

STD. 400 (REV. 01-2013)

**PRINT**

OAL FILE NUMBERS	NOTICE FILE NUMBER Z-	REGULATORY ACTION NUMBER 2019-0403-02P	EMERGENCY NUMBER
For use by Office of Administrative Law (OAL) only		For use by Office of Administrative Law (OAL) only	
NOTICE		REGULATIONS	

**ENDORSED - FILED**  
 in the office of the Secretary of State  
 of the State of California

APR 03 2019  
 12:16 pm

2019 APR -3 P 1:52  
 OFFICE OF  
 ADMINISTRATIVE LAW

AGENCY WITH RULEMAKING AUTHORITY Board of Governors of the California Community Colleges	AGENCY FILE NUMBER (if any)
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**A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)**

1. SUBJECT OF NOTICE N/A	TITLE(S) N/A	FIRST SECTION AFFECTED N/A	2. REQUESTED PUBLICATION DATE N/A
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed Regulatory Action <input type="checkbox"/> Other	4. AGENCY CONTACT PERSON N/A	TELEPHONE NUMBER N/A	FAX NUMBER (Optional) N/A
<b>OAL USE ONLY</b> <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn	NOTICE REGISTER NUMBER	PUBLICATION DATE	

**B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)**

1a. SUBJECT OF REGULATION(S) Report on District's Financial Condition	1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S)
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2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (including title 26, if toxics related)	
<b>SECTION(S) AFFECTED (List all section number(s) individually. Attach additional sheet if needed.)</b>	ADOPT
	AMEND
	58310
TITLE(S) 5	REPEAL

3. TYPE OF FILING			
<input type="checkbox"/> Regular Rulemaking (Gov. Code §11346)	<input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §§11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute.	<input type="checkbox"/> Emergency Readopt (Gov. Code, §11346.1(h))	<input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100)
<input type="checkbox"/> Resubmittal of disapproved or withdrawn non-emergency filing (Gov. Code §§11349.3, 11349.4)	<input type="checkbox"/> Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1)	<input type="checkbox"/> File & Print	<input checked="" type="checkbox"/> Print Only
<input type="checkbox"/> Emergency (Gov. Code, §11346.1(b))		<input checked="" type="checkbox"/> Other (Specify) <u>Authority - Ed. Code section 70901.5</u>	

4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1)

5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)			
<input type="checkbox"/> Effective January 1, April 1, July 1, or October 1 (Gov. Code §11343.4(a))	<input type="checkbox"/> Effective on filing with Secretary of State	<input type="checkbox"/> \$100 Changes Without Regulatory Effect	<input checked="" type="checkbox"/> Effective other (Specify) <u>30 days after filed w/Secretary of State</u>

6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY			
<input type="checkbox"/> Department of Finance (Form STD. 399) (SAM §6660)	<input type="checkbox"/> Fair Political Practices Commission	<input type="checkbox"/> State Fire Marshal	
<input type="checkbox"/> Other (Specify)			

7. CONTACT PERSON Tanya Bosch	TELEPHONE NUMBER (916) 445-1997	FAX NUMBER (Optional) (916) 322-9030	E-MAIL ADDRESS (Optional)
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8. **I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.**

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SIGNATURE OF AGENCY HEAD OR DESIGNEE 	DATE 4.3.19
TYPED NAME AND TITLE OF SIGNATORY Marc A. LeForestier, General Counsel	

"This document contains strikethrough and underline text which may require adjustments to screen reader settings."

## ATTACHMENT 1

### BOARD OF GOVERNORS OF THE CALIFORNIA COMMUNITY COLLEGES

#### Final Revisions to Title 5 Regulations

California Code of Regulation  
Title 5. Education  
Division 6. California Community Colleges  
Chapter 9. Fiscal Support  
Subchapter 4. Budgets and Reports

Section 58310 of subchapter 4 of chapter 9 of division 6 of title 5 of the California Code of Regulations is amended to read:

#### **§ 58310. Report on District's Financial Condition.**

The chief executive officer or other designee of the governing board of each district shall regularly report in detail to the governing board of the district the district's financial condition and shall submit reports showing the financial and budgetary conditions of the district, including outstanding obligations, to the governing board at least once every three months. The chief executive officer or other designee shall also prepare a quarterly report on forms provided by the Chancellor. The district shall submit a copy of the certified report to the appropriate county offices and the Chancellor no later than forty-five days following the completion of ~~each quarter~~ the first, second, and third quarter of the fiscal year. The certified report shall be reviewed by the district governing board at a regularly scheduled meeting and entered into the minutes of the meeting.

Upon review and analysis of the report, the Chancellor or his/her designee shall determine if follow-up or intervention is needed. Intervention may be necessary if a district's financial data indicate a high probability that, if trends continue unabated, the district will need an emergency apportionment within three years or that the district is

not in compliance with the principles of sound fiscal management specified in section 58311. Such follow-up or intervention may include, but shall not be limited to, requiring the submission of additional or more frequent reports, requiring the district to respond to specific concerns, and directing the district to prepare and adopt a detailed plan for achieving fiscal stability and an educational plan demonstrating the impact of the fiscal plan on the district's educational program.

Intervention may also include the assignment of a special trustee having the authority described in section 58312 to any district that requires intervention within the five fiscal years immediately following the ending date of the services of a previously assigned special trustee. The renewed assignment of a special trustee under this paragraph may be made upon a finding by the Chancellor or his/her designee that if trends continue unabated, the district will need an emergency apportionment within three years or that the district is noncompliant with the principles of sound fiscal management specified in section 58311, except that the special trustee may only assume management and control of the district if authorized to do so by the Board of Governors. The costs incurred by the performance of the special trustee shall be paid in the manner described in subdivision (f) of section 58312 from funds which would have otherwise been apportioned to the district.

The Chancellor shall develop and maintain procedures for the administration of the fiscal monitoring program specified in Education Code section 84040 and this section.

Note: Authority cited: Sections 66700, 70901 and 84040, Education Code. Reference: Section 70901, Education Code.