contractor to complete an actuarial valuation every two years since 2002. Once completed, the District re-evaluates its plan to fund the liability and adjusts it accordingly. ([III.D.3.d.11: Actuarial Study](#))

III.D.3.d Self Evaluation

GWC meets the standard. The most recent actuarial study was completed on May 1, 2012 and will be utilized in the determination of the District's OPEB asset/liability planning by its external auditors.

III.D.3.d Actionable Improvement Plan

None

III.D.3.e On an annual basis, the institution assesses and allocates resources for the repayment of any locally incurred debt instruments that can affect the financial condition of the institution.

III.D.3.e Descriptive Summary

The college has no locally incurred debt instruments.

III.D.3.e Self Evaluation

GWC meets the standard.

The college has no locally incurred debt instruments.

III.D.3.e Actionable Improvement Plan

None

III.D.3.f

Institutions monitor and manage student loan default rates, revenue streams, and assets to ensure compliance with federal requirements.

III.D.3.f Descriptive Summary

On an annual basis, our external auditor completes a comprehensive audit. This audit includes a review of financial aid, grants, externally funded programs, auxiliary operations as well as the Foundation. The colleges' audits have shown no material weakness ([III.D.3.f.12: External Audit](#)).

In addition, any institution participating in the Title IV programs under the HEA and designating the Commission as their gate-keeping agency, must be able to demonstrate diligence in keeping loan default rates at an acceptably low level and must also comply with the program responsibilities

defined by the U.S. Department of Education. The annual fiscal cohort default rate published by the Department of Education is used to manage and monitor Golden West College's compliance with federal requirements. Golden West College's default rates are at acceptable levels but we continuously work to improve those rates through student counseling and outreach.

III.D.3.f Self Evaluation

GWC meets the standard.

The College is under no sanction and has received no recommendations from the Department of Education. ([III.D.3.f.13: Loan Default Rates](#))

III.D.3.f Actionable Improvement Plan

None

III.D.3.g

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.

III.D.3.g Descriptive Summary

CCCD's general counsel monitors all contracts that the campus is recommending to the Board of Trustees. The College utilizes a strict sign-off sheet to insure that the proposal is approved at various levels on campus. Department managers, the appropriate vice president, and the President are all required to sign off on any Board Request for a contract going to the Board. This form also has a section that requires the requesting department to explain the contract in general terms to establish its importance to the department and the campus. In addition, if there is a fiscal impact statement, the Director of Fiscal Services is also required ([III.D.3.g.14: Board Request Sign Off Sheet](#)).

The College is not engaged in any contractual relationships with non-regionally accredited organizations as defined in the ACCJC policy on that topic ([III.D.3.g.15: ACCJC Policy on Contractual Relationships with Non-Regionally Accredited Organizations](#)).

III.D.3.g Self Evaluation

GWC meets the standard.

Board policy provides a general outline for getting a contract approved and explains that a contract is not enforceable until the Board of Trustees has approved said contract ([III.D.3.g.16: Board Policy 6340, Contracts](#)).

GWC is required to have the Board's general counsel review all contracts for legal concerns. His/her recommendations are integrated into the proposed contract by the originator.

III.D.3.g Actionable Improvement Plan

None

III.D.3.h

The institution regularly evaluates its financial management practices and the results of the evaluation are used to improve internal control structures.

GWC Fiscal Services Department, with the Vice President of Student Life and Administrative Services, works closely with District Fiscal Services and District Internal Audit to insure that all financial management processes are in line with District and State guidelines. These procedures are monitored closely, as is the assignment of duties within the accounting office. Job duties are assigned in a way to ensure segregation of duties. The Internal Audit department reviews reconciliations monthly and conducts surprise cash audits in all departments that handle cash. College departments work with the Internal Auditor and campus Fiscal Services to evaluate existing processes to determine how the College can improve to provide better fiscal management and tracking.

