Looking for $12 million...

It is fiscally responsible for city leaders to use money from the reserve fund only when they intend to replenish it with money they are certain to get at a certain future date. Otherwise, it's not a reserve fund — it's mad money, spent on a binge to deaden the knowledge of the coming flood.

Frederick E. Harris, Assistant Vice Chancellor
California Community Colleges

In September 2009, the Board of Trustees adopted the 2009-2010 YCCD Final Budget. Taking into account the major features of the California Community Colleges’ budget, the District’s 2009-2010 budget included a revenue shortfall of approximately $7.2 million. The workload measure reduction resulted in 3.75% less funded FTES for 2009-2010, which translated to a loss of about 670 FTES. The one-time federal backfill monies known as ARRA (American Recovery and Reinvestment Act) were reduced from the anticipated $130 million to $37 million. For YCCD, that translated into about $400,000 rather than a projected $1.2 million in one-time monies to help offset state cuts.

The colleges and the Central Services made deep cuts in 2008-2009 based on a deficit reduction plan put in place by budget committees. The $12 million budget savings carried over from the 2008-2009 fiscal year was enough to offset the 2009-2010 revenue shortfalls. However, this was a one-time solution. The revenue and expenditure projections for 2010-2011 resulted in an additional $12 million deficit. The colleges along with Central Services have developed savings plans to address the projected 2010-2011 shortfall.

The District has been spared one other major fiscal crisis—the 25% increase to our Anthem Blue Cross benefits. Negotiation teams were able to agree on a benefit package for substantially the same cost as last year.

The colleges and Central Services have been asked to reduce expenditures by $12 million in an effort to maintain sufficient carry over to help balance the 2010-2011 budget. Additional cuts will most likely need to be made next year in order to continue the savings process. Meanwhile, District continues to look for possible expenditure transfers to help relieve the General Fund.

For more information on the California State Budget, visit the Community College League of California’s website at http://www.ccleague.org/i4a/pages/index.cfm?pageID=3743. The YCCD Budget is posted at http://www.yosemite.edu/fiscalservices/budget.htm.
Managing Risk at YCCD...

YCCD Fiscal Services has oversight of all the business functions of our District, including risk management and contracts. YCCD Executive Vice Chancellor Teresa Scott is Vice President of the Board of Directors for the Valley Insurance Program Joint Powers Authority. Fiscal Services support staff Executive Assistant Carrie Sampson and Risk Management Specialist Dorothy Pimentel are the District contacts for processing contracts and insurance needs. Dorothy Pimentel is also a member of the VIPJPA Safety and Loss Committee.

What is a contract? A contract is an agreement between two or more parties. It is legally binding, and it outlines the performance of duties or services or terms that the parties agree to. It also delineates the amount of liability the parties are willing to accept. In our universe, YCCD will always be one of the parties. Whether the contract is with MJC or Columbia College, the legal entity will be Yosemite CCD. In the event of a lawsuit or insurance claim, this is the document that the court will use to determine liability.

Our Board of Trustees have delegated the authority to enter into contracts to only three positions—the Chancellor, Executive Vice Chancellor, or Vice Chancellor. Board Policy 3340 designates the Office of the Executive Vice Chancellor as the repository of all YCCD contracts. Individual units or divisions may keep copies of contracts for their information, but the original, fully executed contracts need to be filed in the Executive Vice Chancellor’s Office in YCCD Fiscal Services.

What is indemnity? Also termed hold harmless, indemnity in an agreement means that one party agrees to secure another against an anticipated loss, damage, or liability. In short, this means the said party is agreeing to take on all financial and legal responsibility for any loss that may occur as a result of entering into this agreement. Obviously, wording in an Indemnification Clause is critical in the protection of YCCD from liability. The office of the Executive Vice Chancellor, Risk Management, reviews all hold harmless agreements.

What about insurance? Just as in private life, insurance pays the bills. It pays the legal costs, and it pays the claims. An insurance payout is called a loss. YCCD is self-insured as part of the Valley Insurance Program Joint Powers Authority for property, liability, employment practices, and workers compensation. The other two members are State Center and Merced Community College Districts. The three college districts pool resources in order to pay insurance premiums, which in turn are driven by our claims history. (This includes workers’ compensation.) YCCD’s yearly premiums cost approximately $600,000, excluding workers’ compensation, which is over $1 million a year.

