



RESOURCE ALLOCATION MODEL TASKFORCE
AGENDA

January 26, 2017
1:00 p.m. to 4:00 p.m.
SJCC – T-112

- 1) Call to Order
- 2) Approval of Agenda ACTION
- 3) Approval of December 2, 2016 Meeting Minutes ACTION
- 4) Review Models: Peralta CCD, San Mateo CCD
- 5) Conceptual Models – What do we like? DISCUSSION
 - a) Simulation Drafts REVIEW
- 6) Build Next Agenda DISCUSSION
- 7) Check out DISCUSSION
- 8) Adjournment

Parking Lot:

- a) 2016 Principles for Budget Development

	RAM TASKFORCE COMMITTEE MEMBERS	
ADMINISTRATION	ACADEMIC SENATE	CSEA
Doug Smith, Vice Chancellor, Administrative Services - DS	Fabio Gonzalez, Academic Senate - DS	Dan Hawkins - DS
Andrea Alexander, Vice President, Admin. Services - EVC	Eric Narveson, Academic Senate - EVC	Yesenia Ramirez - EVC
Jorge Escobar, Vice President, Admin Services - SJCC	Steven Graham, Academic Senate - EVC	
	Jesus Covarrubias, Academic Senate – SJCC	AFT 6157
MSC	Guillermo Castilla, Academic Senate - SJCC	Barbara Hanfling, Faculty Association - SJCC
Lauren McKee, Administrative Services Supervisor - EVC	Chris Frazier, Academic Senate - SJCC (Alt.)	Mark Newton, Faculty Association - SJCC (Alt.)
Keiko Kimura, Budget Committee Chair - SJCC	Phillip Crawford, Academic Senate - SJCC (Alt.)	Paul Fong, Faculty Association - EVC (Alt.)
Peter Fitzsimmons, Executive Director Fiscal Services, DS		
Expando Canoy, Budget Committee Chair - EVC (Alt.)		

Resource Allocation Model Taskforce

Meeting Minutes

December 2, 2016 – Evergreen Valley College – RM. VPA 115

Agreed to move all future meeting at EVC to VPA 115.

Present: Yesenia Ramirez, Andrea Alexander, Peter Fitzsimmons, Eugenio Canoy, Keiko Kimura, Guillermo Castilla, Steven Graham, Lauren McKee, Eric Narveson, Dan Hawkins, Barbara Hanfling, Mark Newton, Jorge Escobar, Fabio Gonzales, Chris Frazier

Absent: Jesus Covarrubias, Phillip Crawford, Paul Fong

Also Present: Michael Burke, Roy Stutzman, Carol Anderson, Kathy Tran, Jonathan Camacho

- 1) Call to Order – the meeting was called to order at 1:18 p.m.
- 2) Approval of Agenda – M/S/P; Ayes-all, Opposed-0, Abstentions-0, Absent-0, a Motion to approve was made by Barbara Hanfling; Seconded by Steven Graham. The agenda was approved as submitted.
- 3) Approval of 10/28/16 Minutes- M/S/P; Ayes-all, Opposed-0, Abstentions-0, absent-0, A motion to approve the 5a was made by Eric Narveson; seconded by Yesenia Ramirez. The minutes were approved with the corrections noted by Barbara Hanfling below:
 - a. Barbara noted that in paragraph 5a (Membership Update) AFT 6125 needs to be corrected to AFT 6157
- 4) Approval of 11/18/16 Minutes- M/S/P; Ayes-15, Opposed-0, Abstentions-1, absent-0, a motion was made by Dan Hawkins; seconded by Eric Narveson. The motion was approved with 15 ayes with the correction noted below. Guillermo Castilla abstained:
 - a. Add the 12/9/16 meeting under #6-Upcoming Schedule of Meeting.
- 5) Review of Revenue Report: Peter reviewed Fund 10 of the Revenue Report. It is important to look at our revenue sources so we know what is actually distributed through the model. There are three funding categories for Fund 10: State, Local and Other Financing Sources.
 - a. State Revenue (486) included in the FY16-17 Adopted Budget was \$8,476,436 and includes revenue sources such as the Education Protection Account (EPA-Prop 30) which is \$100 per FTES, Mandated Cost Reimbursement and Unrestricted Lottery.
 - b. Local Revenue (488) is the bulk of revenue. The local revenue included in the FY16-17 Adopted Budget was \$98,138,755 and includes revenue sources such as most Property Tax Revenues, Enrollment Fees, , and other locally generated revenues.
 - c. Other Financing Sources (489) included in the FY16-17 Adopted Budget was \$675,876 and includes revenue sources such as the sale of equipment and waste

