

RIVERSIDE COMMUNITY COLLEGE DISTRICT
District Budget Advisory Council Meeting

Friday, January 31, 2014 - RCC Hall of Fame
12:00 p.m. - 2:00 p.m.

AGENDA

- I. Welcome and Call to Order
- II. Approval of Minutes
 - A. December 13, 2013
- III. BAM Revision – Continuation
 - A. Implementation Issues:
 1. Utilities
 - a. Three years of utility costs by entity (emailed by Brown)
 - b. NC impact/fuel cell savings (Gomez)
 - c. Members methodology discussion
 2. New Facilities Operating Costs
 - a. FUSION data and FTES data (VP's of Business)
 - b. College estimates?
 3. Entity Budget Alignment
 - a. CTE and GE Analysis Subgroup met January 10th
 - Subgroup consists of Brown, Gomez, Godin, al-Amin, McQuead, Legner and Bajaj
 - Minutes (handout)
 4. Capital Equipment (Furniture, Equipment, Computers)
 5. Common/Shared Expenditures (Basis of Allocation)
 - a. Student Systems (Ellucian)
 - b. Financial/Budget System (Galaxy)
 - c. Network Infrastructure (Hardware/Maintenance Agreements)
 - d. La Sierra Loan Repayment
 6. Personnel – Budget Adjustments
 - a. Health and Welfare
 7. Mid-year Budget Adjustments from the State
 8. Other Resources
 - a. Parking
 - b. Performance Riverside
 - c. Community Education
- IV. Discussion on Evaluators Reassignment
- V. State Budget Update
- VI. Next Meeting
 - A. Friday, February 28th at RCC DL 409, 1-3p.m.

*RIVERSIDE COMMUNITY COLLEGE DISTRICT
District Budget Advisory Council Meeting
BAM Revision Implementation*

*December 13, 2013
RCC AD 109
9:00 a.m. - 11:00 a.m.*

MEETING MINUTES

PRESENT

Aaron Brown, Vice Chancellor, Business and Financial Services (District)
Sandra Mayo, President (Moreno Valley)
Paul Parnell, President (Norco)
Wolde-Ab Isaac, Interim President (Riverside)
Norm Godin, Vice President Business Services (Moreno Valley)
Beth Gomez, Vice President, Business Services (Norco)
John al-Amin, Interim Vice President, Business Services (Riverside)
Mary Legner, Professor, Mathematics (Riverside)
Tom Allen, Associate Professor, English & Media Studies (Riverside)
Michael McQuead, Associate Professor, CIS (Moreno Valley)
Nate Finney, Classified Representative (Moreno Valley)
Tom Wagner, Associate Professor, Business Administration (Norco)
Tanya Wilson, Classified Representative (Norco)
Jennifer Lawson, Classified Representative (Riverside)
Tim Ragusa, Classified Representative (District)
Rachelle Arispe, Executive Administrative Assistant to the Vice Chancellor (Recorder)

ABSENT

Jim Parsons, Associate Vice Chancellor, Strategic Communications and Relations (District)
Carrie Warren, Student Representative (Riverside)

I. **MEETING WAS CALLED TO ORDER**

- By Aaron Brown

II. **MINUTES**

- Legner moved, and Gomez seconded, approval of the minutes of November 8, 2013.
Motion approved with changes as indicated below:
 - As requested by Godin (page 3, 4th solid bullet): Changed last sentence to "...if we should go in a different direction?"

- As requested by Mayo (page 3, 7th solid bullet): Changed anomalies information to “Ben Clark and Allied Health (both low student to faculty ratio).”

III. MEETING STATUS

- **DISTRICT SERVICE LEVEL EXPECTATIONS TASK FORCE** - Created to determine district service level requirements that we can incorporate into the BAM.
 - Working on scheduling first meeting
- **CTE & GE ANALYSIS SUBGROUP** – Created to obtain and analyze the full inventory of CTE and GE programs to get the true cost by college.
 - First meeting scheduled for Friday, January 10, 2014

IV. BAM REVISION – CONTINUATION

- **IMPLEMENTATION ISSUES**
 - Handout provided by Brown, “Implementation Issues/Open Items” – Shows inventory of issues DBAC has been discussing; whether or not the issue has been resolved; and what the resolution was.
 - Utilities
 - Allen commented that the utilities should be a college responsibility. If the college is opening new facilities it they should plan for the costs and pay for it.
 - Isaac suggests a review of data from the last three-five years to see how it correlates with the FTES model.
 - Wagner commented that we need to look at rates, projected increases and the difference in costs.
 - al-Amin commented that past data is great, however we need to look at how we project for future rate increases and if rate increases do not materialize then the funds should go back to the college. Utilities are a fixed cost no matter what programs are provided.
 - Gomez commented that Norco College (NC) would not benefit by implementing the fuel cell if we keep funding increases on top of increases.
 - **Consensus** – (1) Brown will email three years of utility costs by entity for members to review. Members can advocate for a methodology at the next meeting. (2) Gomez will look at how NC will be impacted and how the fuel cell savings can be factored into the equation.

- New Facilities Operating Costs – Historical background: When we have new facilities planned there are added costs. Currently, Brown works with the Vice Presidents (VP's) of Business Services for potential costs, then an allocation is set aside.
 - Brown indicates that there are only personnel standards for maintenance and custodial. Currently, the actual number of custodians at all three entities is lower than the standard.
 - Brown commented that the total estimated budget for custodial and maintenance positions (and other facility related costs) associated with bringing new facilities online has not been allocated in the annual budget over the past several years because there has not been enough funding.
 - Isaac asked how much we have deviated from the standards. Godin responded:
 - Actual M&O positions at the colleges have significantly deviated from the standards; however some of the Maintenance and Operations matrix (October 2008) is questionable since it has not been reviewed in a number of years. It may need to be revisited.
 - New facility operating cost allocations have helped shore-up some of the deficits in maintenance and operations.
 - The elements of the BAM only help us to maintain, not increase, the current status of M&O positions.
 - Lawson asked where Grounds and Custodial services for the District are charged. Brown and Godin responded:
 - Grounds and Custodial services for District offices are based on Gross Square Feet (GSF).
 - District office GSF located on Riverside City College (RCC) is added to RCC's GSF then RCC is allocated additional funds to support the services.
 - The District Office on Spruce Street is charged to a District Office budget code in the general fund.
 - The System Office on Alessandro Blvd. is charged to Redevelopment funds.
 - The Economic Development program on Sixth Street in Corona is charged to NC M&O (funds were added to NC based on GSF).

- Allen commented that we need to allocate FTES to bring up load ratio's to assist in facilities cost.
- Parnell suggests keeping it a transition plan of approximately six years.
- Isaac suggests we keep the same system since we do not have a better alternative.
- Allen added that we cannot continue to keep redistributing the FTES, suggests two options: growth/restoration to populate the buildings and be more efficient by reaching an equilibrium.
- Isaac commented that there are ramifications if the colleges incorporate Allen's two options listed above. We need to look at the inequalities historically and review facilities operating costs.
- Godin suggests to look at historical data (utility costs) as it relates to new facilities.
- **Consensus** – (1) VP's of Business will gather FUSION data (ASF & GSF), including FTES data for efficiencies, and they will return with suggestions of how to estimate for future facilities operating costs. (2) Beth will share NC's estimates/format to Godin and al-Amin. (3) Brown suggests that Presidents should advocate at Enrollment Management for a recommendation to drive the FTES.

VII. ITSC UPDATE

- Enrollment Management
 - Information Technology Strategy Council agreed to use existing tool with expansion. Rick Herman has been meeting with academics of each college. IT is planning to use the software in the winter/spring.

VIII. ACCREDITATION UPDATE

- Allen indicated that RCC is adapting to the revised BAM and implementing a college BAM. Allen continued...
 - We need to show that we are moving towards college autonomy;
 - Our weakness is college/district planning alignment;
 - With an integrated action plan (required to be part of the addendum), the District BAM and colleges are in sync, which demonstrates an interaction between the two.

- Our action plan should be connected with DSPC's action plan and integrated before the Accreditation visit.
- DBAC's action plan and the District's action plan should be posted on the Accreditation website.
- Parnell commented that NC has a plan but not a college BAM.
- Gomez agreed with Allen's comments and said we need to implement by March.
- Isaac commented that RCC is creating concepts to an internal college BAM.

IX. NEXT MEETING

▪ **FRIDAY, JANUARY 31, 2013**

- BAM Revision Implementation - Continuation
- VP's of Business to provide and discuss a plan to fix the budget issue created when Evaluators were reassigned from being centralized at the District to decentralized at each college.

Riverside Community College District
BAM Revision Continuation 2013

Implementation Issues/Open Items		Open/ Resolved	Resolution
Policy/Organization:			
I.	Defining the roles of the District vis-à-vis the District's four major entities in the budget development and execution process. (a.) What is the expected level of services to be provided by the District Office? (DSPC)	O	Brown indicated that this item would be going to the DSPC on 10/11/13.
II.	Defining the way in which compliance with statutory, regulatory and policy requirements shall be assured (e.g. FON, 50% Law, categorical match). (DBAC?)	R	Consensus reached that budget plans should go to Executive Cabinet (or Chancellor and Presidents) and then, once agreed upon, would then go to DSPC.
III.	Defining self-insurance funding. (DBAC?)	O	Consensus was reached to institute a rate to be applied to each dollar of payroll for general liability insurance, along with a policy deductible amount beginning in FY 2014-2015. Brown to work with Mike Simmons and the college Vice Presidents of Business Services on this process.
IV.	Defining DSP&S services and funding levels. (DBAC?)	O	It was agreed that the college Vice Presidents of Business would discuss with their presidents and then would bring back to DBAC for discussion.
Implementation:			
I.	Personnel:		
	(a.) Faculty	O	
	(b.) Classified	O	
	(c.) Administrators	O	
II.	Personnel - Budget Adjustments (positive and negative) associated with:		
	(a.) Reclassifications	R	Consensus reached that the costs associated with personnel reclassifications, both employee initiated and management initiated, should be the responsibility of the respective individual college/district office.
	(b.) Reorganizations	R	Consensus reached that the costs associated with department reorganizations should be the responsibility of the respective individual college/district office.
	(c.) Vacancy Rehires	R	Consensus reached that the costs associated with position vacancy rehires should be the responsibility of the respective individual college/district office.
	(d.) Professional Growth	R	Consensus reached that the costs associated with professional growth should be the responsibility of the respective individual college/district office.
	(e.) Step and Column (mid-year)	R	Consensus reached that the costs associated with mid-year step and column movement should be budgeted "off the top" each year, similar to the annual step and column budget allocation.

