

SCCCD Resource Allocation Model - Simulated for 2013-14

5-10-13 Approved Model

Unrestricted Gen Fund Resources Available	\$ 137,773,749	Fresno City	Reedley	Willow	DO / Operations	Reg/Fixed	Total Allocation
Allocations Off-The-Top							
Integrated Planning Items	\$ -	-----	-----	-----	-----	-	\$ -
Regulatory	(3,975,122)	-----	-----	-----	-----	3,975,122	3,975,122
District-Wide Fixed Costs	(5,850,000)	-----	-----	-----	-----	5,850,000	5,850,000
District Office Operational (0.1075)	(14,810,678)	-----	-----	-----	14,810,678	-----	14,810,678
Total Allocation Off-The-Top	\$ (24,635,800)	\$ -	\$ -	\$ -	\$ 14,810,678	\$ 9,825,122	\$ 24,635,800
Basic Allocation							
College > 10K (>9,236)	\$ (7,750,272)	\$ 3,875,136	\$ 3,875,136	\$ -	-----	-----	\$ 7,750,272
College < 10K (<9,236)	-	-	-	-	-----	-----	-
State Approved Centers	(3,321,546)	1,107,182	1,107,182	1,107,182	-----	-----	3,321,546
Basic Allocation Transition (@ 100%)*	-	-	-	-	-----	-----	-
Total Basic Allocation	\$ (11,071,818)	\$ 4,982,318	\$ 4,982,318	\$ 1,107,182	\$ -	\$ -	\$ 11,071,818
Allocation Adjust per Full-Time Faculty							
# Full-Time Instructional Faculty		62.90%	28.37%	8.73%			504
Adjustment per FTF of (\$85000)	\$ (42,840,000)	\$ 26,945,000	\$ 12,155,000	\$ 3,740,000	-----	-----	\$ 42,840,000
Total FT Faculty Adjustment	\$ (42,840,000)	\$ 26,945,000	\$ 12,155,000	\$ 3,740,000	\$ -	\$ -	\$ 42,840,000
Variable FTES Allocation							
FTES Allocation (13-14 & 11-12 Average)	\$ 59,226,131	63.12%	24.95%	11.93%			\$ 59,226,131
Total Variable Allocation	\$ 59,226,131	\$ 37,383,534	\$ 14,776,920	\$ 7,065,677	-----	-----	\$ 59,226,131
Final Allocation							
		\$ 69,310,852	\$ 31,914,238	\$ 11,912,859	\$ 14,810,678	\$ 9,825,122	\$ 137,773,749
Percentage of Allocation		50.308%	23.164%	8.647%	10.750%	7.131%	100.00%
		Fresno City	Reedley	Willow	DO / Operations	Reg/Fixed	Total Allocation
Allocation per New Resource Allocation Model	\$	69,310,852	31,914,238	11,912,859	14,810,678	9,825,122	137,773,749
2013-14 Revised Allocation (Current Model)	\$	70,793,956	31,773,190	10,658,803	14,722,678	9,825,122	137,773,749
Increase (Decrease) generated by New Model	\$	(1,483,104)	141,048	1,254,056	88,000	-	-
		-2.1%	0.4%	11.8%	0.6%	0.0%	

*Transition Adjustment - Calc'd at approx half of FCC's Decrease in Year 1) (Yr1=100% / Yr2=75% / Yr3=50% / Yr4=25% / Yr5=0%)

DATA ELEMENTS

	Fresno City	Reedley	Willow	
Average FTES 13-14 & 12-13 + (Non-Cr @50%)	63.12%	24.95%	11.93%	100.000%

District Office Operational - Percentage

10.75%

Increased .15% to offset transfer of staff to DON

Full-time Faculty Adjustment

\$85,000 (Yr1=100% / Yr2=75% / Yr3=50% / Yr4=25% / Yr5=0%)

The counts would remain static at point they are set for the 5yr Transition Period

	Estimated Costs
Regulatory/Manadatory Costs	
Accreditation	100,000
Audit	80,000
Mandated Costs	20,000
Retiree Health	1,200,000
Elections	-
Parity Pay	581,380
COLA - Contingency	1,993,742
	3,975,122
Fixed Districtwide Services	
Utilties	4,200,000
Insurance	1,100,000
Datatel/Blackboard Licensing	550,000
	5,850,000
Total Committed Costs	9,825,122

	Nov-12 FON Fund 11	
FCC	317	62.90%
RC	113	22.42%
WI	44	8.73%
MC	29	5.75%
OC	1	0.20%
TOTAL	504	100.0%
	Includes Counselor/Library	



DISTRICT BUDGET AND RESOURCE
ALLOCATION ADVISORY COMMITTEE
August 23, 2013 / 2:00 – 5:00 p.m.
Clovis Center, Room 308 / Approved Minutes

Call to Order:

Committee Chair Ed Eng called the meeting to order at 2:01 p.m. A quorum was established.

