

Resource Allocation Model Taskforce

Meeting Minutes

November 18, 2016 – Evergreen Valley College, Library, Mishra Rm.

Present: Chris Frazier, Doug Smith, Paul Fong, Eric Narveson, Danny Hawkins, Yesenia Ramirez, Lauren McKee, Jonathan Camacho, Keiko Kimura, Eugenio Canoy, Steven Graham, Peter Fitzsimmons, Andrea Alexander, Guillermo Castilla, Barbara Hanfling, Michael Burke

Absent: Jorge Escobar, Jesus Covarrubias, Fabio Gonzalez, Mark Newton,

Also Present: Sherri Brusseau, Peter Fitzsimmons, Doug Smith, Roy Stutzman

- 1) Call to Order – the meeting was called to order at 1:10 p.m.
- 2) Approval of Agenda – M/S/P; Ayes-all, Opposed-0, Abstentions-0, Absent-0, a Motion to approve was made by Eric Narveson; Seconded by Steven Graham. The agenda was approved as submitted.
- 3) 2016 Principles for Budget Development:
 - a) Mr. Stutzman reviewed the changes made to the 2016 Principles for Resource Allocation and Budget Development.
 - i) The Committee provided changes and input on the draft document. Staff will review and incorporate those changes over the next few weeks.
 - ii) The Committee decided to put this item in the parking lot, with a plan to revisit in the New Year.
- 4) Chancellor's Office – Schedule C (State Apportionment Funding from the State Chancellor's Office) (Attachment A):
 - a) Mr. Stutzman notes that this model is driven by FTES.
 - b) Mr. Smith notes that this document assumes that we will achieve our maximum FTES, however our true excess is approximately \$31M, based on our true FTES this year.
 - c) Mr. Stutzman notes that in the models previously provided to the group, the District's current reality (Basic Aid funding numbers) were used, rather than the State's Apportionment numbers as provided on attachment A.
 - i) Mr. Smith clarifies that Mr. Stutzman's goal is to show the group how we can follow a basic allocation simulation and an FTES driven simulation.
- 5) Ventura Model:
 - a) Mr. Stutzman reviews and discusses the Ventura Model with the group (Attachment B).
 - i) Page 12 – Mechanisms of the Model:
 - Mr. Stutzman notes that Ventura CCD includes all unrestricted revenue in their model.
 - Mr. Stutzman calls the Committee's attention to the following excerpts:

*“1. Districtwide Services (DWS):
The definition of DWS will be reviewed regularly. Components and specific line item budgets will be considered each year by DCAS for inclusion in this budget category or movement to another budget location.*

*2. Utilities:
The budget for utilities will be based on historical and projected rates and usage, and presented to DCAS for review and concurrence.*

C. District Administrative Center (DAC):

The District Administrative Center will receive a percentage (initially 5.8% of projected revenue. Each year, after review, if it is determined that specific budget items are to be reassigned between DWS and DAC or the colleges and DAC, the percentage of revenue will change accordingly, maintaining the same effective rate. (Effective with the FY17 Tentative Budget, revenue streams have been redirected and the DAC's proportionate percentage is 6.98%)

1. *Class Schedule Delivery Allocation:*

"Using a productivity factor of 525 and FTES from the current year, we derive a Full Time equivalent Faculty (FTEF) number for the budget year. The college receives an allocation for the actual cost (salary and benefits) for the full time classroom faculty currently employed. This allocation is adjusted to reflect non-teaching assignment for these faculty, such as those on leave or reassigned time, and planned additional full-time faculty for the budget year. The balance of the allocation is distributed based on the average cost of a non-contractual FTEF."

ii) Questions/Comments:

- Mr. Stutzman notes to the group that this model can be used prospectively, or by a 3-year or 5-year average to determine the FTES number, where we can then calculate the number of FT and PT Faculty to serve that number of FTES, assuming a certain level of productivity.
- The Committee notes a concern that if the FTES number is estimated too high, then productivity may go down.
- Ms. McKee questions, of the models we are reviewing, which ones are describing how their new/growing programs are allocated for?
 - Mr. Stutzman responds that South Orange clarifies this point in their model.

b) Mr. Stutzman reviews page 46 – Adoption Budget Allocation - of the Ventura Model with the Committee.

- i) Mr. Fitzsimmons notes the focus of Ventura's base allocation is that, regardless of a specific campus size, they still have the same overhead costs (i.e. President and Vice President salaries, utilities, etc.).

6) Upcoming Schedule of Meetings:

- a) 02/10/2017 - EVC (tentative)
- b) 02/24/2017 - SJCC (tentative)
- c) 03/03/2017 – EVC (tentative)
- d) 03/10/2017 – SJCC (tentative)

7) Homework – Review the following models:

- a) West Valley Mission CCD
- b) San Mateo CCD
- c) South Orange CCD
- d) Ventura CCD

The meeting was adjourned at 4:32 p.m.