Riverside Community College District
BAM Revision Continuation 2013

Implementation Issues/Open Items		Open/ Resolved	Resolution
	(f.) Health and Welfare (Open Enrollment/Personal Changes)	O	
III.	Contracts/Agreements	R	The District will continue the same process and allocate by FTES. The exact dollar amount will be decided at a later date by consulting with the colleges.
IV.	Utilities	O	Three years of utility costs by entity emailed by Brown to members. Members need to advocate for a methodology.
V.	New Facilities Operating Costs	O	FUSION and FTES data to be reviewed by VP's of Business and conduct college estimates.
VI.	Capital Equipment (Furniture, Equipment, Computers)	O	
VII.	Common/Shared Expenditures (Basis of Allocation):		
	(a.) Student Systems (Ellucian)	O	
	(b.) Financial/Budget System (Galaxy)	O	
	(c.) Network Infrastructure (Hardware/Maintenance Agreements)	O	
	(d.) La Sierra Loan Repayment	O	
VIII.	Entity Budget Alignment	O	Subgroup met on 01/10/14 to obtain and analyze the full inventory of CTE and GE programs to get the true cost by college and FTES. Subgroup to review data and have further discussion.
IX.	Associate Faculty and Overload Budget Allocation Methodology	O	There are a combination of factors that need to be taken into consideration, therefore the group wants to wait until we receive results from the alignment work that will occur, and find out what is causing the overages.
X.	Mid-year Budget Adjustments from the State	O	
XI.	Other Resources:		
	(a.) Parking	O	
	(b.) Performance Riverside	O	
	(c.) Community Education	O	

CTE & GE Analysis – Meeting Minutes

Friday, January 10, 2014

District Office, 3rd Floor – Room 319

1:00 p.m. - 2:00 p.m.

Attendees:

Aaron Brown, Vice Chancellor, Business and Financial Services (District)

Norm Godin, Vice President Business Services (Moreno Valley)

Beth Gomez, Vice President, Business Services (Norco)

John al-Amin, Interim Vice President, Business Services (Riverside)

Mary Legner, Professor, Mathematics (Riverside)

Michael McQuead, Associate Professor, CIS (Moreno Valley)

Raj Bajaj, Dean, Educational Services (District)

Rachelle Arispe, Executive Administrative Assistant to the Vice Chancellor (Recorder)

MEETING MINUTES

- The goal of this meeting is to review CTE and GE courses to help inform the decision of how best to make adjustments to the BAM to achieve equilibrium.
- Raj provided the group with a spreadsheet of FY 12/13 costs related to CTE that meet requirements for CSU/UC and IGETC (Intersegmental General Education Transfer Curriculum – series of courses that CCC students may complete to satisfy the lower-division breadth/GE requirements at both CSU/UC college or school). Based on that criteria, “other courses” are specified on the spreadsheet as “other”.
 - Some courses are overlapping
 - Not a one-to-one relationship between a course and a program
 - There is no automatic system to specify an elective, it must be done manually
 - The “Others” classification does not include CT or CSU requirement (i.e. kinesiology, art, dance, etc.)
- Bajaj suggested staying away from “programs” and use course levels only.
- Bajaj provided a handout “ResFtes 2012-2013” – based on actual apportionment FTES (includes BCTC)
- Large costs for Ben Clark Training Center program due to administration and infrastructure including charges for rent, directors, dean, administrative assistants.
- Brown suggested eliminating grant funded courses.
- Gomez commented that international rectifier (electronics) should not be included since we do not receive apportionment.
- Bajaj commented that there are no significant differences in costs between face-to-face and online courses.
- Gomez suggested using only direct instruction costs as a starting point.
- Godin suggested segregating BCTC for budget purposes.
- Gomez suggested having BCTC come off the top like Center for Social Justice & Civil Liberties or take out the rent for BCTC.
- Brown commented that there is a problem with separating the courses since some departments are combined and share costs.
- **Consensus** – Bajaj will email spreadsheet to the group by 01/17/14 with the same detailed information as presented; however, it will be sorted by CTE and OTHER for FY 2012-2013. (Gomez suggested the CTE people can sort through the courses.)

RIVERSIDE COMMUNITY COLLEGE DISTRICT
District Budget Advisory Council Meeting

Friday, Friday, February 28, 2014 - RCC AD 109

1:00 p.m. - 3:00 p.m.

AGENDA

- I. Welcome and Call to Order
- II. Approval of Minutes
 - A. January 31, 2014
- III. BAM Revision – Continuation
 - A. Implementation Issues:
 1. Utilities
 - a. GSF/ASF calculation example (Gomez)
 - b. Methodology discussion
 2. New Facilities Operating Costs
 - a. FUSION and FTES data review (Gomez)
 - b. Total Cost of Ownership (handout)
 3. Entity Budget Alignment
 - a. College validation of FTES data provided by Bajaj
 - b. College CTE and GE cost information review
 4. Capital Equipment (Furniture, Equipment, Computers)
 - a. Update from ITSC
 5. Common/Shared Expenditures (Basis of Allocation)
 - a. Student Systems (Ellucian)
 - b. Financial/Budget System (Galaxy)
 - c. Network Infrastructure (Hardware/Maintenance Agreements)
 - d. La Sierra Loan Repayment
 6. Personnel
 - a. Part-time Faculty and Overload
 - b. Health and Welfare
 7. Mid-year Budget Adjustments from the State
 8. Other Resources
 - a. Parking
 - b. Performance Riverside
 - c. Community Education
- IV. State Budget Update
- V. Other Items
 - A. Response to “Understanding BAM in 90 Sec” (handout)
 - B. Discussion on Evaluators Reassignment
- VI. Next Meeting
 - A. Friday, March 28th at RCC DL 409, 1-3p.m.

RIVERSIDE COMMUNITY COLLEGE DISTRICT
District Budget Advisory Council Meeting
BAM Revision Implementation

January 31, 2014
RCC - Hall of Fame
12:00 p.m. - 2:00 p.m.

MEETING MINUTES

PRESENT

Aaron Brown, Vice Chancellor, Business and Financial Services (District)
Sandra Mayo, President (Moreno Valley)
Paul Parnell, President (Norco)
Wolde-Ab Isaac, Interim President (Riverside)
Norm Godin, Vice President Business Services (Moreno Valley)
Beth Gomez, Vice President, Business Services (Norco)
John al-Amin, Interim Vice President, Business Services (Riverside)
Mary Legner, Professor, Mathematics (Riverside)
Tom Allen, Associate Professor, English & Media Studies (Riverside)
Michael McQuead, Associate Professor, CIS (Moreno Valley)
Tanya Wilson, Classified Representative (Norco)
Tim Ragusa, Classified Representative (District)
Jim Parsons, Associate Vice Chancellor, Strategic Communications and Relations (District)
Rachelle Arispe, Executive Administrative Assistant to the Vice Chancellor (Recorder)

ABSENT

Carrie Warren, Student Representative (Riverside)
Jennifer Lawson, Classified Representative (Riverside)
Nate Finney, Classified Representative (Moreno Valley)
Tom Wagner, Associate Professor, Business Administration (Norco)

I. **MEETING WAS CALLED TO ORDER**

A. By Aaron Brown

II. **MINUTES**

A. al-Amin moved, and Gomez seconded, approval of the minutes of December 13, 2013.
Motion approved.

III. **BAM REVISION – CONTINUATION**

A. **IMPLEMENTATION ISSUES**

1. **Utilities** – In the past, utility costs have been projected by the District Business office. Now, DBAC should consider creating a methodology/model to project

and allocate costs. We could consider a methodology similar to part-time faculty and overload: align in FY 2013-14 based on actuals, then utilize a methodology for FY 2014-15. (Brown) Historical utility cost data, by entity, was reviewed and discussed:

- a) Historical utility data was emailed on 12/20/13. It shows costs for gas, electricity and water for each college (2012-13 and prior), budget vs. actual, and difference. It also includes a summary of all utilities for each year. (Brown)
 - i. Usage looks similar throughout the years, except for the most recent year. Ragusa compared the utility percentage by college to the FTES percentage by college and NC was similar; RCC was just above, and MVC was below.
 - ii. We should look into space/square footage and possibly monthly rates to see difference with new buildings. (Mayo)
 - iii. We need to look at next year or beyond (2016-2017) since many buildings are coming online (RCC Student Services Building and Centennial Plaza). (Parnell)
 - iv. Calculation could be done based on Gross Square Footage (GSF) or Assignable Square Footage (ASF). (Gomez)
- b) Norco College Fuel Cell savings cannot be provided until FY 2014-15 since the project has been delayed. Information will be provided next fiscal year. (Gomez)

Utilities Action Item – Gomez will calculate GSF/ASF example for utilities and bring information to the next meeting.

2. **New Facilities Operating Costs** –DBAC should consider creating a model on how to allocate new facilities operating costs.
 - a) At the 12/17/13 DBAC meeting, to estimate future facilities operation costs, the VP's of Business were to gather FUSION and FTES data to provide at this meeting; however Gomez is still waiting for FUSION access, therefore data was not provided.
 - b) It was suggested that members look at the Total Cost of Ownership (TCO) (located within the Long Range Educational & Facilities Master Plan 2008) and bring to the next meeting. (Allen)

New Facilities Operating Costs Action Items – (1) FUSION data (ASF & GSF) including FTES data for efficiencies will be provided by Gomez at next meeting. (2) TCO information will be reviewed at the next meeting.