Present: DO: Jothany Blackwood, Diane Clerou, Ed Eng, Patricia Gonzalez (Recorder), Wil Schofield
FCC: Ben Andersen, Robyn Hart, Bruce Hill, Mikki Johnson, Cheryl Sullivan, Harry Zhalis
RC: Donna Berry, Richardson Fleuridor, Jim Gilmore, Melanie Highfill
NC: Karen Ainsworth, Lorrie Hopper, Arla Hile, Joseph Libby, Leslie Rata for Brian Shamp

Absent: Viviana Acevedo, Lacy Barnes, Anacelly Hernandez, Jason Meyers

- I. Welcome:** Committee Chair Eng welcomed all new members of DBRAAC. Introductions were made around the table.
- II. Review of May 10, 2013 Meeting Minutes**
Discussion: Ed asked members to review the minutes and forward any changes to Patricia.
- III. Confirm Membership**
Discussion: The committee reviewed and confirmed the membership as presented with the replacement of the FCC student. FCC student Ben Andersen will be the new member.
- IV. Summary of January 2013 – June 2013 Meeting Minutes**
Discussion: Chairman Eng provided a handout outlining a summary of the DRAMT/DBRAAC minutes from January 2013 – May 2013 and reviewed the meeting summaries with the committee. A copy of the meeting summaries will be made available on the Intranet in the August 23, 2013 meeting folder.
- V. Timeline for Revised Resource Allocation Model**
Discussion: Chairman Eng reviewed the timeline, as presented, for the revised resource allocation model. The timeline also outlines when the resource allocation model narrative will be sent to Chancellor's Cabinet, Communications Council and to constituent groups for review and submittal of recommendations. Concern was raised regarding recommendations from constituent groups regarding the narrative not being presented to DBRAAC prior to going to Chancellor's Cabinet. It was noted that the narrative is in its second draft so therefore, the final recommendations from constituent groups will go to Chancellor's Cabinet for the Cabinet's consideration. Implementation of the resource allocation model into the budget development for the 2014-15 fiscal year is scheduled for January/February 2014.
- VI. Recap of "Revised" Resource Allocation Model (RAM)**
Discussion: Chairman Eng provided two versions of the resource allocation model. The model dated 5-10-13 is first year of the 4-year transition plan based on the 2012-13 revised allocation data as approved by the committee in May. The model dated 7-11-13 is based on the 2013-14 July draft allocation data reflecting a proposed second transition factor. The documents will be made available on the Intranet in the August 23, 2013 meeting folder.

VII. Discussion of last “factors” to include in the RAM / (1) Transition

Discussion: Chairman Eng explained that the revised model dated 7-11-13 includes a basic allocation transition that was developed over the summer by Ed Eng, Cheryl Sullivan, Donna Berry, Lorrie Hopper and Wil Schofield. Implementing the model as approved in May would have a significant effect on the FCC campus - FCC would take a \$1.5 million hit. The second transition plan would include another transition factor that will provide an adjustment to the basic allocation section over a four year period. Questions were raised as to how the group that met over the summer determined the \$1.5 million hit to FCC. Chairman Eng explained that the \$1.5 million was based on the 5-10-13 model with only the full time faculty transition factor. Chairman Eng further explained that the group determined that 50 percent of the financial impact (\$1.5 million) to FCC would be a “reasonable” number for the second transition factor. Therefore Ed explained the following percentages with dollar amounts:

Financial impact: \$1.5 million x 0.5 -750K*

- Yr. 1 – 100% - \$750,000
- Yr. 2 – 75% - \$562,500
- Yr. 3 – 50% - \$375,000
- Yr. 4 – 25% - 187,500
- Yr. 5 – 0% - \$0

(* \$750k - half (\$375,000) from Willow and half (\$375,000) from Reedley)

Concern was raised regarding how FCC would make up the \$750,000 difference while maintaining the FON and managing the 50% rule. Chairman Eng noted that FCC would determine how that is made. It was noted that the charge of the committee is to build a model that works for the entire district.

Members of the committee suggested using a percentage of the \$1.5 million figure, not a percentage of a percentage in order to simplify explaining the calculation:

- Yr. 1 – 50% / \$750k
- Yr. 2 – 37.5% / \$251,250
- Yr. 3 – 25% / \$187,500
- Yr. 4 – 12.5% / \$93,750

After much discussion regarding the revised model to include the additional transition factor, the following motion was made:

- 1) Motion made by Robyn Hart, second by Arla Hile; to include an additional (second) transition factor to the base allocation for the 4-year transition plan.