On an annual basis external auditors conduct a complete audit of the District. In addition, they also conduct an interim audit to review accounting processes. The annual audit report is the primary manner in which recommendations for changes or improvements are made.

It is the goal of the campus to conduct self-monitoring and tracking to minimize recommendations for change from internal and external auditors, but, as necessary, changes are made to the financial management process to insure integrity and efficiency.

III.D.3.h Self Evaluation

GWC meets the standard.

In past years, the process for material fees was under review by the auditors. They identified a potential weakness in how the student material fees were being tracked and spent. The campus took these concerns extremely seriously and has implemented a process to ensure that the student material fees are spent in accordance for which they were collected ([III.D.3.h.17: Material fee reports provided to Instruction](#)).

There are numerous departments on campus that deal with cash in their day-to-day operations. Each department that processes cash is required to have cash handling procedures on file in Fiscal Services ([III.D.3.h.18: Cash Handling procedures](#)). Having procedures in place allows the Fiscal Services Department to ensure safeguards for proper handling.

III.D.3.h Actionable Improvement Plan

None

III.D.4

Financial resource planning is integrated with institutional planning. The institution systematically assesses the effective use of financial resources and uses the results of the evaluation as the basis for improvement of the institution.

III.D.4 Descriptive Summary

The College works closely with the District in the development of the Budget Allocation Model. This model is tied to FTE productivity at the college level. Once the model is developed, the College then builds their budget based on the allocation distributed through the model.

At the college level, each department manager is provided budget development sheets with their budget. Each manager is permitted to move their allocation within their own discretionary accounts. They cannot make adjustments to accounts that include contractual obligations. ([III.D.4.01: Budget Development Memo and Worksheet](#)).

In addition to departmental budget development, the College works through their program review process every two years and allows programs/departments to identify additional resources that they may need. These requests are presented to the campus Planning and Budget Committee for review.

As special requests arise outside of the program review process, the requests are presented to Planning and Budget for review and determination of funding.

III.D.4 Self Evaluation

GWC meets the standard.

Board Policy 3250 addresses Institutional Planning and its relationship to financial resource planning ([III.D.4.02: Board Policy 3250](#)). The College has worked diligently to ensure that the program review process is tied to the College's mission statement and goals. The Planning and Budget committee in conjunction with the appropriate campus planning teams helps prioritize the requests that are identified through program review. These prioritized lists are presented to the President of the college as a recommendation for funding.

The President works closely with the Vice President, Student Life and Administrative Services to determine funds that may be available for funding the requests. In recent years, it's been extremely difficult since the College has received no new resources. Even when funds are limited, the process is still completed so that the plans are in place as funding becomes available.

III.D.4 Actionable Improvement Plan

None

Standard III.D Evidence List

Links to evidence are available at www.goldenwestcollege.edu/accreditation2011-2012.

- 3.D.1.a.01: Pathways 2004
[Pathways2004.pdf](#)
- 3.D.1.a.02: GWC Educational Master Plan 2011
http://www.cccd.edu/vision2020/docs/GWC_Master_Plan.pdf
- 3.D.1.a.03: Planning & Budget Membership
[PlanningAndBudgetMembership.pdf](#)
- 3.D.1.a.04: Membership Lists of Planning Teams, College Technology and Facilities, Safety and Land Development
[MembershipListOfPlanningTeams_etc.pdf](#)
- 3.D.1.a.05: Program Review Directions and Forms
[ProgramReviewDirectionsAndForms.pdf](#)
- 3.D.1.a.06: Spreadsheet One Time Funding Requests
[SpreadsheetOneTimeFundingRequests.pdf](#)
- 3.D.1.a.07: Board Policy 6200 Budget Preparation 0512
[BP6200BudgetPreparation0512.pdf](#)
- 3.D.1.a.08: Program Review Directions and Forms
[ProgramReviewDirectionsAndForms.pdf](#)
- 3.D.1.a.09: Core Planning Committee Structure October 18, 2011
[CorePlanningCommitteeStructure10182011.pdf](#)
- 3.D.1.a.10: Planning and Budget Meeting Summary, March 12, 2008
[PlanningAndBudgetSummaryMarch12_2008.pdf](#)
- 3.D.1.a.11: Planning and Budget Minutes re Emergency Response Plan
[PlanningAndBudgetSummaryDecember10_2008.pdf](#)
- 3.D.1.b.12: CCCD Allocation Model
[2011_2012AllocationModel.pdf](#)
- 3.D.1.b.13: Dedicated Revenue Projections
[DedicatedRevenueProjections.pdf](#)
- 3.D.1.b.14: Budget Development Memorandum and Sample Budget Sheet
[BudgetDevelopmentMemorandumAndSampleBudgetSheet.pdf](#)
- 3.D.1.b.15: Allocation Information Presented to Planning and Budget
[PlanningAndBudgetSummarySeptember28_2011.pdf](#)
- 3.D.1.b.16: Grants Received
[GrantsReceived.pdf](#)
- 3.D.1.b.17: Scholarship Information
[ScholarshipInformation.pdf](#)