3. Entity Budget Alignment - CTE and GE Analysis Subgroup met to review CTE and GE courses to help inform the decision of how best to make adjustments to the BAM to achieve equilibrium. Copies of the January 10th meeting minutes were distributed and discussed, Raj Bajaj and Gomez' FTES and CTE handouts were provided for review and comment.
 - a) Bajaj's first handout (colored green and yellow) indicates credit and total FTES for all three colleges and the district as a whole. NC and RCC's 2012-2013 calculation on the credit FTES was reversed. It should be: NC 5,804.79, RCC 13,478.92 and MVC 5,768.63.
 - b) Bajaj's second handout identifies percentages of total FTES and total load by college, separated by "CTE" and "OTHERS" (does not include CSU required courses).
 - c) Gomez' handout is an analysis of Bajaj's data and provides a ratio of differences by college.
 - i. CTE courses are costly because of the 1 to 10 ratio which impacts efficiency. (Parnell)
 - d) Suggestions to provide entity alignment budget: (1) Take budget savings from 2012-13 and an estimated amount from 2013-14 and reallocate to the Norco College budget beginning FY 2014-15. This will show that we are making progress on entity budget alignment. (2) Designate a portion, for example 33% of the "Access/Restoration" funds, to Norco College. Plan to review the imbalance each year until it meets the District proposed FTES driven budget. (Parnell)

Entity Budget Alignment Action Item – Colleges will validate Bajaj's data and return to the next meeting with cost information. Cost information will be evaluated by the group for consideration of an entity budget alignment and timeline for FY 2014-15 and beyond.

4. Capital Equipment (Furniture, Equipment, Computers) – DBAC should consider a methodology of allocating funds for capital equipment. Do we want an annual assessment or set-aside? (Brown)
 - a) Instructional equipment is the responsibility of the college; however we need to know what the differences are between instructional equipment and the overall assessment with the IT Audit. What is the implementation timeline for replacement of technology? It is not clear with the assessment at the District level and how it filters down to the college. (Allen)
 - b) Technology infrastructure is important. It has been discussed at the Information Technology Strategy Council (ITSC) regarding establishing a "Technology Reserve"; possibly a computer/software tax on a per

employee basis. Without a reserve, we spend uncommitted funds. Shortfalls have been identified and plans need to be implemented. A technology reserve is still being discussed at ITSC. (Gomez)

- c) Interface is vague. The District is a support service so we need to create a collective system so we can agree on resources. The District needs to know when and how to upgrade technology for management, students, staff, etc. (Isaac)
- d) Instructional equipment funds have been non-existent for at least 10 years. Instructional equipment has been mostly paid by grants, this has created distortions. (McQuead)
- e) We should add money in grants for not only the personnel but also equipment/technology. (Parnell)
- f) Multiple millions of Measure C dollars have been used for new equipment, which will need to be replaced at some point. (Brown)
- g) The Governor's Proposal has a huge amount of instructional equipment funds for the District in comparison to what it has been in prior years – \$3.85 million in combined instructional equipment and scheduled maintenance (50/50). (Brown)
- h) There has been a lot of personnel turnover in the Associate Vice Chancellor (AVC) position within the IT department which has caused delays in IT related updates/issues – staff is not to blame. (McQuead)
- i) During the last two ITSC meetings members prioritized outstanding items on the IT Audit and have distinguished what is college or district related issues. The prioritization is 95% completed. (Godin)

Capital Equipment Action Items – (1) Brown will contact Rick Herman (IT AVC) for ITSC meeting minutes and will email to DBAC members. (2) ITSC updated will be provided at the next meeting.

VII. OTHER ITEMS DISCUSSED

- A. A suggestion was made to provide “RCCD-ALL” a basic fact sheet regarding the BAM prior to the Accreditation visit (March 3, 2014). The document can be a graphic approach to visually reinforce what the BAM is and does, how it works and who it affects. It can possibly be posted on the accreditation site? (Parsons)

- 1. **Consensus** – (1) Members agreed to develop a BAM fact sheet. (2) Parsons will draft the fact sheet and email it to members for review and comment.

IV. ACTION ITEMS / NEXT MEETING

A. **FRIDAY, FEBRUARY 28, 2014**

- 1. BAM Revision Implementation – Continuation

- a) Utilities –Review ASF example for utilities. (Gomez)
 - b) New Facilities Operating Costs – (1) Review FUSION data (ASF & GSF) including FTES data for efficiencies. (Gomez) (2) Review TCO template.
 - c) Entity Budget Alignment – Review cost information from VP’s of Business and evaluate for a budget alignment and timeline for FY 2014-15 and beyond.
 - d) Capital Equipment – ITSC Update
2. Discussion on Evaluators Reassignment
 3. Brown will email members the most recent Governor’s Budget summaries prior to the next meeting.

Information Technology Strategy Council Meeting

Tuesday, February 11, 2014
2:00 p.m. – Digital Library 409, Riverside City College

Minutes

Members Present:

Rick Herman (D)
John al-Amin (R)

Beth Gomez (N)
Gloria Aguilar (recorder)

Norm Godin (M)

Absent: Damon Nance (N), Felipe Galicia (M), Noemi Jubaer (S), Ruth Leal (N)

Note: Chris Carlson (D), and Julio Cuz (M) have been added to the ITSC.

Handouts (attached):

Agenda, 12/6/13 Meeting Minutes, 'Draft' Status Report, and RCCD Video Conference Locations list

Past Meeting Minutes: *Rick Herman*

12/6/13 meeting minutes were distributed at the meeting; these meeting minutes may be located on the ITSC Wendy shared drive folder.

Welcome and New/Old Business: *Rick Herman*

Rick welcomed John al-Amin to the ITSC and provided a brief background history of the committee.

Norm requested to add an item to the agenda; he would like to discuss the recent upgrade to the telephone system and how it impacts the Automated Attendance System and the future of it.

ITSC future meetings are scheduled through June 2014; they follow the DBAC meeting schedule.

It has been suggested that the ITSC group provide an update status report of progress to Executive Cabinet. The last IT Audit update was given about December 2012 by the IT Implementation Committee.

Projects (refer to handout): *Rick Herman*

- **Exchange vs. Office 365** – RCCD is currently experiencing mailbox size issues (running out of space); two options are available, option one is an upgrade to the existing Exchange system and option two is to move to Office 365. Rick shared that the recent telephone system upgrade cannot be completed and the Unified Messaging issues cannot be resolved until either option one or two occurs. Following a brief discussion the group agreed to further discuss this matter with all available content so a

recommendation could be made. Rick stated that he would compile a document that will provide all the pros and cons for the two options, short and long term financial impact, current/new services available between the two options, all potential risks, and a list of other Colleges who utilize option two. This will be an agenda item for further discussion.

Planning / Organization: *Rick Herman*

- **ITSC Membership** – Chris Carlson, Chief of Staff & Facilities Development, has been added to the group per Dr. Azari and Aaron Brown. Julio Cuz, Communications & Web Development Manager, is also co-chair of the MVC Technology Advisory and will also be added to the ITSC.
- **ITSC Organizational Structure** – Rick asked the group if every fall semester, one meeting could be set aside to review the current membership to see if any key players need to be added, to set goals for the group to accomplish, review the groups work for the year, and provide an end of the year report to Executive Cabinet. The group agreed to this idea and would prefer to do this towards the end of the spring term. The suggested timing would line up with the Colleges Program Review timeframe; this will allow the Colleges to possibly implement the goals into their Program Review when preparing for the next school year.
 - **'Draft' Information Technology Audit Status Report** – The original intent was to provide this to one of the Colleges that requested an update of the ITSC IT Audit. Rick suggested that the group could utilize this as a reporting mechanism to update Strategic Planning, Technology Advisor Groups, and other committees along with Executive Cabinet and the Board of Trustees as to what was accomplished for the year. This document could be provided annually or as requested. The group agreed to the new report format, and was asked to review the document and provide any input, changes, or recommendations.
 - **Norm** – third page, area 'Next Steps', add the word "District".
 - **Beth** – page two, area "12 Key Considerations", add "Grants" to the list.

Standards / Policies:

- **Cell Phone Policy** – The group feels that this topic needs to be reviewed thoroughly and a policy should be established. In order to appropriately establish and recommend a policy the group will need: a list of all current users, current total cost of cell phones, sample stipend plans that are being utilized from other Colleges, a cost comparison of stipend plans vs. current RCCD cell phone related costs, review the cost comparison plans, create a matrix of cell phone users, and review the 'draft' of the Cell Policy that was created by the previous Information Services, Associate Vice Chancellor. With all the proper material, research and legal input the group then could establish and recommend an appropriate policy for possible adoption by RCCD.
- **Building Access** - Norm requested that 'Building Access' should be included with Physical Security Systems.

Other Items Discussed:

- **RCCD Video Conferencing** – The list was provided by Gloria; Norm stated that a room may be missing for MVC; he will verify and let us know.
- **Virtual Desktop Infrastructure (VDI)** – A discussion on this topic should begin soon if this is an option the District considers moving toward in the future. Area experts from Network will be brought in to discuss the financial and security aspects and the accessibility benefits of VDI. This topic was discussed as it relates to storing and securing highly confidential information on RCCD equipment.

Action Items / Next Meeting Topics:

- **Cell Phone Policy** – A copy of the ‘draft’ Cell Phone Policy, a list of current users, and the cost of the cell phones will be uploaded on the ITSC shared drive folder.
- **VPN Access** – The group requested a current list of VPN users; the list will be reviewed, will discuss the potential risks of VPN access, determine who needs access and begin establishing standards and policies for obtaining VPN access. A list of the current users will be uploaded on the ITSC shared drive folder.

Meeting adjourned at 3:37 p.m.

Next Meeting: 2/28/14 8:30 a.m. AD 109

Information Technology Strategy Council Meeting

Friday, December 6, 2013

2:30 p.m. – Digital Library 409, Riverside City College

Minutes

Members Present:

Rick Herman (D)
Damon Nance (N)

Norm Godin (M)
Gloria Aguilar (recorder)

Beth Gomez (N)

Absent: Felipe Galicia (M), Noemi Jubaer (S), Ruth Leal (N) John al-Amin (R)

Note: Amber Casolari (R) has been added to the committee to replace Janet Lehr (R)

Handouts (attached):

Agenda

Past Meeting Minutes: *Rick Herman*

Welcome and Old Business: *Rick Herman*

Rick stated that a re-assessment of the IT Audit Priority list needs to be conducted by the ITSC members due to various reasons such as: verify if priorities listed are still valid, College technology needs may have changed, and items on the list may have been completed and/or are no longer needed. The members agreed that a re-assessment of the list is needed.

