



May 2, 2016

Dear District Council and District Budget Committee Members:

The Chancellor's Cabinet met last Tuesday, April 26, and engaged in an extensive discussion about the current resource allocation model. Tuesday's discussion focused on the importance of having a transparent and published model and process, as supported by the Board Principles adopted on February 23, 2016. Many of the elements of responsible resource management are reflected in the adopted Budget Principles. One of those Principles is to "develop a new District Budget Allocation Model."

During last week's meeting, the Chancellor's Cabinet was introduced to Mr. Roy Stutzman, retired Vice Chancellor of Finance and Administrative Services, with the Chabot-Los Positas Community College District. Since his retirement from Chabot-Los Positas, Mr. Stutzman has done consulting work for a number of Districts in finance and facilities development. Mr. Stutzman has many years of experience as a Faculty member, Division Dean, Vice President, and Vice Chancellor for Finance in multi-college districts. He recently consulted with the Contra Costa Community College District and the Coast Community College District in the development of their new allocation models. With all of Mr. Stutzman's experience we are asking him to assist us in the review and updating of a transparent and published model and process.

Mr. Stutzman has given the District a proposal with the following scope of work:

- a) Assist the District in identifying perceived issues with the current District financial resources allocation model.
- b) Identify the criteria San Jose-Evergreen CCD believes should be used to judge the effectiveness of its allocation model.
- c) Identify characteristics of a San Jose-Evergreen CCD financial resource allocation model that better meets the needs of the District and its Colleges.
- d) Meet with District and College Constituent and Leadership groups to receive input and test alternatives.
- e) Identify allocation model "best practices" among California multi-college community college districts.
- f) If appropriate, work with District and College Staff to model alternatives.
- g) Develop Allocation Model finding and recommendation(s).
- h) If required, and change is warranted, work with District Staff to develop an implementation plan and schedule.
- i) Attend College and/or District meetings as requested.

I believe that Mr. Stutzman's experience and services proposed will greatly assist in the District discussion as we develop a more effective and transparent resource allocation model. Engaging Mr. Stutzman as a consultant to assist in the process has been both supported and endorsed by San Jose City College President, Byron Breland, and Evergreen Valley College President, Henry Yong. We believe this process will be useful and of value not only as we prepare our Accreditation Self Studies and Quality Focused Essays but also for years to come.

Thank you for your dedication to our colleges and for transforming students' lives.

A handwritten signature in black ink that reads "Debbie Budd".

Debbie Budd
Chancellor