

## Standard IIID. 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.*

*IIID-1. The institution relies upon its mission and goals as the foundation for financial planning.*

### **Description**

The College budget outlines the resources and expenditures to accomplish its educational mission and goals through the execution of Board Policy 1200, District Vision, Values, Mission and Goals (Item IIID-1) and Administrative Procedure 1201, Shared Governance Structure and Responsibilities implementation (Item IIID-2). The Finance/Budget and Planning Committee, a shared governance committee, serves as an effective communication tool regarding state and legislative matters affecting the College's budget (Item IIID-3). To guide the process, the College follows a two-year budget development calendar to define deadlines and to ensure input from all parties (Item IIID-4). The College maintains an appropriate level of reserves, has sufficient cash flow to meet its needs, and has risk management strategies in place. Financial management guidelines and District policies are observed and the systems in place have passed stringent audits (Item IIID-5). All formal budget documents are linked on the College pages (IIID-6), while individual department budgets are accessed through the Snowwhite and Financial 2000 online accounting systems (Item IIID-7). The Finance/Budget and Planning Committee follows a shared governance model to determine membership that will involve all segments of the College to integrate planning and budgeting processes, as well as to keep the community informed (Item IIID-3). The Finance/Budget and Planning Committee members communicate key budget information to departments, divisions, faculty, and staff, reporting the availability of funds, the allocation process, and the assignment of funds to individual departments. Reports from the Finance/Budget and Planning Committee are disseminated to all constituencies through the College website and College Council (Item IIID-3).

The College maintains a balanced budget while carrying a minimum of 5% reserves. In addition, the institution has a Guaranteed Investment Contract (GIC) to support project and program development initiatives. Measure JJ resources, approved by District voters and certified by the Board of Trustees in 2008 (Item IIID-8) provides resources for construction of new facilities and updating of current buildings and infrastructure under the purview of the Citizen Bond Oversight Committee (Item IIID-9).

*IIID-1a. Financial planning is integrated with and supports all institutional planning.*

**Description**

The College budget outlines the revenues and expenditure to accomplish the College's educational goals and objectives. As part of the budget adoption process, the mission and goals for the College and the Board of Trustees's priority of assuring fiscal health and stability are incorporated in the budget document through an annual review and allocation process (Item IIID-4). The Finance/Budget and Planning Committee deliberates the annual budget in a transparent format and tasks the College budget office staff with developing pertinent reports and analysis in the budget development process (Item IIID-3). At this writing, an administrative procedure has been drafted to further specify how all institutional planning components are aligned, integrated, and support the College mission (Item, IIID-24).

The College two-year budget timeline provides on-going indications of budget development (Item IIID-4). The Program Review Allocation and Institutional Strategies for Excellence (P.R.A.I.S.E.) process establishes a foundation to analyze the resources that departments need to meet the institutional mission and goals established by the Board of Trustees (see website, Item IIID-14). The Educational Master Plan (Item IIID-15) drives the Facilities Master Plan (Item IIID-11). Budget requests are derived from the program review process (Item IIID-14). The Finance/Budget and Planning Committee reviews the requests, and supports those which adhere to the institutional mission. The committee recommends whether augmentations should increase an ongoing budget, be funded on a one-time only basis, or not funded at all.

To balance the general fund, the budget staff has developed a detailed analysis of the budgets and expenditure trends to the previous three (3) fiscal years (Item IIID-16). Through the trend analysis expenditures are evaluated to the component level of each object code category, i.e., full-time faculty, hourly instruction, summer hours, *etc.* The supply and services budgets have also been analyzed and have been adjusted based on the analysis. The institutional budget represents current required funds to meet annual expenses. The analysis in conjunction with an inclusive budget provides an opportunity for the Finance/Budget and Planning Committee and the administration to develop plans in balancing the budget during the subsequent four (4) years.

