
Meeting Agenda

May 8, 2014, 2-3:15 p.m., PDC 104

- I. Welcome & Introductions
- II. Approve April 24, 2014 Special Meeting Minutes
- III. Budget Committee Recommendation Letters Submitted to Chancellor
 - ♦ Recommendations for RAM Guidelines
 - ♦ Recommendations for RAM Assumptions
- IV. Budget Update (Jose)
 - ♦ FTES Funded Growth
 - ♦ FTES Target Growth
- V. Next Steps in Budget Development (Tim)
- VI. Committee Self Evaluation
- VII. Adjournment & Next Meeting

The next meeting of the Budget Committee has been scheduled for September 11, 2014 from 2-4 p.m.



BUDGET COMMITTEE

Special Meeting Minutes
4/24/2014, 2 pm, PDC 104

Attendance

Members Present – Tim Oliver, Mike Strong, Bryan Reece (for Cheryl Marshall), Ed Millican, Scott Rippy (for Denise Allen-Hoyt), Algie Au, Walt Chatfield, Girija Raghavan, Omar Castro, Yendis Battle, Andrew Chang (for Glen Kuck), Deanna Trussell (for Matthew Isaac), Jose Torres, James Dulgeroff, Rosemarie Hansen

Members Absent – Scott Stark, Kathy Crow, Karen Peterson, Patrick Kirk Dorsey, Steve Sutorus, Jack Miyamoto, Rhonda Prater

Guests Present – Greg Allred, Gloria Fisher

Welcome/Introductions

Tim Oliver opened the meeting. Self-introductions were made.

Approval of Meeting Minutes from April 10, 2014

Bryan Reece made a motion, which Rosemarie Hansen seconded, to approve the minutes. The minutes from April 10, 2014 were unanimously approved.

Communication of Resource Allocation Guidelines - Task Force Update

Ed Millican, Walter Chatfield and Jose Torres reviewed for the committee their work on developing a proposed policy statement for the Resource Allocation Model (RAM). Ed advised that since the District allocation method was changing from the historical 70/30 ratio to a percentage based on the previous fiscal year's FTES, there should be an explicit communication to the District of that shift in strategy. The committee discussed the statement and the following modifications were suggested.

**RESOURCE ALLOCATION MODEL GUIDELINES
Fiscal Years 2014-2015 & 2015-2016**

Adopted by the District Budget Committee: (4/24/2014)

Revenues shall be divided between the two colleges of the District, San Bernardino Valley College and Crafton Hills College, in accordance with the following principles.

- (1) The SB361 State Base Allocation revenue for each college shall be passed directly on to the college concerned.
- (2) The District's State Credit/Noncredit FTES Allocation revenue shall be divided between the two colleges in accordance with the relative FTES numbers achieved by the colleges in the latest

available State Chancellor's Principal Apportionment report, i.e. Period 1 (P1), Period 2 (P2), Recalculation, or Advance Apportionment.

- (3) Other eligible revenues received by the District shall be divided between the two colleges in accordance with the relative FTES numbers achieved by the colleges as in item (2) above.
- (4) Site-specific revenues will remain with the college concerned.
- (5) District growth levels/targets may be recommended by District Budget Committee and approved/modified by the Chancellor's Cabinet.
- (6) Districtwide assessments shall be divided between the two colleges in accordance with the relative FTES numbers achieved by the colleges as in item (2) above.

These guidelines accord best with the desired objectives of transparency, fairness, and ease of understanding; and have the flexibility to adjust to changing circumstances, without the need for extensive debate and readjustment every fiscal year.

Bryan moved to approved the guidelines and Scott Rippy seconded the motion. The committee approved the guidelines as revised and asked that an updated version be circulated to committee members prior to submitting the recommendation to the Chancellor.

Recommendations for FY 2015 RAM Assumptions

Jose Torres reviewed with committee members a preliminary version of the FY 2015 RAM. The committee discussed different elements of the model which had been previously identified, i.e. Growth, COLA, Revenue Shortfall, etc. Tim pointed out that the College Brain Trust recommendations were being incorporated into the process, for example, the reduction of EDCT support by 20%. Scott voiced concern that the support of KVCR has gone on too long. Tim replied that, in his role as a KVCR Foundation member, he feels that the station is under the best management in years, and that the Chancellor and Station Manager Alfredo Cruz are working very hard to turn that corner. Scott made a motion, Bryan seconded the motion, and the committee unanimously approved the following assumptions as discussed:

- ▶ FTES Funding
 - ◆ COLA — 0.86%
 - ◆ FTES Funded Growth — Pending
 - ◆ Revenue Shortfall — 0.50%
 - ◆ FTES Target Growth & Unfunded FTES — Pending
- ▶ Other Revenue — Eligible Revenue will be allocated based on the latest allocation percent; will be updated as information becomes available
- ▶ Assessments
 - ◆ District Allocation — Forecast - will be updated as information becomes available
 - ◆ Property & Liability — Same as last year - \$600,000
 - ◆ KVCR — District will subsidize; no assessment to Colleges
 - ◆ EDCT — 80% from 2013-2014 Final Budget
- ▶ Site Budget Assumptions
 - ◆ Step in Column Increases — 3% for Step in Column Increases
 - ◆ Benefits — 11% for benefit increases which include Affordable Care Act

- ◆ Inflation for Object Codes 4000's-6000's — Match COLA 0.86%

The following fund management topic was presented to the Committee as an information item and was included in the budget guideline recommendations to the Chancellor as it affects the Resource Allocation Model in future years beginning FY 2014-15:

- ▶ GASB 43&45 Retiree Health Benefits during Fiscal Year 2013-2014 — Payment of the Post-Retirement Health Benefits related to GASB 43 & 45 from the colleges' Unrestricted Reserves for its current and retired District employees; San Bernardino Valley College will contribute \$5,177,613 and Crafton Hills College will contribute \$2,304,487.

