

COMPTON COMMUNITY COLLEGE DISTRICT
Unrestricted General Fund
For the Year-Ended June 30, 2014

Sound Fiscal Management Self-Assessment Checklist		
	Items	Notes
1	Deficit Spending - Is this area acceptable?	YES
a	Is the district spending within their revenue budget in the current year?	Since FY2011, the District's unrestricted general fund has increased from \$3.0M, to \$4.4M, \$7.1M, \$8.2M in FY2011, FY2012, FY2013, & FY2014, respectively. As a result the District has shown a trend of consecutive years without deficit spending. The District has maintained the minimum reserve requirement of 5% and has shown significant increases in reserves of 13.0%, 23.8%, and 25.40% in FY2012, FY2013 and FY2014, respectively.
b	Has the district controlled deficit spending over multiple years?	Yes – the District has not deficit spent over the periods FY2011 thru FY2014 as evident in the increased unrestricted general fund balances from \$3.1M to \$8.2M, respectively.
c	Is deficit spending addressed by fund balance, ongoing revenue increases, or expenditure reductions?	In the FY2015 budget the District shows deficit spending however this is addressed by utilizing one-time funding allocations with fund balances and expenditure reductions. The District's five year management plan maintains the minimum prudent reserve level, match ongoing expenditures with ongoing revenue, and address funding for retiree health benefit costs through 2017-18.
d	Are district revenue estimates based upon past history?	Yes
e	Does the district automatically build in growth revenue estimates?	Yes
2	Fund Balance - Is this area acceptable?	YES
a	Is the district's fund balance stable or consistently increasing?	The since FY2011, the District's unrestricted general fund has increased from \$3.1M, to \$4.4M, \$7.1M, to \$8.2M in FY2011, FY2012, FY2013, and FY2014, respectively. As a result the District has shown a trend of consecutive years of increase reserves. The District has maintained the minimum reserve requirement of 5% and has shown significant increases in reserves of 9.06%, 13.0%, 23.8%, and 25.40% in FY2011, FY2012, FY2013, and FY2014, respectively.
b	Is the fund balance increasing due to on-going revenue increases and/or expenditure reductions?	The District's increasing fund balance is due from expenditure reductions. Expenditures have been reduced from \$30.3M to \$28.5M from 2011-12 to 2012-13, respectively.
3	Enrollment - Is this area acceptable?	YES
a	Has the district's enrollment been increasing or stable for multiple years?	Course offerings were intentionally reduced in response to our State's reduction of our revenue. Over the past two years, as a result of the passage of Prop 30, the District has seen modest enrollment growth.
b	Are the district's enrollment projections updated at least semiannually?	Yes--our enrollment projections are updated numerous times a year. The enrollment projections are included in the five-year fiscal management plan.
c	Are staffing adjustments consistent with the enrollment trends?	Yes
d	Does the district analyze enrollment and full time equivalent students (FTES) data?	Yes
e	Does the district track historical data to establish future trends between P-1 and annual for projection purposes?	Yes
f	Has the district avoided stabilization funding?	Yes