*IIID-1b. Institutional planning reflects realistic assessment of financial resource availability, development of financial resources, partnerships, and expenditure requirements.*

**Description**

The College utilizes various resources to meet its current and future obligations and liabilities, in addition to relying on a total cost of ownership model for any major acquisitions. Resources

include state apportionment, local property taxes, enrollment fees, as well as other local revenues. The College incorporates resources from various sources to meet its budgetary obligations, including but not limited to applying to external funding agencies and forming local partnerships--e.g., partnering with local prisons for basic skills instruction. Other examples of providing service to the community while reducing the fiscal pressure on the general fund through partnerships include the HeadStart program, leases for campus facilities, Southern California Edison agreement, campus cellular tower, state capital grants, Mojave Sustainability Project, CAHSEE, Workforce Investment Board grants and local bond funds are among the resources the College has utilized for this purpose. A bond, known locally as Measure JJ, was approved by voters in the fall of 2008 for \$297.5 million of capital improvements. The funds are earmarked to build a new Workforce Development Center on the westside of the region, a Public-Safety Training Center on the eastside, and to improve the main campus' deteriorating classrooms, aged plumbing, and other repairs. Measure JJ provides resources to support expansion of College educational services and to reduce operating costs.

Contributions from the Victor Valley College Foundation (Item IIID-17) support students and faculty by allocating funds for scholarships, educational expenses and securing instructional equipment, supplies, and travel costs. College administration incorporated the effect of these sources of revenue on the expense budget while developing the institutional operating budget. While the College's budget is balanced, it relies on contributions outside of current year revenues in the form of ending balance and transfers from the GIC.

*IIID-1c. 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**

The College maintains appropriate reserves and prudent cash balances, managing its short-term obligations in an appropriate and fiscally responsible manner. The adopted budget of 2010-2011 includes plans for payment for liabilities and future obligations. Formula-driven allocations are made for both compensation and other long-term liabilities such as utilities to ensure that long-term commitments can be met. The College recognizes the base funding needs of each department and maintains that allocation on a yearly basis to the maximum extent possible as part of a maintenance of effort strategy. In addition, total of ownership considerations are key in evaluating departmental requests for equipment or technology. The District has a long-term general obligation bond, approved by the voters in the fall of 2008.

Since 2005-06, the College has accessed its long-term reserves to balance the revenue gap. During the past two fiscal years, the administration has aligned proposed budgets to prior years' expenditure trends in order to remove excesses from the expense budget. It also has applied one-time revenues from fiscal year 2010-11 through 2014-15 to reduce the deficit. These budgeting adjustments have enabled the College to balance its budget in fiscal years 2010-11 and 2011-12 without a need to access its long-term reserves. However, the aforementioned contractual and inflationary factors will produce budget deficits in fiscal year 2013-14 and beyond.

The College has a history of developing long-range financial plans. During the late 1990s it established a GIC to support the institution's capital outlay and operational costs. In 2009, the College funded its Other Post Employment Benefits (OPEB) obligations to ensure continued service to retirees, as well as to eliminate annual cost of premiums. Actuarial studies indicated a current OPEB liability of \$6.5 million. The annual pay-go OPEB premium was \$345,000. The College decision to fund the OPEB liability effectively reduced the budget deficit by \$350,000, the amount of the annual premium, hence preserving jobs.

Resources from Measure JJ enable the College to update its aging mechanical and technology infrastructure to realize operational cost-savings in the future. One of the major initiatives of Measure JJ was repayment of a Certificate of Participation (COP) loan for approximately \$52 million. Repayment of the COP eliminated the College's long-term debt and helped secure a higher bond rating.

A recently installed 1 megawatt solar field on the campus will provide \$3.1 million in California Solar Initiatives (CSI) tax credits over a five (5) year period. The project also reduces the annual electricity cost by approximately \$450,000.

The College has offered supplemental early retirement plans (SERP) in the past and is planning one for fiscal year 2011–2012 to reduce the payroll cost and update its staffing plan. This should result in a cost-savings of over \$1.5 million over the next five years.

The College continues to update its heating, ventilation, and air conditioning (HVAC) systems to better serve students and realize energy savings from modern, more efficient systems. It has also updated its Information Technology infrastructure and server equipment to reduce the energy usage. These efforts have resulted in receipt of energy incentive credits and reduced utility cost. Implementation of cost-saving measures, SERPs, and updating the College's infrastructure will help reduce the existing structural budget deficit.