Budget Board Items

Tim recommended that the committee consider moving its standing meeting date to two weeks prior to the board meetings to allow for review of board items before the board day. He passed around the following May 10, 2014 board items:

- ◆ Consideration of Approval to Pay Off Post-Retirement Health Benefits for Current and Retired Employees Related to GASB 43 & 45
- ◆ CCFS-320 Apportionment Attendance Report for FY 2014 Period 2

Ed asked about the GASB payments coming from the colleges' unrestricted reserves. Tim replied that there's one unrestricted reserve fund – Fund 01, but within the District system, there are funds earmarked by site. It was a Chancellor's Cabinet decision to have the colleges pay their own costs. Gloria Fisher asked Jose to explain how the colleges will have a greater fund balance than originally assumed. Jose reported that conservative projections for the colleges' ending balances were very positive.

Adjournment

The meeting was adjourned. The next meeting of the Budget Committee is May 10, 2014. It is the last scheduled meeting of the Fiscal Year.



MEMO

To: Bruce Baron, Chancellor

From: Tim Oliver, District Budget Committee Chairperson

Re: District Budget Committee Recommendations –
Resource Allocation Model (RAM) Guidelines

Date: 4/28/2014

The District Budget Committee (DBC) recommends that the following guidelines be adopted for the FY 2014-15 Resource Allocation Model and incorporated into the FY 2014-15 Budget Document.

RESOURCE ALLOCATION MODEL GUIDELINES
Fiscal Years 2014-2015 & 2015-2016

Adopted by the District Budget Committee: *4/24/2014*

Revenues shall be divided between the two colleges of the District, San Bernardino Valley College and Crafton Hills College, in accordance with the following principles.

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These guidelines accord best with the desired objectives of transparency, fairness, and ease of understanding; and have the flexibility to adjust to changing circumstances, without the need for extensive debate and readjustment every fiscal year.



MEMO

To: Bruce Baron, Chancellor

From: Tim Oliver, District Budget Committee Chairperson

Re: District Budget Committee Recommendations –
Resource Allocation Model (RAM) Assumptions

Date: 4/28/2014

The District Budget Committee (DBC) recommends that the following assumptions be employed in the development of the FY 2014-15 Resource Allocation Model:

- ▶ FTES Funding
 - ◆ COLA — 0.86%
 - ◆ FTES Funded Growth — Pending
 - ◆ Revenue Shortfall — 0.50%
 - ◆ FTES Target Growth & Unfunded FTES — Pending

- ▶ Other Revenue — Eligible Revenue will be allocated based on the latest allocation percent; will be updated as information becomes available

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- ▶ Site Budget Assumptions
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 - ◆ Benefits — 11% for benefit increases which include Affordable Care Act
 - ◆ Inflation for Object Codes 4000's-6000's — Match COLA 0.86%

These items were discussed and approved at the 4/24/2014 Special Meeting of the District Budget Committee.



Committee Self-Evaluation

Name of Committee: _____

Year: _____

Please think about the internal processes, external interactions, and work products or outcomes of this committee, and answer each of the following questions objectively.

- How long have you served continuously on this committee? 1st year 2 years 3 years ≥4 years
- On how many other committees did you serve this year? 0 1 2 3 4 5 or more
- Did you serve as chair or convener of this committee this year? Yes No
- Do you expect to serve on this committee again next year? Yes No Unknown
- What is your primary function at SBCCD? FT Faculty PT Faculty Classified Confidential Manager Student

Please indicate how often the committee's processes, interactions, and outcomes during the year reflected each of the following characteristics:

	Almost Always	Often	Sometimes	Seldom	Almost Never	No Opinion
<u>Collaborative</u> : Sharing, inclusive, open to input, respectful of diverse opinions, characterized by meaningful dialogue						
<u>Transparent</u> : Open, easy to understand, clearly defined, characterized by effective and meaningful communication with the District community						
<u>Evidence-Based</u> : Reliant upon relevant, accurate, complete, timely qualitative and/or quantitative information; not based solely on assertion, speculation, or anecdote						
<u>Effective</u> : Working properly and productively toward the committee's intended results						
<u>Efficient</u> : Performing well with the least waste of time and effort; characterized by serving the committee's specified purposes in the best possible manner						

Please enter this committee's most significant accomplishment this year:

Please enter the improvement most needed by this committee in its processes, interactions, outcomes, or other aspect of its work:

Please indicate extent to which you agree/disagree with the following statements about your service on this committee overall this year.

	Strongly Agree	Agree	Disagree	Strongly Disagree
I feel comfortable contributing ideas.				
My ideas are treated with respect, whether or not others agree with them.				
I have had sufficient opportunity to provide input into committee recommendations.				

Please rate the following aspects of the committee's work overall this year.

	Very Good	Good	Fair	Poor	Very Poor	No Opinion
Clarity of the committee's charge						
Quality of communication within the committee						
Quality of information flow from the committee to the constituency groups						
Quality of information flow from the constituency groups to the committee						
Quality of communication by the committee with the District community as a whole						
Access to data needed for deliberations						
Access to meeting space						
Access to other resources needed for the committee to work effectively						
Training or mentoring for you as a committee member						
Establishment of expectations or norms for committee members and convener(s)						
Adherence to expectations or norms for committee members and convener(s)						

Thank you very much for participating in this important effort to improve committee work at SBCCD.