- 3.D.1.b.18: Current Board Approved Facility Rate Sheet
[CurrentBoardApprovedFacilityRateSheet.pdf](#)
- 3.D.1.b.19: Tentative and Adopted Budget Models 2009-10 and 2010-11
[TentativeAndAdoptedBudget2009_2010and2010_2011.pdf](#)
- 3.D.1.b.20: Planning and Budget Summaries April 28, 2010, May 26, 2010 and September 8, 2010
[PlanningAndBudgetSummaries042810_052610_090810.pdf](#)
- 3.D.1.b.21: Planning & Budget Summary September 14, 2011
[PlanningAndBudgetSummarySeptember14_2011.pdf](#)
- 3.D.1.b.22: Planning & Budget Summary September 28, 2011
[PlanningandBudgetSummarySeptember28_2011.pdf](#)
- 3.D.1.c.23: Budget Presentation to the Board of Trustees
[BudgetPresentationToTheBoardOfTrustees.pdf](#)
- 3.D.1.c.24: Board Minutes September 15, 2010 p. 11 item 22.01
[Board Minutes September 15, 2010 p. 11 item 22.01](#)
- 3.D.1.c.25: Actuarial Study
[ActuarialStudy.pdf](#)
- 3.D.1.c.26: Capital Replacement Schedule
[CapitalReplacementSchedule.pdf](#)
- 3.D.1.c.27: Chancellors Budget Forum 5/7/12
[201213BudgetPresentationChancellorsForum5_7_2012.pdf](#)
- 3.D.1.d.28: Planning & Budget Quarterly Statement for September 2012
[PlanningAndBudgetQuarterlyStatement.pdf](#)
- 3.D.1.d.29: Auxiliary Operations Budgets
[2011_2012AuxiliaryOperationsBudgets.pdf](#)
- 3.D.1.d.30: Minutes and Reports, Planning and Budget
[MinutesandReportsPlanningandBudget.pdf](#)
- 3.D.2.a.01: Board Policy 6300, Fiscal Management
[BP6300FiscalManagement.pdf](#)
- 3.D.2.a.02: Quarterly Report to Board of Trustees
[QuarterlyReportToBoardOfTrustees.pdf](#)
- 3.D.2.a.03: Past six years external audit reports
<http://www.cccd.edu/measurec/reports.aspx>
- 3.D.2.a.04: District Budget
www.cccd.edu/facultystaff/budgetinformation.aspx
- 3.D.2.a.05: CCF311 the Annual Financial Report
[CCF311TheAnnualFinancialReport.pdf](#)
- 3.D.2.b.06: External Audit reports for the last six years
<http://www.cccd.edu/measurec/reports.aspx>