Contract Processing Procedures

1. Receive a contract, agreement, or memorandum of understanding from an outside agency. (If the outside agency doesn’t have a standard agreement, contact the Office of the Executive Vice Chancellor or visit the Fiscal Services website.)
2. Make one copy of the contract for each signature block. Usually each party wants to have an original copy.
3. Attach a completed Contract Cover Sheet and route it for signatures. The Cover Sheet needs to be signed by the applicable project director, Division Dean, College Vice President, and College President. (Cover Sheet is available online at www.yosemite.edu/contracts/ContractForms.htm.
4. Forward the entire packet to Teresa Scott, Executive Vice Chancellor, Fiscal Services.
5. In Fiscal Services, the indemnification language is reviewed and insurance certificates ordered, if necessary.
6. The signed contract will be forwarded back to the Division or sent on to the other party for signature, depending on instructions.
7. All contracts must be filed in the Executive Vice Chancellor’s Office in Fiscal Services (Board Policy 3340).
8. If you have any questions, contact Carrie Sampson (ext. 6531) or Dorothy Pimentel (ext. 6963).
In the spotlight...YCCD Transportation

YCCD Transportation is located on MJC West Campus, across from the Sheep Unit, next to the chickens and the pigs, in the back of the campus. Transportation Supervisor Tom Harris oversees the driving fleet, while Marvin Ghan, Mechanic Supervisor, runs the garage. Jim Codoni, Transportation Services Coordinator, is usually the person of first contact for transportation services. Jerry Baldwin, Paige Faust, David Guerrero, and Melinda Miller are our drivers. Dean Miranda and Chris O’Gara are our Modesto mechanics, while Cory Stoneham takes care of Columbia College’s vehicles.

Shuttle Anyone?...Back in 2006, ASMJC thought one of the best ways MJC could serve students was to assist them in traveling between East and West Campuses. Turns out this was true. Luckily for MJC, Prime Shine Express Car Wash was interested in doing a community service project and so they agreed to pay for a bus and have it wrapped. In return, we called the new shuttle the MJC Prime Shine Pirate Express. Once Transportation received the green light from MJC, they put on their shopping shoes and went off to find a suitable bus. They found one in the Los Angeles area. It needed a little work, but at $16,643 the 30-foot bus was a steal. (New buses start at about $300,000.) Jim Codoni and Marvin Ghan journeyed to Riverside to select the bus, and after being approved for duty, it started its eight-stop route in January 2006.

Spring 2006 was a trial semester to see if students would use the program. They did, and very soon it was apparent that the 30-minute route was insufficient (not to mention passenger capacity). Transportation added another bus, a 35-footer for $28,671, which Prime Shine also wrapped, and the Prime Shine Pirate Express now stopped every 15 minutes. Ridership soared, going from around 8,000 that first semester to more than 35,000 in Fall 2009.

The Prime Shine Pirate Express shuttle was a hit. However, a new clean air law (CARB) put some pretty heavy restrictions on diesel engines. As a result, our now non-compliant buses were sent off to shuttle bus heaven on December 31, 2009.

Realizing this day would come, Transportation had begun efforts to find replacement buses. Contra Costa County Transit Authority came to the rescue. They had a slew of transit buses that were slated for replacement. Fortunately for us, the Federal Transit Administration (the agency that provided the funding for Contra Costa’s buses) made it clear that if the County sold the buses for more than $5,000, then they [FTA] wanted their money back. So Contra Costa put the buses on sale for $4,999. Amazingly, when we told the County that we’d like three buses (two to run the shuttle route and one as back-up), we learned that the bus brokerage firm Transit Sales International had negotiated a price of $2,100. Contra Costa felt it was unfair to charge us more, so they let us have the three buses for $2,100 each. The remaining buses sold to Transit Sales International ended up in Vancouver, British Columbia, shuttling visitors to the Winter Olympics around. (If buses could only talk, what stories they could tell!)

The new (well, 1996) buses are tan and white and say “The County Connection” on the side, but hopefully not for long. They are 40-feet long, 102-inches wide, wheelchair accessible, and most importantly CARB compliant. We are hoping Prime Shine wants to wrap them like they did the first buses. But if not, any donations? It costs $5,000 to wrap a bus.

YCCD Transportation receives one of the smallest budgets in Central Services. This is because Transportation is expected to earn its keep, relying heavily on cost recovery from college field trips to balance their budget.