The members finished discussing and designating responsibility to the remaining 22 items on the list. The members agreed that updating the recommendation is needed when re-assessing the list.

It was noted by Rick that some of items listed will fall under Physical Security and Mike Simmons is responsible for this area. The ITSC members will still discuss these items and will invite Mike Simmons to these meetings for discussion.

The members agreed that they will need to establish goals from the list and will prioritize the items; this list will help to guide the members in accomplishing the IT Audit.

Other Items Discussed:

- **2014 Meetings -** The ITSC members agreed that a monthly meeting with an extended timeframe is preferred rather than meeting twice a month. It was also agreed that it would be best to meet on the same day as DBAC meetings. Gloria will work with Rachelle Arispe to schedule the ITSC meetings and will send out meeting invites.

- **Student Representative** – The current student representative has not been able to attend the last few meetings. The group agreed to have the Vice Presidents of Student Services of each College select a student to represent their College on the council. Rick shared with the group that these student representatives have multiple meetings to attend and may not always be present. Therefore, if the ITSC had a student from each College, this would increase the likelihood of having a student present at the meetings.

Action Items / Next Meeting Topics:

- **# 49 Video Conferencing** – The ITSC members requested a list of all the available video conferencing rooms throughout the District. Gloria will provide this list at the next meeting.
- **# 65 IT Standards for Construction** – The ITSC members requested to review this document.

Meeting adjourned at 4:33 p.m.

Next Meeting: **Meeting dates will be established for 2014**

PROPOSED "INFORMATION TECHNOLOGY STRATEGY COUNCIL"

Background:

PlanNet recommended that "four District-wide governing bodies focused on functional areas, not locality," be established to "maintain consistent and uniform decision-making across the District." The proposed governing bodies were:

- Executive Technology Strategy Council
- Academic Technology Committee
- Infrastructure Technology Committee
- Enterprise Technology Committee

PlanNet suggested that the Executive Technology Strategy Council meet quarterly, and examples of responsibilities to be assigned to the Council were listed.

PlanNet went further to note that "additional subcommittees could be formed to shadow IT management and serve as advisory boards." Examples listed by PlanNet included:

- Information Assurance Subcommittee
- Web Design and Planning Subcommittee
- Document Imaging Task-Force
- One-card Task Force

PlanNet also observed that the "colleges should retain existing or charter new committees to formulate constituent-specific initiatives and priorities, such as the Technology Advisory

Committees.” PlanNet envisioned that the Chairs of these committees would be expected to participate in relevant District-wide committees. Additionally, they noted that these committees would meet bi-monthly, with subcommittees and task forces meeting more frequently as needed. PlanNet also listed examples of responsibilities that would be assigned to these committees.

The Information Technology Implementation Committee (ITIC) reviewed PlanNet’s proposed governance structure and considered it far too elaborate and cumbersome. Further, the ITIC did not believe that the District would have the resources, even in good times, to provide membership of the committees, subcommittees and task forces and the staffing support all would require. However, the ITIC did believe that a governance model was needed at the District level. It therefore recommended the establishment of an “Information Technology Strategy Council (ITSC).” As envisioned by the IT Implementation Committee, the ITSC essentially would have the following mission:

The Information Technology Strategy Council will provide a collaborative forum to advise and inform the Chancellor’s Executive Cabinet and the District Strategic Planning Committee in setting priorities and making strategic decisions involving the provision of information services and technology to advance the institutional goals of the Riverside Community College District and its three colleges.

The ITIC further recommended that the ITSC be chaired by the Associate Vice Chancellor for Information Services. Suggested members could include the following:

- Vice President of Business Services for each college

- A Web Development representative (if this area remains in the unit to which it currently is assigned)
- Director, Open Campus (if this area remains in the unit to which it currently is assigned)
- Chair of each college's technology committee or the committee which is assigned oversight responsibility for IT

The council would meet quarterly, with additional meetings scheduled as needed. It would also utilize task forces to address specific issues. Among its assignments would be:

- Oversight of the District's efforts in implementing "IT audit" recommendations
- IT strategic planning, including the establishment and prioritization of initiatives from the IT Strategic Plan and interaction as appropriate with the District Strategic Planning Committee (DSPC)
- Rationalize tactical plans to the strategic plan
- Determine priorities and costs and recommend funding for committee-vetted projects
- Recommend IT policies to DSPC, the Chancellor, the Executive Cabinet and/or the Board of Trustees as appropriate
- Recommend IT infrastructure standards for new construction and renovation projects
- Periodically review the District's IT organizational structure and staffing pattern and make recommendations as appropriate

- Review and recommend purchasing and service standards for strategic, budget and operational planning
- Determine high-level performance metrics and associated reporting systems
- Assure coordination of IT efforts across the District and colleges
- Interact with the District Budget Advisory Council on an annual basis relative to ITSC funding recommendations
- Issue an annual status report to DSPC, DBAC and the Executive Cabinet

TOTAL COST OF OWNERSHIP

OVERVIEW

As part of its institutional master planning process, the Riverside City College is committed to developing a systematic, college-wide approach for all planning and budgeting activities. This approach includes the assessment of all current functions and activities and the development of a district-wide process for the on-going assessment of future programs, services and facilities. Preliminary discussions have suggested that the concept of “Total Cost of Ownership” (TCO) may be a viable approach to addressing this concern.

Definition of Total Cost of Ownership (TCO)

Total Cost of Ownership (TCO), as used for college facilities, shall be defined as the systematic quantification of all costs generated over the useful lifespan of the facility (30-50 years). The goal of TCO is to determine a value that will reflect the true, effective cost of the facility including planning, design, constructing and equipping of the facility and also the recurring costs to operate the facility over the useful lifespan of the facility (30-50 years). The one-time costs or capital construction and related costs shall be as listed on the JCAF-32 report developed by the California Community College Chancellor’s Office. The recurring or operational costs shall include staffing, institutional support services, replaceable equipment, supplies, maintenance, custodial services, technological services, utilities and related day-to-day operating expenses for the facility. –

Purpose of the Process

The College and the District should consider a standardized procedure for determining the “Total Cost of Ownership” (TCO) for existing facilities as well as for remodeled or new facilities that may be constructed throughout the District. The basis for the procedure shall be the concept of Total Cost of Ownership (TCO) as it is typically used in areas such as information technology, governmental cost assessments and corporate budget analysis.

The purpose of TCO will be to provide an institutionally agreed upon, systematic procedure by which each existing facility in the district is evaluated and, at the same time, to establish a quantitative, data base that will assist the district

and each college in determining the viability of existing facilities as well as the feasibility of remodeling and/or constructing of new facilities.

Objectives to be Achieved

The objectives to be achieved by the development of this procedure are as follows:

1. Establish an agreed upon systematic procedure for the evaluation of existing and proposed college facilities.
2. Utilize the concept of “Total Cost of Ownership” (TCO) to develop a process for the evaluation of facilities that can be integrated into the overall TCO program of the district.
3. Develop a procedure for the assessment of existing and proposed facilities that utilizes existing data from college files as well as information from the state-wide files of the Community College Chancellor’s Office.
4. Ensure that the database developed for the procedure is compatible with current state reporting systems such as Fusion.
5. Design the prototype system in a manner that allows the college to annually update the information in the system and add additional data elements as may be needed as part of the institutional planning and budgeting process.

Approval Process

The facilities planning module is but one portion of the overall Total Cost of Ownership planning model that must be developed by the College and the District. As such, it must be integrated into the overall planning system and ultimately approved through the District/College's shared governance process.

ASSESSMENT FORMAT

Outlined in the table is a draft of the format that has been developed for the assessment of a proposed facility project. It can be used for either a new project or a remodeled project. The costs listed in the analysis must be obtained from the general operating fund of the district for the previous fiscal year.

Riverside Community College District TCO Proposal			
College:		Dept/Division:	
Date:		Planning Year:	
Requestor:			
Project Title			
A. Name of Facility:			
B. State Inventory Building Number (If existing facility):			
C. Project Description:			
D. Project Justification:			
E. History of Building:			
F. Assignable Square Footage:			
G. Gross Square Footage:			
H. Initial Date of Occupancy:			
I. Programs/Services Housed in the Facility: _____ (Instructional Program/Support Svc.)			
J. Total Project Cost:			
	1. Construction Cost		
	2. Architecture/Engineering Other "soft" costs		
	3. State Contribution		
	4. Local Contribution		
	5. TOTAL Project Cost		
K. Analysis of Interior Space:			
	1. Classroom (100 space)		
	2. Laboratory (200 space)		
	3. Office (300 space)		
	4. Library (400 space)		
	5. AV/TV (500 space)		
	6. All Other Space		
L. Weekly Student Contact Hour Capacity (WSCH):			
M. Capacity Load Ratio/Utilization of Facility			
	1. Classroom Load (State Std.) 32-35 Hours/week		
	2. Classroom Use (F-06) _____Hours/week		
	3. Laboratory Load (State Std.) 28 -32 Hours/week		
	4. Laboratory Use (F-06) _____Hours/week		

Infrastructure/Utility Systems

In addition to the capital construction cost for facilities, the district must also construct major infrastructure improvements throughout the project site/college campus. As part of the total cost of ownership, each building must assume a proportionate share of the infrastructure capital improvement costs. The proportionate share or ratio for a particular facility is based on the Gross Square Footage (GSF) of that facility divided by the total Gross Square Footage (GSF) for the campus. In turn, this ratio is applied to the estimated total cost of the campus-wide infrastructure system. A typical present-value cost of a campus-wide system has been estimated at \$29,800,000. The breakdown of costs by major category is as follows:

CAMPUS-WIDE INFRASTRUCTURE CAPITAL IMPROVEMENT COST (SAMPLE)	
Electricity	\$3,900,000
Water	\$2,700,000
Gas	\$1,300,000
Data/Communications	\$5,500,000
Sewer/Storm Drains	\$4,400,000
Roads, Parking, Landscaping	\$7,100,000
Grading, Misc. Improvements	\$4,900,000
TOTAL	\$29,800,000



IMPLEMENTATION PROCESS

The table that follows provides the College with an outline of the information that will be needed to implement a Total Cost of Ownership (TCO) analysis for any proposed, new, or remodeled facilities.

