

Budget Allocation Model Task Force

Meeting Notes for June 24, 2020

In Attendance:

Dr. Carla Walter, Vice Chancellor of Finance & Administration
Adil Ahmed, Executive Fiscal Director
Donald Moore, DAS President
Victoria Menzies, Business Director, Merritt
Jennifer Shanoski, President PFT
Andrea Stokes, Capital Projects Coordinator
Scott Barringer, Local 39 Representative
Jamille Teer, SEIU Representative
Richard Thoele, Classified, President Local 1021
Kawanna Rollins, Classified Senate Representative

Richard Ferreira, Executive Assistant, Finance (Notes)

Absent:

Tina Vasconcellos, Vice President of Student Services, COA

I. STANDING ITEMS

1. Called to order: 11:00 am
2. Adoption of the Agenda for June 24, 2020 –
Change - Follow up Report on Parcel Tax from Jennifer Shanoski
3. Approval of Notes from May 27, 2020 – Change Action Item for June 24, 2020 –
Follow Up Report on Parcel Tax from Jennifer Shanoski

II. DISCUSSION/APPROVAL

1. Report from Jennifer Shanoski

Jennifer Shanoski provided a short report and stated that she received responses from 3 of the 4 colleges and none have specific plans on how the Parcel Tax will be spent for the coming year. A concern is that the Administrative Policies on Parcel Tax states that there needs to be specific plans on how the monies are to be spent the year prior to implementation. There was an understanding that the funds were to go to instruction. Findings are that the colleges do not have Expenditure Reports.

Recommendation/Comments:

Possibly Parcel Tax is not a general apportionment.
The written plan clarification and if approved by the BOT.
The standardized process.

Action:

VC Walter will take this on as an action item to bring to the next meeting.

**2. Review the five districts and their BAMs;
Determine if any will be used as a model for PCCD**

Comparative models were looked at from specific districts by Victoria Menzies, Adil Ahmed and Andrea Stokes. Victoria Menzies provided resource models submitted and received by San Diego and Los Rios. Most models are based on the SCFF.

San Diego Community College District

Resource Allocation Formula (RAF)

Shared Revenue formula:

Continuous Costs 85/15

One Time Cost 80/20

Reductions based on the same formulas as Shared Revenue

Los Rios Community College District

Located in the Budget Book document by X, Y, Z Budgets

Budget information provided by each fund

Allocations based on X, Y, Z Budgets

No other model located

Funding Methodology on page 140

Website:

Losrios.edu/lrccd/main/doc/board/2019/enclosures/20190911-enc-5a-budget-book.pdf

VC Walter presented information from Chabot-Las Positas.

Chabot-Las Positas Community College District

Revenue Allocation Model

Layout and narrative provided

Board Policies shows what the policy is

Recommendations/Comments:

A concern is that the colleges believe the district is taking too much.
We need to know more about the centralization and decentralization.

San Diego had an example of 85% to the college and 15% to the district.
A formula needs to be designed from Peralta and not copied from others because our concerns are different.

Divisions should be based on FTES and not on SCFF.

FTES calculated the revenue and divide each college based on the percentage.

Application that 30% of the SCFF and based on allocations to the colleges.

Possibly SCFF should not be part of the model.

BAM should be a simple model.

Action:

VC Walter began drafting a model for PCCD on excel with the team and she will look into how other districts take a percentage off the top.

Recommendation/Comments:

Determine what percentages the colleges and district receives.

What determines how much goes to each college and the district.

Assessment of centralization and decentralization.

College allocations based on FTES.

Example: District to receive 20% and of the 80% how is that to be determined.

Recommend FTES.

Need to decide if FTES is based on 3 year colleges or not.

Average of 3 years does not appear to be fair to all the colleges.

Possible schedule C FTES Base Allocation for each college.

Recommend that we use the Actual Prior Year P2 Apportionment.

Note that the average of 3 years would be a better recommendation.

Allocations Types:

District Office

Central Services

Districtwide Costs

Previous BAM had International Students as part of it.

Other factors are formerly incarcerated.

Recommendation/Comments:

Assessment of centralization and decentralization.

District costs off the top and remaining is allocated.

Previously District costs were increasing off the top.

All the costs for Faculty and Staff are at the top.

Allocated out to the college is discretionary.

1. **Should there be a governor (upper percentage limit) for the total of district office, district services, and districtwide costs/limit.**
2. **Right now the way that the BAM is working on the Adopted Budget all HR costs in the general fund is taken off the top. Do we want to allocate those costs on a college basis or a district level.**

Some of the Top Districtwide Expenditures:

Retiree Benefits
CoreSource Medical Self Insurance Admin. Fees
OPEB Debt Service
Irrevocable Trust Fund 69
Self-Insurance (Properties Liabilities)
Bad Debts
Utilities (2018-19 Actuals + 5%)
Information Technology (PeopleSoft)
Professional Development (Faculty)
Salaries and Benefits (Faculty)

Currently, all faculty and staff costs are taken at the top before distributions.

Districtwide Costs

Utilities
Bad Debt
Contributions to Grants
Insurance

3. Assign members to craft a draft BAM

Draft of BAM will be placed on Team Site 06/24/2020.
Notes will be available in one week from Richard Ferreira.

Volunteers:

Victoria Menzies
Kawanna Rollins
Jennifer Shanoski
Donald Moore

III. NEXT MEETING:

July 23, 2020 at 11:00 am
August 28, 2020 at 11:00 am

IV. ADJOURNMENT