*IIID-1d. 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.*

**Description**

College financial resources come primarily from the State of California; additional resources come from other sources such as grants and federal funds. Budget planning involves all constituent groups having an opportunity to participate in budget development, and the process is core to its definition of institutional effectiveness (Administrative Procedure 1202; Item IIID-12). The College currently maintains a Board of Trustees mandated contingency reserve of five percent (5%). Additional College reserves are maintained for various operational expenditures (see budget binder, Item IIID-18).

The Finance/Budget and Planning Committee is a diverse team made up of the five major College constituencies, and was put in place with a commitment to support shared governance

(Administrative Procedure 1201, Shared Governance Structure and Responsibilities). The charge of the committee includes making recommendations for the allocation of monies through the program review process, which is designated to assess the effectiveness of instructional, student, and campus support programs. Budget worksheets are jointly analyzed. Justification for funds is provided through the program review process, which ensures that student support is a primary focus.

College workforce members have the opportunity to participate in the annual program review and planning cycle through a process known as the Program Review, Allocations, and Institutional Strategies for Excellence process (or P.R.A.I.S.E.). While P.R.A.I.S.E. has been tweaked every year since 2007, additional training and extending procedures to incorporate more detailed staffing, space, and technology requests will improve integration of all institutional planning and budgeting.

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

*IIID-2a. 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**

Financial resources are sufficient to support student learning programs and services and to improve institutional effectiveness. Updates about the budget are provided to the College community by email and on the College website (Item IIID-19); these updates summarize the Governor's January budget proposal, May revision, and other budgetary updates throughout the fiscal year.

The distribution of resources supports the development, maintenance, and enhancement of programs and services, with at least 50% of all revenue directly applied to instructional areas. The College plans and manages its financial affairs with integrity and in a timely manner that ensures financial stability. The level of financial resources provides a reasonable expectation of both short-term and long-term financial solvency. The budget process has the needs of the institution as its primary focus. Annually, the operational budget process initiates with the implementation of a 2-year budget planning calendar (Item IIID-4).

The Governor's budget proposal, the May Revise budget proposal, and subsequent amendments to the budget provide information for developing an institutional budget. Annually, an external auditor examines the manner in which an institutional budget was developed and expensed. The staff responds to any auditor's findings in a timely manner; the findings are addressed and the resolutions are reflected in the auditor's report to the Board of Trustees. The approved audit

report is posted on the website, included in the College’s Annual Report, and is disseminated among regulatory agencies as appropriate (Item IIID-5).

*IIID-2b. Appropriate financial information is provided throughout the institution.*

**Description**

Financial and budget information is formally communicated through the Superintendent/President’s Office, College Council, the Board of Trustees, and other participative governance committees. Reports from the Finance/Budget and Planning committee are detailed at Academic Senate meetings (Items IIID-3 and IIID-14). Budget information is provided to faculty and staff as department plans are developed each year.

The College website provides links to the District Adopted and Tentative Budgets, the District Financial Audits, and the Measure JJ audits, as well as links to the relevant reports about the financial status of the College (Item IIID-6).

*IIID-2c. 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.*

**Description**

The College maintains a prudent ending balance, including the Board of Trustees’ required 5% contingency reserve. Below are the ending balances for the immediate past three years expressed in dollars and as a percentage of the budget.

**Table III- 5. Fund Balance and Reserve**

Fiscal Year	Fund Balance/ Expenditures	Percent of Fund Balance to Expenditure
2007 – 08	3,160,650/ 45,846,168	6.89%
2008 – 09	9,293,779/ 47,427,016	19.59%
2009 – 10	9,419,710/ 58,955,910	15.97%

In addition to the College’s ending balance, other College funds are available for cash flow purposes; including debt service, capital outlay, child development center fees, student body center fee, health trust fund, and insurance fund. The Auxiliary Services Department contributes to the operating budget as availability of funds permits (Item IIID-25).