- a) In Favor: 16
- b) Oppose: 0
- c) Abstain: 2
- d) Motion achieved qualified consensus (passed)

The committee discussed modifying the additional transition factor. Concern was raised regarding budget numbers for the 2014-15 budget. Ed noted that budget numbers will not be available until January. Discussion ensued regarding state projections and revenue levels. Members proposed to use a percentage for the additional transition factor and eliminate the dollar amount.

After much discussion regarding the additional transition factor, the following motion was made:

- 2) Motion made by Joseph Libby, second by Donna Berry to accepting the percentages as outlined on the whiteboard.

Yr. 1 – 50%
Yr. 2 – 37.5%
Yr. 3 – 25%
Yr. 4 – 12.5%
Yr. 5 – 0%

Discussion: Wil noted that a dollar amount is necessary as a starting point. After discussion regarding using a dollar amount as a starting point, the original motion was modified.

- 3) Motion modified by Joseph Libby, second by Donna Berry to include the percentages as outlined with the starting point of \$1.5 million.

Starting Point - \$1.5 million
Yr. 1 – 50%
Yr. 2 – 37.5%
Yr. 3 – 25%
Yr. 4 – 12.5%
Yr. 5 – 0%

Discussion: Members of the committee raised concern regarding adding a number as a starting point. Wil noted that a number must be included. The number was based on 2013-14 data. Discussion ensued regarding using a number (\$1.5 m) as a starting point for consistency purposes. Committee members addressed concern with the motion not indicating where the money would be coming from. Year 1 adjustment (\$750,000) to FCC will be coming from Reedley (\$375,000/50%) and Willow (\$375,000/50%).

After much discussion regarding including a starting point (\$1.5 m), defining where the money will come from, and the amount outlined in the budget (\$1.483 m), the motion was modified again.

- 4) Motion modified by Joseph Libby, seconded by Donna to accept over a 5 year period a transition in the cut generated by this model for FCC of 50% in the first year from wherever its base is determined for next year using \$1.483 m as a starting point.

Discussion: Committee members continued discussion regarding the additional transition factor and how it will affect the colleges. After much discussion Joseph withdrew the motion and asked someone else to make a motion.

- 5) Motion made by Harry Zhalis, second by Karen Ainsworth to take \$1.5 m from the base allocation and disseminate it between the colleges based on the percentages over the next 5 years as referenced on the whiteboard (referenced below) to be used as a transition factor.

	<u>1.5 million</u>		
	FCC	RC	WI
Yr. 1	+50%	-25%	-25%
Yr. 2	+37.5%	-18.75%	-18.75%
Yr. 3	+25%	-12.5%	-12.5%
Yr. 4	+12.5%	- 6.25%	-6.25%
Yr. 5	0%	0%	0%

- a) In Favor: 17
- b) Oppose: 0
- c) Abstain: 1
- d) Motion achieved qualified consensus (passed)

Discussion: Donna noted that the resource allocation narrative will need to be better defined in relation to how the district operations number was determined.

Chairman Eng called for a 10-minute break at 3:50 p.m. The meeting resumed at 4:01 p.m.

Chairman Eng thanked everyone for their hard work on the development of the resource allocation model.

Jothany pointed out that per the operating agreement she is a resource member and not a voting member. Therefore, Jothany's votes will be removed from the minutes.

VIII. Resource Allocation Model Narrative Subcommittee

Discussion: Chairman Eng asked for committee members to assist in revising the resource allocation model narrative. The following members will meet to revise the narrative: Ed Eng, Cheryl Sullivan, Donna Berry, Jim Gilmore and Ben Andersen.

IX. Meeting Location

Jim Gilmore requested the DBRAAC meeting be moved on a rotational basis to another location (i.e., Reedley College). The committee did not agree to move the meeting from the District Office North location.

X. Operating Agreement / Co-Chair

Discussion: Chairman Eng noted that at the last meeting, it was discussed to appoint a co-chair. The operating agreement will be forwarded to members for review and the committee will determine whether or not the committee wants a co-chair elected at the next meeting.

XI. Meeting Time

- 1) Motion made by Richardson Fleuridor, second by Robyn Hart to schedule the meetings from 2:00 p.m. – 4:00 p.m.

Discussion: Due to members' schedules, the motion was modified.

- 2) Motion modified by Richardson Fleuridor, second by Robyn Hart to schedule the meetings from 2:30 p.m. – 4:30 p.m.

- a) In Favor: 18
- b) Oppose: 0
- c) Abstain: 0
- d) Motion achieved qualified consensus (passed)

XII. Adjourn: Meeting adjourned at 4:20 p.m. The next meeting is scheduled for Friday, September 6, 2013, from 2:30 p.m. to 4:30 p.m.