TOTAL COST OF OWNERSHIP PROCEDURE - FISCAL ANALYSIS								
RIVERSIDE COMMUNITY COLLEGE DISTRICT - RIVERSIDE CITY CAMPUS								
FACILITY								
	TCO FACTOR	2006	2007	2008	2009	2010	2011	2012
Assignable Square Feet								
Gross Square Feet								
Initial Date of Occupancy								
Total Cost for Facility								
Space Allocation								
Classroom								
Laboratory								
Office								
Library								
AV/TV								
All Other								
WSCH Capacity								
Capacity Load Ratios								
Classroom								
Laboratory								
Office								
Library								
AV/TV								
Faculty Costs (2 FTEF)								
Support Staff Costs (__FTE)								
Instructional Aide (__FTE)								
Facilities Mgt. (__FTE)								
Infrastructure Operating Costs (Prorated share of Total)								
Infrastructure Operating Costs (Prorated share of Total)								
Electrical								
Water/Sewer/Waste Mgt.								
Gas								
Maintenance/Operation Costs								
Custodial								
Service Contracts								
Supplies								
Maintenance/Operation Costs								
Landscaping/Grounds/Parking								
Equipment and Supplies								
Insurance Costs								
District-wide Indirect Cost Factor (0.668 of all other costs)								

RECOMMENDATIONS

1. Using the previously completed Strategic Plan and this Educational/Facilities Master Plan, establish an on-going, college-wide master planning process that will serve as the basis for all future educational and financial decisions for the district.
2. As part of the curriculum review process, determine what "magnet" programs will be offered at each of the various District locations. In turn, develop an aggressive marketing and recruitment program for each location that will showcase these programs.
3. Continue to pursue the development of public/private partnerships for the education/job training of students. Both off-campus and on-campus locations for the training programs should be considered. Specific examples to consider include partnerships with other public agencies such as the City and County of Riverside, Immigration Services and Homeland Security.
4. Establish a College-wide enrollment management program including:
 - a. The annual assessment of the WSCH/FTEF ratio for all instructional programs with a 2015 target of 525 WSCH/FTEF. This includes limiting the growth in the number of net sections to the college-wide and departmental targets established in the Educational/Facilities Master Plan.
 - b. Address the delivery systems for all instructional programs at the college. Identify the courses/programs that can be offered via on-line/web based and hybrid systems. Develop a College-wide plan to monitor student demand and success in these courses. The college should monitor demand and success in online courses and deliver online instruction in a way that meets student needs. The College should work toward a minimum of 10% of all course sections to be offered via online/web-based or hybrid systems.
 - c. The District and College Administration and the APC (Academic Planning Council) must reassess the current timelines and re-evaluate the process by which curriculum changes are approved and the manner in which courses are added or deleted from the college's curriculum. An assessment must be made of all course prerequisites and related testing/placement procedures that limit the student's ability to enroll in desired courses. The result of the assessment should be the implementation of College-wide procedures that support the marketing and enrollment management objectives of the colleges and the district.
 - d. The District and College Administration and the APC must reassess the current procedures for scheduling classes to maximize students' ability to have access to the classes they need in the most efficient timeline possible. The efficient use of classroom and laboratory spaces (matching section and room sizes and equipment) should also figure prominently in this assessment.
 - e. An on-going review and monitoring needs to be made of all course offerings offered by the college in an effort not to duplicate expensive and/or specialized programs at more than one site in the district.
5. With respect to the facilities master plan, consideration should be given to the following items:
 - a. Affirm and follow the recommendations included in the Long Range Educational & Facilities Master Plan. This includes the renovation of existing facilities to meet the future space needs.
 - b. All future building projects must be scoped and designed in accordance with state standards with specific attention give to the Capacity Load Ratios as established in Title 5-The Administrative Code of the State of California.
 - c. In implementing the Master Plan, the first priority shall be the removal of all portable or temporary facilities followed by the renovation of existing permanent facilities.

6. In response to the projected cost of the proposed capital construction program, consider the following financing options for funding the proposed capital improvements:
 - a. A new local bond issue with the understanding that the current level of assessment per \$100,000

of evaluation will be the guideline for future assessments.

- b. Maximize the potential for state funding.



Understanding BAM in 90 Sec

What is BAM?

BAM stands for **Budget Allocation Model**. BAM determines how to allocate funding from all sources to RCC, MVC, NC and the District.

Who developed BAM?

A district committee of faculty, classified staff and managers from each college and the district offices.

How long has BAM existed?

The first formal BAM started in FY 2008-09 in preparation for the Moreno Valley and Norco campuses seeking full college accreditation. It is a living model, evolving as changes occur in our multi-college district. A major revision to BAM occurred in FY 2013-14 when BAM became an FTES-based model.

What does BAM affect?

EVERYTHING. The BAM allocates money based on FTES. Funding is used by colleges and the district offices for personnel, equipment, professional growth, operations, etc.. Some expenditures are paid "off the top" before allocation--e.g., step/column increases.



BAM Principles (simplified)

1. Financial equilibrium is maintained by assuring that ongoing expenditures don't exceed ongoing revenues and that required reserves are maintained.
2. Resource allocation is linked to District strategic planning.
3. Allocate resources equitably to the colleges and the District offices, while ensuring compliance with statutory and regulatory requirements.
4. Enrollment management decisions drive the allocation of operational resources.
5. BAM is simple, communicable and as easy to understand and administer as possible.
6. BAM is defined in measurable terms and the outcome is independently verifiable.
7. BAM is driven by verifiable data.

BAM Implementation

Many issues are being discussed. So far:

Consensus reached on the following:

- Budget plans will go to Executive Cabinet (or Chancellor and Presidents) and then to District Strategic Planning.
- A rate will be applied to each dollar of payroll for general liability insurance.
- Costs for personnel reclassifications, department reorganizations, and vacancy rehires will be the responsibility of the college or district office.
- Professional growth costs are the responsibility of the college or district office.
- Annual and Mid-year step and column increases will be budgeted "off the top" each year, before funds are allocated by the BAM.
- Allocation will continue to be by FTES.

MIRIAM AND WILLIAM DAVIS
CENTER FOR STUDENT SUCCESS

BAM 2013-14 Goals

- ★ Evaluate the effectiveness of nine revisions to the existing BAM were made to ensure that the BAM was responsive to changes in the multi-college district.
- ★ Define the way in which compliance with statutes, regulations and policies will be ensured (e.g. 50% Law, categorical match)
- ★ Define the roles of the District Offices vis-a-vis the colleges in the development and execution of the budget
- ★ Define DSPS services and funding levels.

RIVERSIDE COMMUNITY COLLEGE DISTRICT
District Budget Advisory Council Meeting

Friday, Friday, March 28, 2014 - RCC DL 409

1:00 p.m. - 3:00 p.m.

AGENDA

- I. Welcome and Call to Order
- II. Approval of Minutes
 - A. February 28, 2014
- III. BAM Revision – Continuation
 - A. Implementation Issues:
 1. Utilities
 - a. Review Budget Office Utility Analysis (Brown)
 - b. Review revised Utilities Analysis (Gomez)
 2. Entity Budget Alignment
 - a. Discuss College validation of FTES data (VP's of Business)
 - b. Review of College CTE and GE cost (VP's of Business)
 - c. Review BAM Examples to close equilibrium gap over 5-6 years (Brown)
 3. Capital Equipment (Furniture, Equipment, Computers)
 - a. Discuss response by Ruth Adams and Rick Herman regarding student technology fee. (Brown)
 4. Personnel
 - a. Part-time Faculty and Overload Budget Methodology
 - i. Discuss Ventura Community College's BAM
 - b. Health and Welfare (Open Enrollment/Budget Adjustments)
 5. Other Resources
 - a. Parking
 - b. Performance Riverside
 - c. Community Education
- IV. State Budget Update
- V. Other Items
 - A. Discussion on Evaluators Reassignment
- VI. Next Meeting
 - A. Friday, April 25th at RCC DL 409, 1-3p.m.

RIVERSIDE COMMUNITY COLLEGE DISTRICT
District Budget Advisory Council Meeting
BAM Revision Implementation

February 28, 2014
RCC – AD409
1:00 p.m. - 3:00 p.m.

MEETING MINUTES

PRESENT

Aaron Brown, Vice Chancellor, Business and Financial Services (District)
Paul Parnell, President (Norco)
Norm Godin, Vice President Business Services (Moreno Valley)
Beth Gomez, Vice President, Business Services (Norco)
John al-Amin, Interim Vice President, Business Services (Riverside)
Mary Legner, Professor, Mathematics (Riverside)
Jennifer Lawson, Classified Representative (Riverside)
Michael McQuead, Associate Professor, CIS (Moreno Valley)
Tom Wagner, Associate Professor, Business Administration (Norco)
Tanya Wilson, Classified Representative (Norco)
Rachelle Arispe, Executive Administrative Assistant to the Vice Chancellor (Recorder)

ABSENT

Nate Finney, Classified Representative (Moreno Valley)
Tom Allen, Associate Professor, English & Media Studies (Riverside)
Carrie Warren, Student Representative (Riverside)
Tim Ragusa, Classified Representative (District)
Jim Parsons, Associate Vice Chancellor, Strategic Communications and Relations (District)

I. **MEETING WAS CALLED TO ORDER**

A. By Aaron Brown

II. **MINUTES**

A. Legnar moved, and Gomez seconded, approval of the minutes of January 31, 2014. Motion approved.

III. **BAM REVISION – CONTINUATION**

A. **IMPLEMENTATION ISSUES**

1. **Utilities**

a) Gomez provided a utilities analysis (handout) using GSF & ASF data from FUSION – Space Inventory FY 2013-14 and utility expenses.

i. ASF does not include parking lots and hallways therefore using GSF is a better comparison. (Gomez)

- ii. The analysis shows a big difference at RCC due to the parking lots. (Gomez)
- iii. FY 13/14 utility expenses for MVC may be higher due to a late payment of approximately \$125k from FY 12/13. (Godin)
- iv. The Budget office is doing a complete review of the utility expenses. (Brown)
- v. If we can derive a base, average utility cost then maybe we can allocate the funds adequately to each college. (Gomez)

Utilities Action Item – (1) Brown will bring the Budget Office utility analysis to the next DBAC meeting if it is complete. (2) Gomez will make a few changes to her utilities analysis handout and provide it at the next meeting.