The College participates in a Joint Powers Authority (JPA) for its property protection and liability through the Statewide Association of Community Colleges (SWACC) and is therefore, self-insured. As a member of a JPA, the College and JPA ensure that appropriate levels of coverage are maintained.

The College maintains the board mandated 5% general fund ending balance. The College also has a Guaranteed Investment Contract (GIC) balance of \$21,685,867.61 (Item IID-21) that may be applied to capital or operational projects at the Board's discretion. In light of the state of California's economic condition, the College staff updates cash flow analyses regularly to evaluate the fiscal status of the College with respect to budget restrictions from the state (Item IID-22)

*IIID-2d. 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.*

**Description**

The College has a number of controls in place to ensure the effective oversight of funds. The Fiscal services department has a Grants and Contracts staff assigned to review and report on categorical and grant funding. The department has a Director and ten staff who support program and College staff in determining compliance and reporting requirements. Financial Aid cash management and reporting occurs through the general accounting department for the College. Recent hires in that department have resulted in significant

All expenditures are reviewed and authorized at multiple levels to ensure appropriate use of resources entrusted to the College. The categories of expenditures that are reviewed and approved using authorized signers, as designated by the Board of Trustees in Board Policy 6150 (Item IID-26).

Grants, contracts, and Memoranda of Understanding (MOU) may only be executed by the Superintendent/President to a limit of \$64,000 with ratification by the Board of Trustees. All grants, contracts, and MOUs exceeding the \$64,000 threshold must be approved by the Board of Trustees. Managers of restricted funds must submit budgets and maintain prudent balances to meet the constraints of the project for its duration. Fiscal services staff verify expenditures and provide information at the request of the accounting/project managers regarding project activities.

Grant proposals are developed by faculty, administrators or staff members and must be reviewed by the Cabinet and appropriate operational administrators before submitting to funders. Consistent with Board Policy 3280 (Item IID-27), the Superintendent/President must sign grant applications after he receives feedback regarding the implication of the grant on the institution in areas such as facilities, information technology, research, fiscal services, maintenance and operations, etc., as shown by the workflow and forms developed for proposing grant concepts

(Item IIID-28). An administrative procedure formalizing grant proposal development and administration has been drafted and is being finalized through the College's shared governance procedures (Item IIID-29).

When grants are awarded, the grant administrator interacts closely with the Fiscal Services staff to establish accounts and budget information and subsequently monitors the grant-funds expenditures for reporting purposes.

The Victor Valley College Foundation is identified as an independent not-for-profit 501c-3 organization (Item IIID-17). As such, the Foundation manages its fiscal activities internally. The Vice President of Administrative Services, as a member of the Foundation's Finance Subcommittee, reviews the financial activities of the Foundation on a monthly basis. In addition, the Superintendent/President serves as a member of the Foundation Board and receives regular updates about the Foundation's financial standing. The Foundation provides monthly reports of its contribution to the College's Board of Trustees for its review and acceptance. Institutional investments are governed by the San Bernardino Superintendent of County Schools regulations. Other Post Employment Benefits (OPEB) liabilities investment is managed by Keenan and Associates and is supervised by an investment board comprised of College administrators.

The College hired a Director of Financial Aid in March 2010. The Fiscal Services and financial aid staff collaborate to develop processes for facilitating and expediting payments to students and return funds to Title IV. The College budget is continually refined and aspects of the budget are communicated to the College community.

Grant administrators and Fiscal Services staff access Snowwhite and Financial 2000 to review revenues and expenditures. The College plans for components of a grant that must become institutionalized by earmarking resources from the general fund. Grant reports are completed and submitted as required by the terms of the grant, and is one of the components in the College's annual audit (Item IIID-5). Board Policy 6300, Fiscal Management (Item IIID-30), Board Policy 6330, Purchasing, and Administrative Procedure 6330 (Item IIID-31), Purchasing Approval and Document Matrix (Item IIID-32) ensure adequate internal controls to assure the College's fiscal management is in accordance with the principles contained in Title 5 of the California Code of Regulations.