- 3.D.2.c.07: Budget Development Memorandum and Sample Budget Sheet
[SampleBudgetDevelopmentSheetandCoverMemo.pdf](#)
- 3.D.2.c.08: Banner Approval Documentation
[BannerApprovaDocumentation.pdf](#)
- 3.D.2.c.09: Planning and Budget minutes
[120409_092210_092811_091212BudgetPresentation.pdf](#)
- 3.D.2.d.10: 2011-2012 Auxiliary Budgets
[2011_2012AuxiliaryBudgets.pdf](#)
- 3.D.2.d.11: Calendar of Events
<http://gwccommunityservices.com>
- 3.D.2.d.12: Board Minutes February 16, 2011 page 15 item 22.02 (040-2.1.1)
[BoardMinutes021611page15item22_02_040_2_1_1.pdf](#)
- 3.D.2.d.13: Funding Application
[FundingApplication.pdf](#)
- 3.D.2.d.14: Associated Student Body Budget
[AssociatedStudentBodyBudget.pdf](#)
- 3.D.2.d.15: 2010-11 Foundation Annual Report - Gala, Star Book Reserve Program; p. 10 & 11
http://www.goldenwestcollege.edu/foundation/pdf/2011_annualreport.pdf
- 3.D.2.d.16: Dedicated Revenue Projections
[DedicatedRevenueProjections.pdf](#)
- 3.D.2.d.17: Enterprise Expense Statements
[EnterpriseExpenseStatements.pdf](#)
- 3.D.3.a.01: Quarterly Financial From Planning and Budget
[120409_092210_092811_091212BudgetPresentation.pdf](#)
- 3.D.3.b.02: ASB Financials Food Services Income and Expenses
[ASB_FinancialsFoodServicesIncomeAndExpenses.pdf](#)
- 3.D.3.b.03: 2010-2011 External Audit
www.cccd.edu/measurec/docs/financial_audit1011-.pdf
- 3.D.3.b.04: Foundation Audit
[FoundationAudit.pdf](#)
- 3.D.3.b.05: External Audit
www.cccd.edu/measurec/docs/financial_audit1011-.pdf
- 3.D.3.b.06: External audits for past 5 years
<http://www.cccd.edu/measurec/reports.aspx>
- 3.D.3.b.07: ACCJC Policy on Institutional Compliance with Title IV
[ACCJC_PolicyOnInstitutionalComplianceWithTitle_IV_0611.pdf](#)

- 3.D.3.b.08: GWC Student Loan Default Evidence
[GWCStudentLoanDefaultEvidence050812.pdf](#)
- 3.D.3.b.09: Enterprise By-Laws and Master Agreement
[EnterpriseBylawsV9FinalDocumentandEnterpriseSignedMasterAgreementv14.pdf](#)
- 3.D.3.b.10: 5 years history of Enterprise audits
[FiveYearsHistoryEnterpriseAudits.pdf](#)
- 3.D.3.d.11: Actuarial Study
[ActuarialStudy.pdf](#)
- 3.D.3.f.12: External Audit
[www.cccd.edu/measurec/docs/financial_audit1011-.pdf](#)
- 3.D.3.f.13: Loan Default Rates
[GWCStudentLoanDefaultRates.pdf](#)
- 3.D.3.g.14: Board Request Sign Off Sheet
[www.goldenwestcollege.edu/boardforms/](#)
- 3.D.3.g.15: ACCJC Policy on Contractual Relationships with Non-Regionally Accredited Organizations
[ACCJC_PolicOnContractualRelationshipsWithNon_RegionallyAccreditedOrganizations0112.pdf](#)
- 3.D.3.g.16: Board Policy 6340, Contracts
[BP6340_Contracts.pdf](#)
- 3.D.3.h.17: Material Reports Provided to Instruction
[MaterialFeeReportsProvidedToInstruction.pdf](#)
- 3.D.3.h.18: Cash Handling Procedures
[CashHandlingProcedures.pdf](#)
- 3.D.4.01: Budget Development Memo and Worksheet
[SampleBudgetDevelopmentSheetandCoverMemo.pdf](#)
- 3.D.4.02: Board Policy 3250
[BoardPolicy3250.pdf](#)