

## The More You Know – October 27, 2017

Dear Colleagues,

**(NOTE: My apologies for this lengthy email and numerous attachments, but I think it is important for you to know this information. I also feel obligated to show what evidence I have been reviewing).**

This week's edition of *The More You Know* is an investigative report which asks the basic question: "What is going on in the YCCD budget?"

The annual YCCD budget is presented to the Board of Trustees at the June Board meeting. The document that is presented provides the Tentative Budget for the upcoming year as well as the Final Budget from the previous fiscal year's numbers. Tentative Budget numbers are, obviously, tentative; they can and do change as the fiscal year evolves.

But the Final Budget numbers are just that—Final. Concrete. Done. Complete. Unchanging. Not gonna move. (Continue adding other similar descriptions of your choice).

The YCCD has archived older Board agendas and minutes on the District's archive webpage below (see the link). It was not until 2011 that the actual budget attachments were added to these documents, so my research is limited. I was only able to start researching the District's own numbers beginning in 2011.

<https://www.yosemite.edu/trustees/archive/default.htm>

Since April of 2014, the YCCD has been using BoardDocs to post its agendas and minutes. This is a common service that many districts seem to be using. The website is listed below (see the link).

<http://www.boarddocs.com/ca/yosemite/Board.nsf/vpublic?open>

On BoardDocs, you can search for agenda items and documents. As stated earlier, the annual YCCD budget is presented at every June Board meeting. Click on the Regular Board Meeting and not the Special Study Sessions that may also occur each June. From there, click on the agenda icon and then scroll down toward the bottom of the agenda. The budget presentations are under the Action Items Discussion.

The YCCD is also required to submit its fiscal reports to the California Community College Chancellor's Office (CCCCO) in the form of a CCFs-311 report. Once certified, the CCCCCO recognizes those numbers reported by the YCCD as "official."

### **So, here is my question: Why don't the numbers match?**

1. The numbers don't match between the final ending fund balance on June 30<sup>th</sup> of each year with the final beginning fund balance on July 1<sup>st</sup> (i.e., the very next day). I could, maybe, understand if the final beginning fund balance went down. That might indicate that a payment was processed within 24 hours. I get that. But I don't understand how the final beginning fund balance increases overnight.

2. The numbers also don't match between the final ending fund balance on June 30<sup>th</sup> that is reported to the Board of Trustees and the certified CCCC CO CCFS-311 reports. Shouldn't those numbers match exactly? Since all of this is published on the District's and CCCC CO's websites, how does the public understand why the numbers don't match exactly? If there is a reasonable explanation, then it seems to me that the final budget numbers and the certified CCFS-311 numbers that don't match require some clarity.
3. If the YCCD averages about \$20 million a year in the final beginning fund balance, then why does it also need an average of about \$5 million of what appears to be a "cushion?"

**Let me be clear—I am not suggesting that anything illegal has been done.** I think the "numbers" are all there for everyone to see.

But as you really look at them, I think it is a legitimate question to ask why so much of the budget is "encumbered" (i.e., set-aside so that payments can be made on upcoming expenditures) when it is plainly obvious that too much of that money continuously remains off-the-table for possible negotiations with the YFA.

In my opinion, accounting is not about dollars and cents. It is about accounting philosophy, fiscal choices, and District priorities.

Clearly, the faculty within the Yosemite Community College District are not part of this philosophy, these choices, nor the YCCD's priorities.

***Stay informed. Stay engaged. Stay united.***

*Jim Sahlman*