Payment for expenditures processed by Auxiliary Services staff are jointly reviewed by Auxiliary Services and Administrative Services staff. Consistent with Board Policy 2430 (Item IIID-33), the Board of Trustees delegates to the Superintendent/President the authority to enter into contracts on behalf of the District for up to \$64,000.

*IIID-2e. 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**

Grant applications are evaluated to ensure consistency with the mission and goals of the College (Item IIID-28). All categorical, auxiliary fundraising, and grant expenditures require the program administrator to assure that expenditures are in compliance with the goals and objectives of the program and the College. Limitations are placed on which expenditure categories can be used with auxiliary funds and with categorical funds based on grants and categorical criteria. In addition, the College's external auditors select transactions to be reviewed for compliance with program and College objectives, as well as legal and other constraints applicable to the use of funds.

The mission of the Victor Valley College Foundation is to develop resources that help the College serve the community. Money is raised to facilitate donations of goods, manage scholarships, build partnerships and serve as an extension of College public relations efforts. All actions are funded by donations from the community and alumni. The VVC Foundation is an independent partner of the College. A 30-member board of Directors comprised of private sector community leaders and College constituent representatives provides oversight for the organization.

Funds awarded for restricted projects (grants and contracts) must be allocated to meet the deliverables for the projects. Any revenue generated from indirect costs related to restricted funds are used to support general fund expenses and/or contribute to sinking funds for institutionalizing certain components of the grant upon its expiration.

*IIID-2f. 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**

The College enters into a wide variety of contracts, *e.g.*, personal services contracts, grant agreements, construction services, and rental agreements (agreements/vendors list; Item IIID-34). The Superintendent/President is authorized to sign contracts to a maximum of \$64,000; contracts higher than that limit must be approved by the Board of Trustees (Item IIID-32). All contracts are reviewed before execution by the College's general counsel or the San Bernardino County Superintendent of Schools' counsel. Depending on the nature of the agreement and to provide a checks-and-balances system, College Administrative Services, grants and contracts, human resources, and/or the College's general counsel may be involved in the review. Clauses exist in contracts that allow for termination and changes. These procedures are enumerated in Board Policy 6340, Contracts (Item IID-35). The initiating manager is responsible for overseeing the contract. If a purchase order is set up to pay for goods and services covered by a contract, mechanisms within the purchasing and accounts payable systems are utilized to certify that contractors have fulfilled the agreement.

All contracts for goods and services are reviewed and approved by the Board of Trustees either as a separate action item or included under the consent agenda. Contracts are reviewed by counsel and noted accordingly on each agenda item. The San Bernardino County Superintendent of Schools that serves as the District's fiscal agent reviews all contracts for accuracy and compliance, and occasionally audits selected transactions from requisition point through payment to the vendor. Board Policy 6400, Audits (Item IIID-36) and Administrative Procedure 6400, Audits (Item IIID-37) are in place to ensure that annual audits of funds, books, and accounts of the College are in accordance with regulations of Title 5 of the California Code of Regulations. The College has processes in place to verify requests for partial payments on large amounts and capital construction.

*IIID-2g. The institution regularly evaluates its financial management processes, and the results of the evaluation are used to improve financial management systems.*

**Description**

Administrative Services staff review the financial management process on a regular basis. As a result, the College has developed and refined its Financial Management System (FMS). Board policies (Items IIID-30 and IID-31) and administrative procedures (Item IIID-32) governed by the California Code of Regulations and relevant government codes guide the integrity of the FMS. As part of its membership in a regional consortium, the College accesses the San Bernardino County Superintendent of Schools financial management system to conduct its human resources and financial activities. Continuing education on use of such systems for all College staff is provided on a regular basis through the county schools consortium; in addition, the systems are maintained and information about all regulatory and policy updates is disseminated to all institutional members of the consortium.