materials as well transfers in from the Facility Rental Fund 15 to support operating budgets.

6) Review of Models

- a. West Valley/Mission Community College District does not use a totally revenue based model. They provide for faculty costs (full and pt. time) "Off the top" and also provide baseline staffing allotments. District Services and district-wide fixed costs are also provided for using the "off the top" methodology. With this model, each college is assessed equally for District Services and District-wide costs. After the "off the top" allocations are made, the balance of funding is allocated on a per FTES basis. This type of model makes sense with districts that have colleges with very different enrollments or if there are significant differences in average cost of full time faculty college to college. This is an Expenditure Allocation model with some elements of SB 361 and is primarily history based. Much of the allocation is based on cost rather than revenue. West Valley/Mission adopted their current model prior to becoming a Basic Aid District but have made some modifications since.
- b. Roy pointed out page 15 of the Ventura County Community College District where it states that "Overall, the model addresses the Basic Principles for a budget allocation model previously adopted by the board. It utilizes formulas and variables that have been meaningfully studied, readily defined, easily measured and consistently reported. As with this budget, no model will ever be perfect and it is doubtful that the district will ever achieve complete consensus as to how its resources should be distributed, however the model as proposed, adopted and modified comes as close to that consensus as we can reasonably expect."

7) Build Next Agenda

- a. Review Peralta Model
- b. Review San Mateo Model
- c. Conceptual Models-What do we like?
- d. Simulation of concepts

8) Upcoming Meetings

- a. 12/9/16 – SJCC (GE207)
- b. 01/26/17 – SJCC (T-112)
- c. 02/10/17 – EVC (VPA-115)
- d. 02/24/17 – (TBD)
- e. 03/03/17 – EVC (VPA-115)
- f. 03/10/17 – (TBD)