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4	Unrestricted General Fund Balance - Is this area acceptable?	YES	
a	Is the district's unrestricted general fund balance consistently maintained at or above the recommended minimum prudent level?		The since FY2011, the District's unrestricted general fund has increased from \$3.1M, to \$8.2M in FY2011 to FY2014, respectively. As a result the District has shown a trend of consecutive years of increase reserves. The District has maintained the minimum reserve requirement of 5% and has shown significant increases in reserves of 9.06% to 25.40% in FY2011 to FY2014, respectively.
b	Is the district's unrestricted fund balance maintained throughout the year?		Yes
5	Cash Flow Borrowing - Is this area acceptable?	YES	
a	Can the district manage its cash flow without Interfund borrowing?		Yes – the District manages cash flow concerns without interfund borrowing through the use of TRANS. Annual cash flow projections are updated semi-annually to determine the need and size of the TRAN. However, the District's FY2015 budget does not reflect the use of or need for a TRAN.
b	Is the district repaying TRANS and/or borrowed funds within the required statutory period?		Yes
6	Bargaining Agreements - Is this area acceptable?	YES	
a	Has the district settled bargaining agreements within new revenue sources during the past three years?		The District settled an agreement with the Classified unit to increased the cap on District provided health costs from \$10,000 to \$12,000 per year. The additional increase of \$2K in health care costs was determined by the amount of on-going funds funded with COLA (1.57%). No settlement was made with the faculty unit, however they also received the additional \$2K increase due to the "me too" clause in their contract.
b	Did the district conduct a pre-settlement analysis identifying an ongoing revenue source to support the agreement?		Yes - additional costs were funded with COLA (1.57%)
c	Did the district correctly identify the related costs?		Yes
d	Did the district address budget reductions necessary to sustain the total compensation increase?		Yes - the District reduced personnel during FY2010 – FY2011, offered an early retirement incentive to faculty and did not fill vacancies. In addition, on July 1, 2013, CCCD adopted board resolutions for the eliminating of lifetime health benefits and lifetime life insurance for new confidential and supervisory staff . CCCD also reached agreements with the classified employees and the faculty, eliminating lifetime health benefits and lifetime life insurance for new hires.
7	Unrestricted General Fund Staffing - Is this area acceptable?	YES	
a	Is the district ensuring it is not using one-time funds to pay for permanent staff or other ongoing expenses?		Yes - the District does not approve ongoing expenses with one-time funds.
b	Is the percentage of district general fund budget allocated to salaries and benefits at or less that the statewide average (i.e. the statewide average for is)		At June 30, 2014 and 2013 the District total salary and benefits was 82% and 77%, respectively, of the general fund expenditures.(i.e. the statewide average for 2003-04 is 85%). The salary projections are included in the five-year fiscal management plan.
8	Internal Controls - Is this area acceptable?	YES	

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a	Does the district have adequate internal controls to insure the integrity of the general ledger?		Yes - over the past two fiscal years the District has had no material weaknesses reported in the annual audit report. As of June 30, 2014 the District had no audit findings and no internal controls deficiencies that affect the financial integrity and/or reliability of the general ledger or financial statements. No audit adjustments were reported as of June 30, 2013 and 2014.
b	Does the district have adequate internal controls to safeguard the districts assets?		Yes - the District has revised and implemented procedures to ensure adequate controls are in place to safeguard all District assets. No internal controls deficiencies were reported regarding District assets in the District annual audit report as of June 30, 2014.
9	Management Information Systems - Is this area acceptable?	YES	
a	Is the district data accurate and timely?		Yes
b	Are the county and state report filed in a timely manner?		Yes
c	Are key fiscal reports readily available and understandable?		Yes
10	Position Control - Is this area acceptable?	YES	
a	Is position control integrated with payroll?		Yes - with full-time employees.
b	Does the district control unauthorized hiring?		Yes
c	Does the district have controls over part-time academic staff hiring?		Yes
11	Budget Monitoring - Is this area acceptable?	YES	
a	Is there sufficient consideration to the budget, related to long-term bargaining agreements?		Yes
b	Are budget revision completed in a timely manner?		Yes
c	Does the district openly discuss the impact of budget revisions at the board level?		Yes
d	Are budget revisions made or confirmed by the board in a timely manner after the collective bargaining agreements are ratified?		Yes - when applicable
e	Has the district's long-term debt decreased from the prior fiscal year?		Long-term debts funded by the general fund consist of the 1) line of credit, 2) compensated absences, 3) retiree health costs and 4) early retirement incentive. Over the past three years District's long-term debt funded by the general fund has decreased in years 2012 and 2013, but increased slightly in 2014 due to OPEB.
f	Has the district identified the repayment sources for the long-term debt?		Yes - the District adequately budgets repayment resources for all long-term debt that affect the unrestricted general fund.
g	Does the district compile annualized revenue and expenditure projections throughout the year?		Yes
12	Retiree Health Benefits - Is this area acceptable?	YES	
a	Has the district completed an actuarial calculation to determine the unfunded liability?		Yes - the District completes an updated actuarial calculation every 24 months.

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DRAFT	June 2014; PBC		
Updated			
6/30/2014			
12/23/2014			