Financial 2000 is the system provided through the county schools consortium; it provides adequate data and reporting functions to the College to monitor its fiscal activities. The Financial 2000 system was developed in such a way to be used by both K-12 and community college districts and, as such, is somewhat complicated to use. While College fiscal services staff provide support and training to College employees, erroneous use of the system can cause budget tracking difficulty for some managers. The College has implemented the Datatel© enterprise system for student service areas; however, lack of funding and adequate information technology support has prevented full implementation of the finance, human resources, and payroll modules. As the economy stabilizes, the College intends to allocate funds to fully implement all Datatel© modules. In the meantime, efforts are in place to integrate Datatel© and Financial 2000 systems to reduce redundancy of data entry and flow of information.

During the past two years, the budget office staff has developed detailed analyses of the College budget to identify inefficiencies in order to reduce the structural budget deficit. College administration plans to balance the institutional budget within four years.

*IIID-3. The institution systematically assesses the effective use of financial resources and uses the results of the evaluation as the basis for improvement.*

**Description**

Institutional resources are budgeted to meet the vision and mission of the College through reliance on program review documents (Item IIID-14). This annual process is guided by College goals and drives the budgeting process. Review of financial records provides feedback regarding the burn rate for restricted and unrestricted budgets. College administration regularly provides revenue and expenditure reports to the Board of Trustees and inform members of opportunities and threats that affect the budget.

College fiscal services staff are knowledgeable and capable in the use of the Financial 2000 system. Staff and administrators prepare detailed reports that contribute to making sound financial decisions for the College. The Board of Trustees annually approves the College budget; thereafter on a monthly basis, the board members receive budget transfer, revenue and expenditure reports and updates. The fiscal services staff work closely with restricted fund account managers to provide counsel on College procurement guidelines and developing budget reports. Budget analyses conducted by staff have provided for more precise budgeting; expenditure budgets are analyzed and developed at specific components (object code) levels. This level of analysis allows administrators to pinpoint the sources of inefficiency and implement solutions. The Finance/Budget and Planning Committee meets twice monthly to review effects of the state's budget assumptions, and provides fiscal services staff with guidelines for improving the budgeting process.

**Evaluation, Standard IIID**

***Standard IIID-1.*** The College's financial resources are sufficient to support its instructional programs and services. Support of the College mission and a focus on improving institutional effectiveness have been core to the analyses provided to inform and shape the budget development process so that all planning is realistic, responsible, and reflects the College's core values and upholds its mission. Refinements over the years to the annual program review and resource allocation processes culminated last year in a more integrated review. A lack of consistent practice among budget managers indicates more process specification and training is needed to establish budgets that are based on data, and reflect realistic and responsible planning—whether short-term or long-range. Finally, the College's structural budget deficit must continue to be addressed as intended within 4 years. The use of reserves to balance the District's operating budget will cause fiscal exigency in the future years. The Board of Trustees, administrative staff, and Finance/Budget and Planning Committee representatives actively discuss balancing the budget within four years; however, administrative turnover at the College have made this goal difficult to achieve.

***Standard IIID-2.*** The College's financial integrity has consistently been supported by its external audits. No qualified or material findings have been discovered; other audit

recommendations are prioritized, actioned, and resolved by appropriate staff immediately. Comprehensive budget analyses and other evaluative mechanisms are relied upon, disseminated via shared governance, and inform the budget development process in order to ensure sufficient cash flow, maintenance of Board-mandated reserves, and safeguard overall effective oversight of College finances, auxiliary activities, contracts, and grants.

In the past, staffing changes and poor communication have contributed to some conflicts between financial aid and fiscal services staff. Recent staffing changes, specification of roles and responsibilities, and increased quality communications have improved both the climate and workflows between those departments such that accounts are maintained accurately and return of Title IV funds for this year will be conducted in a timely manner.

The College is aware that lack of integration across its enterprise resource platform, human resources, and payroll information systems has created data entry errors and inefficiencies in workflow. In addition, despite increased communication about the state of the College budget in recent years through an improved participative governance structure, opportunities exist to create more formal means to communicate budget-related information to the College community.

***Standard IID-3.*** Through its reliance on various evaluative mechanisms, progress has been made to shore up oversight and controls relative to budget development and management of grant funds, including but not limited to developing appropriate administrative procedures, establishing a standard rate for indirect costs, and refining annual program review and resource allocation procedures. However, there is a need to further refine and formalize these mechanisms to include specifying workflows, defining roles and responsibilities, and establishing appropriate communications/reporting. This will ensure results are used to make improvements.