All meetings are scheduled from 1:00 PM – 4:00 PM

The meeting was adjourned at 4:33 PM

San Jose-Evergreen Community College District

SB 361 Allocation FUND 10

2016/17 Adopted Budget

SIMULATION #1

Revenue to be distributed thru the model		SJECED FTES TARGET-TOTAL/CREDIT, NON-CREDIT & NR	SICC FTES TARGET	EVC FTES TARGET	SICC Allocation	EVC Allocation	Milpitas Extension	WFI
CR & NC (RFTEs)		11,844	5,634	6,210				
Non-Resident		656	366	290				
Total FTES Targets		12,500	6,000	6,500				
Property taxes								
Secured	\$ 75,914,000							
Supplemental Secured	\$ 3,037,000							
Unsecured Roll	\$ 6,247,000							
RDA Passthru	\$ 1,242,600							
RDA Residual Payments	\$ 2,282,000							
Secured Homeowners Exempt	\$ 436,000							
Total Property Tax	\$ 89,158,600							
BASIC ALLOCATION	\$ 30,000,000				\$ 15,000,000	\$ 15,000,000		
Milpitas Extension	\$ 750,000						\$ 750,000	
Workforce Institute	\$ 125,866							\$ 125,866
PROPERTY TAX DISTRIBUTED PER RFTEs	\$ 58,282,734	PER RFTEs =	\$ 4,920.87		\$ 27,724,158	\$ 30,558,576	\$ 750,000	\$ 125,866
Other Revenues								
Mandated Cost	\$ 1,440,733							
EPA	\$ 1,250,000							
Lottery	\$ 1,800,000							
Interest	\$ 157,530							
Other State Income	\$ 3,118,553							
Other local income	\$ 910,811							
Property Rental	\$ 150,840							
State Reimbursed Cost	\$ 214,336							
Use of facilities	\$ 170,672							
Other Financing Sources	\$ 227,376							
TOTAL OTHER DISTRIBUTED PER FTES	\$ 9,440,851	PER RFTEs =	\$ 797.10		\$ 4,490,861	\$ 4,949,990		
GENERATED REVENUES ALLOCATED	\$ 98,599,451				\$ 47,215,018	\$ 50,508,567		
Less DW EXPENSE	\$ 12,548,875	11.44%			\$ 6,023,460	\$ 6,525,415		
Assessment per FTES			PER FTES =	\$ 1,003.91				
DISTRICT SERVICE EXPENSE	\$ 15,982,935	14.57%			\$ 7,671,809	\$ 8,311,126		
Assessment per FTES			PER FTES =	\$ 1,278.63				
NET ALLOCATION					\$ 33,519,750	\$ 35,672,025		
PLUS COLLEGE GENERATED REVENUE								
Instructional materials fees					\$ 31,623	\$ 4,565		
Enrollment fees intl students					\$ 659,309	\$ 636,420		
Enrollment fees residents					\$ 2,748,236	\$ 2,749,373		
Enrollment fees non residents					\$ 366,801	\$ 298,852		
Parking Fees					\$ 133,227	\$ 125,271		
Other local income					\$ 191,201	\$ 81,424		
B.O.G. (2% Admin Fee)					\$ 118,715	\$ 98,099		
Federal MAA Program					\$ -	\$ -		
Other financing sources					\$ 350,000	\$ 98,500		
TOTAL	\$ 8,691,616				\$ 4,599,112	\$ 4,092,504		
TOTAL REVENUE	\$ 107,291,067							
NET ALLOCATION + COLLEGE REVENUE					\$ 38,118,862	\$ 39,764,529	\$ 750,000	\$ 125,866
REVENUE PER FTES					\$ 6,353	\$ 6,118		
LESS EXPENDITURE BUDGET					\$ 39,855,546	\$ 40,417,692	\$ 750,000	\$ 125,866
BALANCE/DEFICIT					\$ (1,736,684.40)	\$ (653,162.60)	\$ -	\$ -
Control Numbers (from Adopted Budget Document)								
Revenues in Adopted Budget	\$ 107,291,067							
Expenditures in Adopted Budget	\$ 109,680,914							
Deficit	\$ (2,389,847)							

San Jose-Evergreen Community College District

SB 361 Allocation (FUND 10)