2. **New Facilities Operating Costs**

- a) The Total Cost of Ownership (TCO) section (handout) within the RCC Master Plan outlines how to approach a TCO methodology. TCO information was researched online and also discussed with Eric Mittlestead (District's Planning Consultant). TCO information is hard to find, therefore we may need to develop our own from scratch or utilize TCO information contained in the RCC Master Plan as a starting point. (Brown)
- b) Since there are no facilities coming online for FY 14-15, we can discuss a methodology at a later date. (Brown)
- c) M&O Standards need to be updated for current information. We can then look at the methodology to see if it is still valid. Once the M& O Standards are defined, we could determine how it will be incorporated into the BAM. (Brown)
- d) Godin should review the MVC NOC budget to verify that sufficient funds for new facility operating costs have been established. (Brown)
- e) Brown will have a conversation with Chris Carlson to have the Facilities Working Group tackle the TCO project as well as add the M&O Standards update to their agenda.
- f) We need to have a methodology in place by FY 2015-16 as CAADO, CSA and RCC's Student Services Building will be coming online. (Brown)

New Facilities Operating Costs Action Items – Brown to ask Chris Carlson if Facilities Working Group can develop TCO methodology and update M & O Standards. Results to be brought back to DBAC when complete.

3. **Entity Budget Alignment**

- a) VP's of Business were not able to validate their College FTES data provided by Bajaj. Time was limited due to planning for accreditation visit the week of March 3rd.
- b) There is a less negative impact to MVC and RCC if we use Access funds of 3% to fill the budget gap for NC. (Godin)
- c) Suggestion to use the surplus at the end of the fiscal year and possibly any leftover COLA. (Gomez)
- d) The surplus at the end of the year is one-time money. Permanent dollars are needed in order to fill the gap, not one time savings. (Godin)

- e) We need to reallocate over 5-7 years instead of basing off of FTES. (Parnell)
- f) As of now, we have achieved our funded level and we have approximately 1,000 unfunded FTES based on the latest data from Raj Bajaj. (Brown)
- g) Preliminary budget projections show an estimated \$5 million shortfall for FY 2014-2015; however it is still early in the process and there is likely to be more funding available to distribute for unfunded FTES. If so, this will decrease the estimated budget shortfall. We are still waiting for information from the State about the property tax deficit applied at P1. The Budget Allocation Model has been established as an FTES model. The model indicates that we have an equilibrium problem among the colleges which we need to address if we are to follow the BAM. We won't be able to close the equilibrium gap in any substantial manner by assigning FTES and COLA is really not available for this purpose since, in all likelihood, it will be distributed in the form of a salary increase. In order to begin addressing the equilibrium problem, we will likely need to designate resources to close the gap. We'll need to make a decision on how to do this soon so it can be programmed into the FY 2014-15 budget. (Brown)

Entity Budget Alignment Action Item – (1) Vice Presidents of Business will return with College FTES data and CTE/GE costs. (2) Brown will prepare BAM examples showing the impact of allocating resources to close the equilibrium gap over 5-6 years.

- 4. Capital Equipment (Furniture, Equipment, Information Technology, Computers)
 - a) Vice Presidents of Business Services updated DBAC members on the outcome of ITSC meetings (ITSC Meeting Minutes for 12/06/13 & 02/11/14 were distributed to members).
 - b) Rick Herman (IT AVC) did an update on the IT Audit plan for accreditation purposes. His office will be posting the update on the District website. (Gomez)
 - c) The ITSC is addressing what is relevant within the IT Audit and establishing priority levels. (Godin)
 - d) ITSC is going to recommend that a reasonable rate per employee be established to fund a capital equipment reserve. The funds will be deducted from the general fund and will include Grants. Application of the rate would be similar to a fringe benefit charge. The monies would be designated to a specific reserve account. It will take a couple of years for the reserve to build-up. In the meantime, while the money is accumulating, ITSC would do an analysis of the needs for IT (address a global need for servers, etc.). (Gomez/Godin)
 - e) Each college may need to transfer monies to the general fund and try to build some cushion. (Gomez)
 - f) Some colleges charge a technology fee. Students can add it as part of their fees and can vote for access and/or can opt-out. (Legnar)
 - g) At the State level there is no technology fee. There is a possibility that students can vote to voluntarily assess themselves a technology fee. (Brown)
 - h) Lea Deesing (former IT AVC) had posed a question to Ruth Adams regarding student technology fees (i.e. student computers). We can look into it further to

see if it is possible. Brown can follow up and engage Ruth Adams and Rick Herman. The fee would have to be focused on restricted uses and how it would benefit students on an ongoing basis. (Brown)

Capital Equipment Action Items – (1) Members will return with a methodology once ITSC has made their recommendation. (2) Brown will follow up with Adams and Herman in regards to technology fees.

5. **Personnel**

- a) We need to develop a methodology to more accurately budget Associate Faculty and Overload costs to avoid unplanned budget overages in FY 2014-15 and beyond. It is estimated that we will be \$2 million over in FY 2013-2014. (Brown)
- b) A Full-Time to Part-Time ratio has not been established and is not the same at each college. (Gomez)
- c) In FY 2013-2014, the budget was determined by taking actual cost for FY12/13 and dividing the FTES produced by each college to derive a rate per FTES. The budget was then adjusted to agree to the actual cost for FY 2012-2013. Then, calculated rate was applied to the growth FTES for each college, adjusted by COLA and fixed charges. (Brown)
- d) Suggestion to gather Full-Time salaries for FY12/13 and Part-Time salaries for FY 12/13 and the amount of FTES to get a cost for instruction, that way we can see the difference. Then we can look at how many FTES we can produce and how much Full-time faculty we have and how much we will need in Part-time faculty. (Gomez)
- e) The Part-Time Faculty Projection spreadsheet that was distributed at the Presidents meeting with Dr. Azari (Interim Chancellor) was helpful in showing the projection costs for MVC. (Godin)
 - a. Brown will forward the projection spreadsheet to the members. (Brown)
- f) Benefits are not included in the Overload salary projection, a percentage is applied later. (Brown)
- g) al-Amin suggests to look at Ventura Community College's BAM as it identifies the mathematical formula for FTES and enrollment. (al-Amin)
 - a. The model will be emailed by al-Amin to Arispe so she may distribute to the DBAC members for review. (Brown)

Personnel – (1) Members will review Ventura Community College's BAM and discuss at the next meeting. (2) Methodology discussion to continue on this item.

VII. OTHER ITEMS DISCUSSED

- A. Members agreed to continue meetings without video conferencing as suggested in 2013.

IV. ACTION ITEMS / NEXT MEETING

A. FRIDAY, MARCH 28, 2014

1. BAM Revision Implementation – Continuation

- a) Utilities – (1) Review Budget Office utility analysis, if it is complete. (2) Review Gomez' revised utilities analysis handout
 - b) New Facilities Operating Costs – A TCO methodology and M&O Standards update will be brought back to DBAC when updated/completed by the Facilities Working Group.
 - c) Entity Budget Alignment – (1) Review College FTES data and CTE/GE costs provided by the Vice Presidents of Business. (2) Review Brown's BAM examples showing the impact of allocating resources to close the equilibrium gap over 5-6 years.
 - d) Capital Equipment – (1) Discuss response by Adams and Herman regarding a student technology fee. (2) Members will return with a methodology once ITSC has made their recommendation on establishing a capital equipment reserve.
 - e) Personnel – (1) Discuss Ventura Community College's BAM. (2) Methodology discussion to continue.
2. Discussion on Evaluators Reassignment

Eastern Municipal Water District
 Moreno Valley Campus Water

AVERAGE			
Average of all Accounts for Easter Municipal Water District Accounts for the Moreno Valley Campus Water June 2012 - December 2013			
Invoice date	Water	Converted to	
	Commodity Amount	Gallons	Cost per Gallon
Jun 2012	3,927.86	3,441,227	0.0139737
Jul 2012	3,459.88	2,846,899	0.0107317
Aug 2012	3,459.21	2,780,191	0.0139741
Sep 2012	3,923.59	3,145,692	0.0139781
Oct 2012	2,593.97	1,704,987	0.0139788
Nov 2012	1,913.22	1,243,753	0.0139759
Dec 2012	1,367.90	1,013,572	0.0139688
Jan 2013	1,198.06	747,151	0.0145606
Feb 2013	1,889.54	1,217,326	0.0145606
Mar 2013	2,243.56	1,573,437	0.0145583
Apr 2013	3,510.92	2,723,821	0.0111656
May 2013	3,724.25	2,929,391	0.0145606
Jun 2013	4,713.35	3,958,122	0.0146027
Jul 2013	3,791.05	2,975,874	0.0145982
Aug 2013	4,982.88	3,959,513	0.0145951
Sep 2013	3,609.96	2,563,816	0.0145970
Oct 2013	2,137.62	1,232,013	0.0145977
Nov 2013	2,646.06	1,941,893	0.0112047
Dec 2013	1,673.56	1,222,999	0.0112038
	56,766.44	43,221,675	0.0143858