### ***Summary of Opportunities for Improvement, Standard IID***

The College needs to address the data entry errors and workflow inefficiencies in its current information and work systems supporting finance, human resources, and payroll functions. In addition, communications across the campus regarding budget and budget development need improvement by formalizing procedures and disseminating those procedures through training and established shared governance structures will contribute much to improvement efforts. Most importantly, the College must continue its efforts to address its budget shortfalls and develop a budget in which current year expenditures are covered by current year revenues.

### ***Planning Agenda, Standard IID***

The Superintendent/President will oversee updating and execution of Administrative Procedures 1202 and 3250 to formalize the integration of institutional planning and budgeting for use in planning for the 2011-2012 budget year (Standard IID-1a).

No later than December 2011, the Superintendent/President will develop a plan to overcome the College's structural budget deficit and balance the budget by the end of fiscal year 2014-2015 (Standard IID-1c).

No later than Summer 2012, the Superintendent/President will oversee the development and implementation of the College plan for improving accuracy and efficiency by integrating finance, human resources, and payroll management information systems with its enterprise resource platform (Standard IIID-2g).

## **Evidence in Support of Standard IIID**

- Item IIID-1. [Board Policy 1200, District Vision, Values, Mission & Goals](#)
- Item IIID-2. [Administrative Procedure 1201, Shared Governance Structure & Responsibilities](#)
- Item IIID-3. [Finance/Budget and Planning Committee Minutes](#)
- Item IIID-4. [VVC 2010-11 Budget Calendar](#)
- Item IIID-5. [Report on Audit](#) (most recent)
- Item IIID-6. [VVC Budget Documents](#)
- Item IIID-7. [Snowwhite Training Documents](#)
- Item IIID-8. [Board Resolution to Certify Bond Measure JJ \(Item 7.4\)](#)
- Item IIID-9. [Measure JJ Website](#)
- Item IIID-10. [Educational Master Plan](#)
- Item IIID-11. [Educational Space Quantification and Facilities Master Plan](#)
- Item IIID-12. [Administrative Procedure 1202, Implementing Institutional Effectiveness](#)
- Item IIID-13. [Academic Senate Minutes](#)
- Item IIID-14. [P.R.A.I.S.E. Website](#)
- Item IIID-15. [Educational Master Plan](#)
- Item IIID-16. [VVC Expenditure Trends Report](#)
- Item IIID-17. [Victor Valley College Foundation Website](#)
- Item IIID-18. [VVC Budget Binder](#)
- Item IIID-19. [VVC Budget Updates](#) (most recent)
- Item IIID-20. [Budget Assumptions 2010-2011](#)

- Item IIID-21. Guaranteed Investment Contract Handout from February 17, 2010
- Item IIID-22. Cash Flow Analyses
- Item IIID-23. [VVC Board Policy Manual](#)
- Item IIID-24. [Administrative Procedure 3250, Institutional Planning Systems](#)
- Item IIID-25. 2009-10 VVC Budget Showing \$500,000 Transaction
- Item IIID-26. [Board Policy 6150, Designation of Authorized Signatures](#)
- Item IIID-27. [Board Policy 3280, Grants](#)
- Item IIID-28. Grant Concept Proposal Form and Workflow
- Item IIID-29. [Administrative Procedure 3280, Grant Proposal Development and Administration](#)
- Item IIID-30. [Board Policy 6300, Fiscal Management](#)
- Item IIID-31. [Board Policy 6330, Purchasing](#)
- Item IIID-32. [Administrative Procedure 6330, Purchasing Approval and Document Matrix](#)
- Item IIID-33. [Board Policy 2430, Delegation of Authority to Superintendent/President](#)
- Item IIID-34. Current List of District Agreements and Vendors
- Item IIID-35. [Board Policy 6340, Contracts](#)
- Item IIID-36. [Board Policy 6400, Audits](#)
- Item IIID-37. [Administrative Procedure 6400, Audits](#)