

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT
District Council of Administrative Services (DCAS)

Thursday, December 18, 2008

NOTES

Attendees: John al-Amin, Dominga Chavez, P. Scott Corbett, Debra Cronin, Ray Di Guilio, Sue Johnson, David Keebler, Deborah LaTeer, Mary Anne McNeil, Darlene Melby, Karen Osher, Peter Sezzi, Margaret Tennant

Absent: Connie Jenkins

The meeting began at approximately 8:40 a.m in the Ventura Unified School District – Susan B. Anthony Room.

APPROVAL OF MINUTES

The notes from the November 20, 2008 meeting were approved by consensus.

BUDGET ALLOCATION MODEL MODIFICATIONS

As a follow-up to our discussion last month, Ms. Johnson reviewed the problems with the current Budget Allocation Model that need modification:

- 1) How productivity is handled – monetary reward for lower/decreasing productivity.
- 2) Funding of growth—the lack of a funded cap.

Proposed changes, if adopted by the Board, will be effective for the 2009-10 Budget Year.

Productivity – At the November 20th DCAS Meeting, most members were in favor of using 1 year goal/1 year actual (50/50). Allocation Model simulations using this proposed methodology were distributed (for the current fiscal year and BY 2009-10). Ms. Johnson explained that the productivity numbers that were used in the BY 2009-10 were assumed numbers and have not been negotiated. These numbers were used for simulation purposes only.

Ms. Johnson walked DCAS members through the allocation model theory for clarification of the model. Once again, it was stressed that the goal negotiating team for each college include not only the college president, but both the instructional and business vice presidents as well as the academic senate president.

Growth – Because the district is capped for growth funding (i.e. not funded for actual growth), it was recommended that, in the FTES section of the allocation model, colleges only be funded for their actual growth up to the maximum percentage that the district was funded . Each college may then carry unfunded FTES (as does the district as a whole), and be entitled to use that if and when the district does. Clarification was made that by using 1 year actual and 1 year goal for productivity, campuses are not penalized for “overgrowth”, as they may have attained that growth through efficiencies, i.e. less costs. It was also mentioned that this method provides stabilized and gradual growth instead of rocket growth/decline. The only way a college would benefit from FTES over the

cap would be if the district was funded for overcap and/or under-performance by one or more colleges leaving district growth to be gleaned by the other colleges.

Transition – At the November 20th DCAS meeting, it was decided that a further stepped-down approach to transition funding would be simulated and brought back for discussion. However, when staff tried to simulate this, it was apparent that the information would be meaningless without knowing the District's expected revenue. Therefore, this will be discussed at the February DCAS meeting (after the Governor's January Proposed Budget is released), and a little more is known regarding potential revenue and may actually be open for discussion until the closing of the tentative budget.

Scott Corbett made a motion, which was seconded by Peter Sezzi, to amend the Allocation Model as follows:

- *Productivity* – use a 1 year actual/1 year goal (rather than the current three year moving average).
- *Growth* – FTES (by college) will be funded for actual growth only up to a maximum of district funded growth

Because the recommended change will rely on the integrity of the productivity goals, the following will be included as a part of the recommendation:

The team for each college that will negotiate productivity goals will include not only the college president, but both the instructional and business vice presidents as well as the academic senate president.

All other criteria of the model will remain the same. The model will be reviewed annually to ensure the functionality and effectiveness of the changes, as well as other aspects of the model. If Transition Funding is to be modified, that change may be brought forward through the Budget Assumptions (in March 2009) or as a part of the tentative budget.

All DCAS members voted in favor of the proposed changes.

REVENUE/EXPENSE SCHEDULE (MULTI-YEAR BUDGET SCENARIOS)

An updated Revenue/Expense Schedule for FY09-10 and FY10-11 (dated 12/18/08) was distributed and discussed. Per information received from the Legislative Analyst's Office, the schedule has been updated with a 6.5% reduction in revenue for 09-10. This schedule assumed no carry-over of prior year cuts. As more information is received, this schedule will be updated and shared periodically.

OTHER

Ms. Johnson explained that the Board of Trustees approved the previously discussed Budget Amendment at the December 9 meeting. Cuts to college budgets have been made and the money has been moved to the Reserve for Revenue Contingency Shortfall. The balance in that reserve is now roughly \$5.4 million instead of \$2 million. We will await the final approval of the cuts from the state.

NEXT MEETING

January 15, 2009, 8:30 a.m.

Meeting was adjourned at approximately 10:00 a.m.