City of Norco May 2012 - January 2014
Norco Campus Water

HCF - Hundred Cubic Feet
1 HCL = 748 Gallons

7 Meters are billed under this account.

Account #523159-001			
Invoice date	Invoice Amt	Usage - HCF	Cost per HCF
May 2012	5,182.80	1,640	3.16
Jun 2012	5,654.61	1,922	2.94
Jul 2012	6,847.12	2,456	2.79
Aug 2012	9,540.62	2,531	3.77
Sep 2012	7,477.12	1,956	3.82
Oct 2012	7,292.66	1,833	3.98
Nov 2012	4,595.36	1,068	4.30
Dec 2012	2,738.54	727	3.77
Jan 2013	4,897.20	960	5.10
Feb 2013	4,823.98	999	4.83
Mar 2013	5,190.80	1,240	4.19
Apr 2013	7,411.48	2,074	3.57
May 2013	6,193.48	1,974	3.14
Jun 2013	9,388.36	3,318	2.83
Jul 2013	9,723.50	3,575	2.72
Aug 2013	10,756.56	3,528	3.05
Sep 2013	8,350.10	2,705	3.09
Oct 2013	7,117.00	2,055	3.46
Nov 2013	4,945.52	1,376	3.59
Dec 2013	4,393.98	1,499	2.93
Jan 2014	8,018.76	2,038	3.93
	140,539.55	41,474	3.39

AVERAGE			
Average of all Riverside Public Utility Accounts for the Riverside Campus Electricity			
Invoice date	Current Charges	Total kWh	Cost per kWh
Jul 2012	132,727.55	1,160,763.00	0.1143
Aug 2012	158,645.55	1,374,148.00	0.1155
Sep 2012	139,098.83	1,142,405.00	0.1218
Oct 2012	134,546.63	1,174,308.00	0.1146
Nov 2012	116,503.18	1,028,184.00	0.1133
Dec 2012	96,374.54	844,946.00	0.1141
Jan 2013	108,134.33	953,505.00	0.1134
Feb 2013	104,840.92	893,854.00	0.1173
Mar 2013	125,640.62	1,105,201.00	0.1137
Apr 2013	117,536.21	1,023,638.00	0.1148
May 2013	133,327.19	1,156,697.00	0.1153
Jun 2013	145,437.50	1,260,236.00	0.1154
Jul 2013	129,194.02	1,125,510.00	0.1148
Aug 2013	164,310.10	1,411,100.00	0.1164
Sep 2013	133,974.94	1,121,274.00	0.1195
Oct 2013	120,510.50	1,065,487.00	0.1131
Nov 2013	118,510.65	1,031,204.00	0.1149
Dec 2013	97,547.43	856,568.00	0.1139
	2,276,860.69	19,729,028	0.1154

**Riverside Community College District
Budget Allocation Model - PROFORMA #1
FY 2014-2015**

	<u>Total</u>					
Contingency Budget from FY 2013-2014	\$ 6,358,532					
Apportionment						
Basic Allocation	\$ 10,683,362					
Cr FTES (MVC - 5,940.01; NC - 5,940.01; RCC - 13,834.30 (25,714.32))	119,224,256					
COLA at .86%	1,120,695					
Growth at 3.0% (MVC - 178.20; NC - 178.20; RCC - 415.03 (771.43))	<u>3,607,488</u>					
Total Gross Apportionment	\$ 134,635,801					
Less, Property Taxes	(28,964,491)					
Less, Enrollment Fees	(9,017,497)					
Less, Estimated Deficit Factor (.00268)	<u>(362,464)</u>					
Total Net Apportionment	\$ 96,291,349					
Total Beginning Balance and Apportionment	\$ 102,649,881					
Less, Contingency Reserve (Board Adopted at 5% or more)	(8,450,000)					
Less, DO Allocation	(3,823,492)					
Less, DSS Allocation	(16,934,353)					
Less, Outgoing Transfer for Self-Insured Liability (Resource 6100)	-					
Less, Outgoing Transfer for CSJCL (Resource 1120)	(99,373)					
Less, Outgoing Transfer for DSPS Match and FWS Support	(997,493)					
Less, Outgoing Transfer for Backfill Support to Categorical Programs	<u>(95,625)</u>					
Total Funds for Per Credit FTES Calculation	\$ 72,249,545					
Total Target Credit FTES	<u>27,442.20</u>					
BAM Funding Rate Per Credit FTES	\$ 2,632.7898					
	Total	Moreno Valley	Norco	Riverside	DSS	DO
Total Funding Rate Per Target Credit FTES	\$ 2,632.7898	\$ 2,632.7898	\$ 2,632.7898	\$ 2,632.7898		
Target Credit FTES Target	27,545.19	6,362.94	6,362.94	14,819.31		
Total Allocated Beginning Balance and Apportionment	\$ 72,520,696	\$ 16,752,284	\$ 16,752,284	\$ 39,016,129		
FY 2013-14 Excess (Shortfall) of Budgeted Revenues	771,687	178,183	177,411	416,094	-	(91,687)
FY 2013-14 Excess (Shortfall) of Budgeted Expenditures	1,186,254	636,453	27,486	522,315	718,168	255,578
Non-Credit FTES	405,773	-	-	405,773	-	-
Federal Revenues	188,321	58,738	51,220	78,363	-	-
Other State Revenues	5,323,204	1,229,660	1,229,660	2,863,884	-	-
Local Revenues	41,943,010	9,294,532	9,255,212	23,393,266	191,357	-
Incoming Transfer from Customized Solutions (Resource 1170)	67,407	-	67,407	-	-	-
Incoming Transfer from Bookstore (Resource 1110)	350,000	48,825	66,475	234,700	-	-
Total Available Funds	\$ 122,756,352	\$ 28,198,674	\$ 27,627,155	\$ 66,930,523	\$ 909,525	\$ 163,891
Base Expenditures for FY 2014-2015						
FY 2014-2015	(127,022,773)	(31,002,872)	(25,367,395)	(70,652,506)	(17,843,878)	(3,987,383)
Budget (Shortfall) or Excess	\$ (4,266,421)	\$ (2,804,198)	\$ 2,259,760	\$ (3,721,983)	\$ (16,934,353)	\$ (3,823,492)

Riverside Community College District
Budget Allocation Model - PROFORMA #1
FY 2014-2015

Base Expenditures for FY 2014-2015	Total				DSS	DO	Total DO/DSS
	Colleges	Moreno Valley	Norco	Riverside			
FY 2013-2014 Base Expenditure Budget	\$ 120,738,051	\$ 29,079,540	\$ 23,946,149	\$ 67,712,362	\$ 17,330,059	\$ 3,543,772	\$ 20,873,831
Position Step and Column Adjustments	595,693	145,857	170,156	279,680	54,375	2,084	56,459
Health/Dental/Life Insurance	1,115,734	274,776	180,591	660,367	(43,682)	(42,052)	(85,734)
Fixed Charges (STRS, PERS, FICA, MC, UI, WC, GL)	1,261,790	301,600	248,385	711,805	163,415	24,795	188,210
Growth, Placement Adjustments, Reclassifications	417,122	140,496	156,451	120,175	(158,066)	170,944	12,878
Set-aside for Compensation Adjustment (.86%)	774,664	185,741	155,054	433,869	90,497	14,839	105,336
Enrollment Management/Budget Alignment Associate Faculty/Overload	2,330,000	928,914	568,087	832,999	-	-	-
Administrative Restructuring	-	-	-	-	-	(30,000)	(30,000)
Barnes and Noble Signing Bonus Usage	(300,000)	(75,000)	(75,000)	(150,000)	-	-	-
Contracts/Agreements/Licenses	89,719	20,948	17,522	51,249	107,280	3,001	110,281
Utilities Holding Account	-	-	-	-	300,000	-	300,000
Off-Year Board of Trustees Election	-	-	-	-	-	300,000	300,000
High Cost Program Allowance	-	-	-	-	-	-	-
BAM Equilibrium Adjustment (PY Budget Imbalance over 5 Yrs)	-	-	-	-	-	-	-
Base Expenditure Budget FY 2014-2015	\$ 127,022,773	\$ 31,002,872	\$ 25,367,395	\$ 70,652,506	\$ 17,843,878	\$ 3,987,383	\$ 21,831,261
% of Base Budget	85.33%	20.83%	17.04%	47.46%	11.99%	2.68%	14.67%
\$ Increase (Decrease) to PY Base Budget	6,284,722	\$ 1,923,332	\$ 1,421,246	\$ 2,940,144	\$ 513,819	\$ 443,611	\$ 957,430
% Increase/-Decrease to PY Base Budget	5.21%	6.61%	5.94%	4.34%	2.96%	12.52%	4.59%

* Assumes no additional revenues, maintaining 5% reserve, and spreading \$4.26 million budget shortfall among all entities based on FY 13-14 Adopted Budget BAM Percentages.

