

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

Thursday March 8, 2007

District Administrative Office Multipurpose Room

NOTES

Attendees: Ken Bailey, Jeff Baker, Dominga Chavez, Debra Cronin, Ray Di Guilio, Sue Johnson, Mary Anne McNeil, Deborah Moreno, Kathryn Schoenrock, Scott Corbett for Jeanette Redding, Yvonne Scholle

Absent: Tom Kimberling, Jeanette Redding, Karen Osher, Connie Jenkins

Guests: Ginnie Atmore

Approval of minutes

The February 8, 2007 DCAS meeting notes were distributed for review. The committee concurred that the minutes accurately reflected the prior meeting.

Budget allocation

Sue began by explaining the purpose and goals of the meeting. At the prior meeting, the committee reached consensus on the segments of the allocation model, and the goal of this meeting is to discuss and make decisions on the elements within each segment. To refresh the committee, Sue distributed the updated power point presentation and a simulation of the allocation formula that was a part of the prior meeting. Also distributed was *Budget Allocation – Recommendations*, which detailed the recommendations from the Vice Presidents and District Budget staff as to the specific elements.

Revenue

Before the District set aside the 1997 allocation model, the Colleges directly received its own dedicated revenue (non resident tuition, fines, etc.). Once the model was set aside and revenue was allocated based upon proportional share, all the revenue was pooled. It is recommended that we continue pooling revenue. Because we are going to include non resident FTES, **it was agreed that all General Fund Unrestricted Revenue (including non-resident tuition) will be combined and distributed for budget allocation distribution.**

~~Set Asides~~ District-wide costs

It was agreed that we need to change this label, as dollars were not being set-aside but instead distributed to other than the colleges, and for specific purposes. We will begin referring to it as "District-wide costs."

Collegewide Services – The definition of College-wide services was agreed upon years prior. It is recommended that the definition be re-examined and either confirmed or changed. DOC will analyze the line items currently in this budget and bring recommendations for any changes back to DCAS. **The budget process for Collegewide services will remain the same as in prior years, with the line item budgets brought to DCAS for approval.**

District Office - Because the allocation model is moving away from proportional share, it is necessary to change the District Office allocation methodology as well. Currently the District office receives 6.4% of available resources which equates to 5.8% of total revenue. It was agreed for the new model, **the District Office will receive 5.8% of revenue** (no change in funding level. If it is determined that some items currently included in Collegewide Services (or in colleges) should be moved to the District Office, the % of revenue to the District Office will go up proportionately. The intent is not to increase the District Office budget %, only reflect comparable numbers.

Utilities – Recommended and agreed to **no change in budget process from the prior years.**

College Initiatives – There are no proposals for this item, and DCAS was asked if they wanted to include the line item on the sheet as to not lose the concept. **There was not consensus, and this item has been left open.**

Instructional Allocation

It was agreed that we may wish to consider a change in this label also- perhaps to something like Class Schedule Delivery or something along those lines, so that it better reflects an allocation distribution process, rather than funding of positions or functions.

Productivity Factor

The committee considered what time frame and what terms to include in determining this factor. Historical data was distributed and different options were discussed. It was decided not to include summer term, as this term has greater fluctuation, faculty is primarily hourly, and does not represent the same class mix as the primary terms. The idea of using a 5-year moving average was discarded, as this allowed for years further from the current and could result in irrelevance to be included, diluting the impact of more recent results. **It was recommended to use a 3-year moving average, primary terms only, using the current year and the prior two years.**

Count of Full Time Instructional Faculty

It was recommended for **Tentative Budget to use the actual instructional faculty headcount, adjusted for any planned changes in positions for the upcoming year, and for Adoption Budget to use the instructional faculty headcount at the beginning of the fall term.** The FTO count will not be used to derive these numbers as there are different methodologies involved in that count.

Actual Cost of Full Time Instructional Faculty

It was recommended **for Tentative Budget to use the current year individual actual salary and benefit costs adjusted for any planned changes in positions for the upcoming year, and Adoption Budget to use the individual current year actual salary and benefit costs plus any changes in salary or benefit rates.**

Adjusted by Non Classroom assignments for instructional faculty

It was recommended **for Tentative Budget to use the current year Full time Faculty Equivalent (FTEF) and Adoption Budget to use the FTEF as of the beginning of the Fall term.**

Average Cost of Part Time instructional faculty

It was recommended **for Tentative Budget to use the current year Fall actual average salary and benefit cost rates and Adoption Budget to use the current year Fall actual average salary and benefit cost rates plus any changes in salary or benefit rates.**

FTES

It was recommended **for Tentative Budget to use the PY 320 report, all terms plus non resident FTES and for Adoption Budget use the CY 320 report, all terms plus non resident FTES.**

Other

A concern was raised that the recommended process of including planned additional faculty hires could have a potential of building in financial incentives into the model for a college for the hiring of additional faculty. It is not the intent of the committee to do that. Because the college will receive the actual cost of every instructional faculty member they have, this could be an incentive for a college to request all FTO hiring occur at their campus. It was agreed that the distribution of the FTO hiring had to remain outside the model, and that things such as differences in Full Time/Part Time faculty ratio, integrity of academic programs, etc., would mitigate this potential, but it should remain on the radar.

Other issues were also discussed. The committee was reminded that the model is a way to distribute funds, and not to direct the expenditure of funds. Discussion surrounded the fact that we needed to keep the model “principle based”, and not political based.

If there are other issues surrounding potential problems in this segment, we will continue to consider alternatives to resolve them.

Base Allocation

At the last meeting, the committee concurred that there should be an allocation that recognizes that fixed expenses occur at each campus regardless of size, but could not concur on what that amount, nor methodology to determine the amount, should be. It was recommended that, as a means to avoid disagreement over lists of core services, **the base allocation be a % of revenue available for distribution.** The advantage of this method is that Revenue tends not to decrease; it would move with changing conditions, it would typically increase, and by more than just the inflationary factor, and the concept is easy to understand. It also would stabilize the percentage distribution

between class schedule delivery, base, and FTES. It must be understood however, that the model becomes more expenditure driven (in dollars) with this methodology, but not necessarily by percentage. **We agreed we would start at 15%, but discuss the specific percent in more detail at the next meeting.**

Next Steps

The goal is to bring the first reading of the allocation model to the Board at the April meeting.

Everyone was reminded to meet with their constituencies, educate them on the recommendations of the components to date, and get as much as input as possible. At the next meeting, we will review the summary of the agreed-upon elements, and simulations reflecting those agreements, and make any adjustments we feel appropriate at that time. **The committee was also asked to come prepared to discuss recommendations for the next step for consensus-building district-wide, assuming we will be at the point of consensus ourselves.**

Next Meeting: Thursday March 15, 2007