2016/17 Adopted Budget

EXPENDITURE DISCOUNT FACTOR APPLIED

SIMULATION 2

Revenue to be distributed thru the model		SJECED FTES TARGET-TOTAL/CREDIT, NON-CREDIT & NR	SJCC FTES TARGET	EVC FTES TARGET	SJCC Allocation	EVC Allocation	Milpitas Extension	WFI
CR & NC (RTFES)		11,844	5,634	6,210				
Non-Resident		656	366	290				
Total FTES Targets		12,500	6,000	6,500				
Property taxes								
Secured	\$ 75,914,000							
Supplemental Secured	\$ 3,037,000							
Unsecured Roll	\$ 6,247,000							
RDA Passthru	\$ 1,242,600							
RDA Residual Payments	\$ 2,282,000							
Secured Homeowners Exempt	\$ 436,000							
Total Property Tax	\$ 89,158,600							
BASIC ALLOCATION	\$ 30,000,000				\$ 15,000,000	\$ 15,000,000		
Milpitas Extension	\$ 750,000						\$ 750,000	
Workforce Institute	\$ 125,866							\$ 125,866
PROPERTY TAX DISTRIBUTED PER FTES	\$ 58,282,734	PER FTES =	\$ 4,920.87		\$ 27,724,158	\$ 30,558,576	\$ 750,000	\$ 125,866
Other Revenues								
Mandated Cost	\$ 1,440,733							
EPA	\$ 1,250,000							
Lottery	\$ 1,800,000							
Interest	\$ 157,530							
Other State Income	\$ 3,118,553							
Other local income	\$ 910,811							
Property Rental	\$ 150,840							
State Reimbursed Cost	\$ 214,336							
Use of facilities	\$ 170,672							
Other Financing Sources	\$ 227,376							
TOTAL OTHER DISTRIBUTED PER FTES	\$ 9,440,851	PER FTES =	\$ 797.10		\$ 4,490,861	\$ 4,949,990		
PLUS GENERATED REVENUES ALLOCATED	\$ 98,599,451				\$ 47,215,018	\$ 50,508,567		
Less DW EXPENSE	\$ 12,333,034	11.44%			\$ 5,919,856	\$ 6,413,178		
Assessment per FTES		PER FTES =	\$ 986.64					
DISTRICT SERVICE EXPENSE	\$ 15,708,029	14.57%			\$ 7,539,854	\$ 8,168,175		
Assessment per FTES		PER FTES =	\$ 1,256.64					
NET ALLOCATION					\$ 33,755,308	\$ 35,927,214		
PLUS COLLEGE GENERATED REVENUE								
Instructional materials fees					\$ 31,623	\$ 4,565		
Enrollment fees Intl students					\$ 659,309	\$ 636,420		
Enrollment fees residents					\$ 2,748,236	\$ 2,749,373		
Enrollment fees non residents					\$ 366,801	\$ 298,852		
Parking Fees					\$ 133,227	\$ 125,271		
Other local income					\$ 191,201	\$ 81,424		
B.O.G. (2% Admin Fee)					\$ 118,715	\$ 98,099		
Federal MAA Program					\$ -	\$ -		
Other financing sources					\$ 350,000	\$ 98,500		
TOTAL	\$ 8,691,616				\$ 4,599,112	\$ 4,092,504		
TOTAL REVENUE	\$ 107,291,067							
NET ALLOCATION + COLLEGE REVENUE					\$ 38,354,420	\$ 40,019,718	\$ 750,000	\$ 125,866
REVENUE PER FTES					\$ 6,392	\$ 6,157		
LESS EXPENDITURE BUDGET (discount factor applied)					\$ 39,170,031	\$ 39,722,508	\$ 737,100	\$ 123,701
BALANCE/DEFICIT					\$ (815,611)	\$ 297,210	\$ 12,900	\$ 2,165
								\$ (503,336.00)
Control Numbers (from Adopted Budget Document)								
Revenues in Adopted Budget	\$ 107,291,067	Discounted Exp.	\$ 107,291,067.00					
Expenditures in Adopted Budget	\$ 109,680,914	\$ 107,794,403.00						
Deficit	\$ (2,389,847)	\$ (503,336.00)						

San Jose-Evergreen Community College District

FACULTY COST "OFF THE TOP" (FUND 10)