Kudos to the Transportation Staff!

YCCD Transportation Supports:

- 110 cars, vans, and pickups
- 6 diesel fire trucks
- 10 gas & diesel generators
- 24 tractors/backhoes
- 1 trencher
- 15 fork lifts
- 5 man lifts
- 32 golf/utility electric carts
- 29 trailers
- 14 riding lawn mowers
- 13 motorcycles
- 4 small (dial-a-ride) buses
- 3 transit shuttle buses
- 4 highway buses

Various weed eaters, blowers, chain saws, floor buffers, battery chargers, vacuums, and lift gates on 4 trucks.
What’s Up at Fiscal Services...

**CONTROLLER’S OFFICE** is working on a request for proposal (RFP) for banking services, annual IPEDS report (financial only); revision of the state Budget and Accounting Manual (affectionately known as the "BAM"), and coordination of Central Services GO Bond projects—our first priority is the new Data Center. Thanks to the newly negotiated SISC benefits, Payroll is learning all about Section 125 plans. They are currently testing various scenarios in Datatel to ensure a smooth transition to this part of the new plan. GO Bond activity is heating up! That means Accounts Payable has more invoices to audit and pay. Our Accounts Payable staff work closely with Facility Operations, Kitchell, and Purchasing to get transactions efficiently through the system. Accounting will be recording Redevelopment Agency (RDA) funds in more detail, so tracking of RDA projects can be done in a more streamlined fashion. Compliance Items: 1099s, 1098-Ts, and W-2s have been printed and mailed for 2009. External auditors Matson & Isom will arrive the week of May 10 for their interim compliance testing.

**MJC BUSINESS SERVICES** just completed a successful registration for Spring 2010. We are currently working to improve the efficiency of assessing student fees. We are also working on a method to allow departments to have more control over their specific departmental obligations for students. This will hopefully streamline the process and benefit the students by allowing them to pay over the web as well as keeping this information as updated as possible.

**PURCHASING** has completed bids for the following Measure E projects:

- **Infrastructure Increment One** for MJC West Campus. This bid provides the underground wiring, data, and water for the new buildings and many of the existing buildings on West Campus.
- The **MJC Science Community Center** prequalification of contractors is complete, with the bid for this new building to open mid-March.

The **MJC Student Services Center** prequalification of contractors is also finished, with the bid for this new facility to also open in mid-March.

The bid for MJC’s East Campus **Founders Hall Swing Space** site work opened February 25. This bid provides for temporary classroom and office space for about a year while Founders Hall is being completely renovated.

These projects along with the work on West Campus (Softball Field, MJC Ag Pavilion, Central Power Plant, etc.) will change the look of our campuses. In addition, Columbia College is moving forward with their new Science building and Child Care facilities. These projects will provide room for growth at Columbia College and Modesto Junior College for years to come.

**FACILITIES OPERATIONS** installed LED lights at the MJC pool. These new lights are estimated to reduce our electrical bill by $1,200 per month! At Columbia College, Facilities constructed the **Black History Month** display in the Manzanita Rotunda. The display features a replica of a mine shaft with an interactive map. Facilities installed the lights and recording for the interactive map. Facilities also built a replica of a Sierra Nevada wilderness scene and mining camp complete with more than 100 pictures, posters, and fast facts for the display. This display is being held over for the March 10 Board meeting, which will be held at Columbia.

Columbia College Facilities staff recently installed five new recycling stations around campus with the hopes of recruiting a better recycling effort. Additionally, staff is beginning to implement required CalFire "defensible space" around the existing facilities in an effort to improve fire prevention. Clearing and reducing existing combustible plant and tree material from within 30–100 feet of structures will be a huge effort but necessary to provide a safe environment for our staff and students.

Our mission is to provide support for the business operations at Columbia College and Modesto Junior College as well as oversee Districtwide budget development, financial responsibility and accountability, and development of enrollment management strategies. The Executive Vice Chancellor is the administrator over the Controller’s Office, MJC Business Services, Purchasing, Facilities Planning and Operations, and Transportation. Additionally, Fiscal Services is responsible for the administrative oversight of the Grants office, Payroll, the Child Development Training Consortium, MJC Bookstore and Food Services, the District’s insurance programs and risk management, construction services, and contract services. The Executive Vice Chancellor plays a key role in negotiations with the classified and faculty bargaining units.