

CHABOT-LAS POSITAS COMMUNITY COLLEGE DISTRICT

August 18, 2020

Agenda Item: 5.3

Subject: Approval of the Creation of an Additional County Fund to Account for Economic Development & Contract Education Prepayment Funds

Background: In May 2019, the Board approved a separate fund for Economic Development and Contract Education's (EDCE) operations because the growth of EDCE indicated that effective management of cash-flow, better fiscal oversight, and improved transparency of the District's funds would be greatly enhanced if EDCE operational monies were accounted for in its own fund at the County Treasury and in the District's books.

Due to recent contractual negotiations with the State Chancellor's Office, a second fund is needed at the County Treasury for the receipt-and temporary holding of certain "advanced payments" that are paid to EDCE. Per contract, interest earned from the advance payments of certain programs must be used solely in support of the program for which the advanced payments have been received. In order to ensure compliance with this obligation, EDCE needs a dedicated fund for this purpose; and for that to happen, the Board must request a unique County fund number for EDCE's receipt of prepayment funds from the State Chancellor's Office.

Recommended Action: That the Board of Trustees request the creation of a second EDCE fund at the County Treasury for the purpose of holding/transacting EDCE's prepayment funds.

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Submitted: Doug Roberts/Date

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Approved: Ronald P. Gerhard/Date

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