2016/17 Adopted Budget

EXPENDITURE DISCOUNT FACTOR APPLIED

SIMULATION #4

Revenue to be distributed thru the model		SJCCD FTES TARGET- TOTAL/CREDIT, NON-CREDIT AND NR	SJCC FTES TARGET	EVC FTES TARGET	SJCC Allocation	EVC Allocation	MILPITAS EXTENSION	WFI
CR & NC (RTES)		11,844	5,634	6,210				
Non-Resident		656	366	290				
Total FTES Targets		12,500	6,000	6,500				
Property taxes								
Secured	\$ 75,914,000							
Supplemental Secured	\$ 3,037,000							
Unsecured Roll	\$ 6,247,000							
RDA Passthru	\$ 1,242,600							
RDA Residual Payments	\$ 2,282,000							
Secured Homeowners Exempt	\$ 436,000							
Total Property Tax	\$ 89,158,600							
FULL TIME FACULTY SALARIES AND BENEFITS	\$ 31,876,892				\$ 16,189,250	\$ 15,687,642		
ADJUNCT ALLOCATION	\$ 14,551,848				\$ 6,805,081	\$ 7,746,766		
MILPITAS EXTENSION	\$ 750,000						\$ 750,000	
WFI	\$ 125,866							\$ 125,866
BASIC ALLOCATION	\$ 7,202,588				\$ 3,601,294	\$ 3,601,294		
PROPERTY TAX DISTRIBUTED PER RTES (BASE REVENUE)	\$ 34,651,406	PER RTES =	\$ 2,925.65		\$ 16,483,116	\$ 18,168,290		
TOTAL PROPERTY TAX ALLOCATION					\$ 43,078,741	\$ 45,203,992	\$ 750,000	\$ 125,866
Other Revenues								
Mandated Cost	\$ 1,440,733							
EPA	\$ 1,250,000							
Lottery	\$ 1,800,000							
Interest	\$ 157,530							
Other State Income	\$ 3,118,553							
Other local income	\$ 910,811							
Property Rental	\$ 150,840							
State Reimbursed Cost	\$ 214,336							
Use of facilities	\$ 170,672							
Other Financing Sources	\$ 227,376							
TOTAL OTHER DISTRIBUTED PER FTES	\$ 9,440,851	PER FTES =	\$ 797.10		\$ 4,490,861	\$ 4,949,990		
					\$ 47,569,601	\$ 50,153,983		
LESS: DW EXPENSE	\$ 12,333,034	11.44%			\$ 5,919,856	\$ 6,413,178		
Assessment per FTES		PER FTES =	\$ 986.64					
LESS: DISTRICT SERVICE EXPENSE	\$ 15,708,029	14.57%			\$ 7,539,854	\$ 8,168,175		
Assessment per FTES		PER FTES =	\$ 1,256.64					
PLUS COLLEGE GENERATED REVENUE					\$ 34,109,891	\$ 35,572,630		
Instructional materials fees					\$ 31,623	\$ 4,565		
Enrollment fees intl students					\$ 659,309	\$ 636,420		
Enrollment fees residents					\$ 2,748,236	\$ 2,749,373		
Enrollment fees non residents					\$ 366,801	\$ 298,852		
Parking Fees					\$ 133,227	\$ 125,271		
Other local income					\$ 191,201	\$ 81,424		
B.O.G. (2% Admin Fee)					\$ 118,715	\$ 98,099		
Federal MAA Program					\$ -	\$ -		
Other financing sources					\$ 350,000	\$ 98,500		
TOTAL LOCAL	\$ 8,691,616				\$ 4,599,112	\$ 4,092,504		
NET ALLOCATION + COLLEGE REVENUE					\$ 38,709,003	\$ 39,665,134	\$ 750,000	\$ 125,866
REVENUE PER FTES					\$ 6,452	\$ 6,102		
EXPENDITURES IN ADOPTED BUDGET (DISCOUNT FACTOR APPLIED)					\$ 39,170,031	\$ 39,722,508	\$ 737,100	\$ 123,701
					\$ (461,028)	\$ (57,374)	\$ 12,900	\$ 2,165
								\$ (503,337.00)
TOTAL RESOURCES (REVENUES IN ADOPTED BUDGET)	\$ 107,291,067							
EXPENDITURES IN ADOPTED BUDGET (DISCOUNT FACTOR APPLIED)	\$ 107,794,403							
Deficit	\$ (503,336)							