**Riverside Community College District
Budget Allocation Model - PROFORMA #2
FY 2014-2015**

	<u>Total</u>					
Contingency Budget from FY 2013-2014	\$ 6,358,532					
Apportionment						
Basic Allocation	\$ 10,683,362					
Cr FTES (MVC - 5,940.01; NC - 5,940.01; RCC - 13,834.30 (25,714.32))	119,224,256					
COLA at .86%	1,120,695					
Growth at 3.0% (MVC - 178.20; NC - 178.20; RCC - 415.03 (771.43))	<u>3,607,488</u>					
Total Gross Apportionment	\$ 134,635,801					
Less, Property Taxes	(28,964,491)					
Less, Enrollment Fees	(9,017,497)					
Less, Estimated Deficit Factor (.00268)	<u>(362,464)</u>					
Total Net Apportionment	\$ 96,291,349					
Total Beginning Balance and Apportionment	\$ 102,649,881					
Less, Contingency Reserve (Board Adopted at 5% or more)	(8,450,000)					
Less, DO Allocation	(3,823,492)					
Less, DSS Allocation	(16,934,353)					
Less, Outgoing Transfer for Self-Insured Liability (Resource 6100)	-					
Less, Outgoing Transfer for CSJCL (Resource 1120)	(99,373)					
Less, Outgoing Transfer for DSPS Match and FWS Support	(997,493)					
Less, Outgoing Transfer for Backfill Support to Categorical Programs	<u>(95,625)</u>					
Total Funds for Per Credit FTES Calculation	\$ 72,249,545					
Total Target Credit FTES	<u>27,442.20</u>					
BAM Funding Rate Per Credit FTES	\$ 2,632.7898					
	Total	Moreno Valley	Norco	Riverside	DSS	DO
Total Funding Rate Per Target Credit FTES	\$ 2,632.7898	\$ 2,632.7898	\$ 2,632.7898	\$ 2,632.7898		
Target Credit FTES Target	27,545.19	6,362.94	6,362.94	14,819.31		
Total Allocated Beginning Balance and Apportionment	\$ 72,520,696	\$ 16,752,284	\$ 16,752,284	\$ 39,016,129		
FY 2013-14 Excess (Shortfall) of Budgeted Revenues	771,687	178,183	177,411	416,094	-	(91,687)
FY 2013-14 Excess (Shortfall) of Budgeted Expenditures	1,186,254	636,453	27,486	522,315	718,168	255,578
Non-Credit FTES	405,773	-	-	405,773	-	-
Federal Revenues	188,321	58,738	51,220	78,363	-	-
Other State Revenues	5,323,204	1,229,660	1,229,660	2,863,884	-	-
Local Revenues	41,943,010	9,294,532	9,255,212	23,393,266	191,357	-
Incoming Transfer from Customized Solutions (Resource 1170)	67,407	-	67,407	-	-	-
Incoming Transfer from Bookstore (Resource 1110)	350,000	48,825	66,475	234,700	-	-
Total Available Funds	\$ 122,756,352	\$ 28,198,674	\$ 27,627,155	\$ 66,930,523	\$ 909,525	\$ 163,891
Base Expenditures for FY 2014-2015						
FY 2014-2015	(127,242,165)	(30,789,930)	(26,075,456)	(70,376,779)	(17,843,878)	(3,987,383)
Budget (Shortfall) or Excess	\$ (4,485,813)	\$ (2,591,256)	\$ 1,551,699	\$ (3,446,256)	\$ (16,934,353)	\$ (3,823,492)

**Riverside Community College District
Budget Allocation Model - PROFORMA #2
FY 2014-2015**

Base Expenditures for FY 2014-2015	Total				Total		
	Colleges	Moreno Valley	Norco	Riverside	DSS	DO	DO/DSS
FY 2013-2014 Base Expenditure Budget	\$ 120,738,051	\$ 29,079,540	\$ 23,946,149	\$ 67,712,362	\$ 17,330,059	\$ 3,543,772	\$ 20,873,831
Position Step and Column Adjustments	595,693	145,857	170,156	279,680	54,375	2,084	56,459
Health/Dental/Life Insurance	1,115,734	274,776	180,591	660,367	(43,682)	(42,052)	(85,734)
Fixed Charges (STRS, PERS, FICA, MC, UI, WC, GL)	1,261,790	301,600	248,385	711,805	163,415	24,795	188,210
Growth, Placement Adjustments, Reclassifications	417,122	140,496	156,451	120,175	(158,066)	170,944	12,878
Set-aside for Compensation Adjustment (.86%)	774,664	185,741	155,054	433,869	90,497	14,839	105,336
Enrollment Management/Budget Alignment Associate Faculty/Overload	2,330,000	928,914	568,087	832,999	-	-	-
Administrative Restructuring	-	-	-	-	-	(30,000)	(30,000)
Barnes and Noble Signing Bonus Usage	(300,000)	(75,000)	(75,000)	(150,000)	-	-	-
Contracts/Agreements/Licenses	89,719	20,948	17,522	51,249	107,280	3,001	110,281
Utilities Holding Account	-	-	-	-	300,000	-	300,000
Off-Year Board of Trustees Election	-	-	-	-	-	300,000	300,000
High Cost Program Allowance	219,392	109,696	-	109,696	-	-	-
BAM Equilibrium Adjustment (PY Budget Imbalance over 5 Yrs)	-	(322,638)	708,061	(385,423)	-	-	-
Base Expenditure Budget FY 2014-2015	\$ 127,242,165	\$ 30,789,930	\$ 26,075,456	\$ 70,376,779	\$ 17,843,878	\$ 3,987,383	\$ 21,831,261
% of Base Budget	85.36%	20.65%	17.49%	47.21%	11.97%	2.67%	14.64%
\$ Increase (Decrease) to PY Base Budget	6,504,114	\$ 1,710,390	\$ 2,129,307	\$ 2,664,417	\$ 513,819	\$ 443,611	\$ 957,430
% Increase/-Decrease to PY Base Budget	5.39%	5.88%	8.89%	3.93%	2.96%	12.52%	4.59%

* Assumes no additional revenues, maintaining 5% reserve, and spreading \$4.26 million budget shortfall among all entities based on FY 13-14 Adopted Budget BAM Percentages.

**Riverside Community College District
Budget Allocation Model - PROFORMA #3
FY 2014-2015**

	<u>Total</u>					
Contingency Budget from FY 2013-2014	\$ 6,358,532					
Apportionment						
Basic Allocation	\$ 10,683,362					
Cr FTES (MVC - 5,940.01; NC - 5,940.01; RCC - 13,834.30 (25,714.32))	119,224,256					
COLA at .86%	1,120,695					
Growth at 3.0% (MVC - 178.20; NC - 178.20; RCC - 415.03 (771.43))	<u>3,607,488</u>					
Total Gross Apportionment	\$ 134,635,801					
Less, Property Taxes	(28,964,491)					
Less, Enrollment Fees	(9,017,497)					
Less, Estimated Deficit Factor (.00268)	<u>(362,464)</u>					
Total Net Apportionment	\$ 96,291,349					
Total Beginning Balance and Apportionment	\$ 102,649,881					
Less, Contingency Reserve (Board Adopted at 5% or more)	(8,450,000)					
Less, DO Allocation	(3,823,492)					
Less, DSS Allocation	(16,934,353)					
Less, Outgoing Transfer for Self-Insured Liability (Resource 6100)	-					
Less, Outgoing Transfer for CSJCL (Resource 1120)	(99,373)					
Less, Outgoing Transfer for DSPS Match and FWS Support	(997,493)					
Less, Outgoing Transfer for Backfill Support to Categorical Programs	<u>(95,625)</u>					
Total Funds for Per Credit FTES Calculation	\$ 72,249,545					
Total Target Credit FTES	<u>27,442.20</u>					
BAM Funding Rate Per Credit FTES	\$ 2,632.7898					
	Total	Moreno Valley	Norco	Riverside	DSS	DO
Total Funding Rate Per Target Credit FTES	\$ 2,632.7898	\$ 2,632.7898	\$ 2,632.7898	\$ 2,632.7898		
Target Credit FTES Target	27,545.19	6,362.94	6,362.94	14,819.31		
Total Allocated Beginning Balance and Apportionment	\$ 72,520,696	\$ 16,752,284	\$ 16,752,284	\$ 39,016,129		
FY 2013-14 Excess (Shortfall) of Budgeted Revenues	771,687	178,183	177,411	416,094	-	(91,687)
FY 2013-14 Excess (Shortfall) of Budgeted Expenditures	1,186,254	636,453	27,486	522,315	718,168	255,578
Non-Credit FTES	405,773	-	-	405,773	-	-
Federal Revenues	188,321	58,738	51,220	78,363	-	-
Other State Revenues	5,323,204	1,229,660	1,229,660	2,863,884	-	-
Local Revenues	41,943,010	9,294,532	9,255,212	23,393,266	191,357	-
Incoming Transfer from Customized Solutions (Resource 1170)	67,407	-	67,407	-	-	-
Incoming Transfer from Bookstore (Resource 1110)	350,000	48,825	66,475	234,700	-	-
Total Available Funds	\$ 122,756,352	\$ 28,198,674	\$ 27,627,155	\$ 66,930,523	\$ 909,525	\$ 163,891
Base Expenditures for FY 2014-2015						
FY 2014-2015	(127,950,226)	(31,112,568)	(26,075,456)	(70,762,202)	(17,843,878)	(3,987,383)
Budget (Shortfall) or Excess	\$ (5,193,874)	\$ (2,913,894)	\$ 1,551,699	\$ (3,831,679)	\$ (16,934,353)	\$ (3,823,492)

Riverside Community College District
Budget Allocation Model - PROFORMA #3
FY 2014-2015

Base Expenditures for FY 2014-2015	Total				Total		
	Colleges	Moreno Valley	Norco	Riverside	DSS	DO	DO/DSS
FY 2013-2014 Base Expenditure Budget	\$ 120,738,051	\$ 29,079,540	\$ 23,946,149	\$ 67,712,362	\$ 17,330,059	\$ 3,543,772	\$ 20,873,831
Position Step and Column Adjustments	595,693	145,857	170,156	279,680	54,375	2,084	56,459
Health/Dental/Life Insurance	1,115,734	274,776	180,591	660,367	(43,682)	(42,052)	(85,734)
Fixed Charges (STRS, PERS, FICA, MC, UI, WC, GL)	1,261,790	301,600	248,385	711,805	163,415	24,795	188,210
Growth, Placement Adjustments, Reclassifications	417,122	140,496	156,451	120,175	(158,066)	170,944	12,878
Set-aside for Compensation Adjustment (.86%)	774,664	185,741	155,054	433,869	90,497	14,839	105,336
Enrollment Management/Budget Alignment Associate Faculty/Overload	2,330,000	928,914	568,087	832,999	-	-	-
Administrative Restructuring	-	-	-	-	-	(30,000)	(30,000)
Barnes and Noble Signing Bonus Usage	(300,000)	(75,000)	(75,000)	(150,000)	-	-	-
Contracts/Agreements/Licenses	89,719	20,948	17,522	51,249	107,280	3,001	110,281
Utilities Holding Account	-	-	-	-	300,000	-	300,000
Off-Year Board of Trustees Election	-	-	-	-	-	300,000	300,000
High Cost Program Allowance	219,392	109,696	-	109,696	-	-	-
BAM Equilibrium Adjustment (PY Budget Imbalance over 5 Yrs)	708,061	-	708,061	-	-	-	-
Base Expenditure Budget FY 2014-2015	\$ 127,950,226	\$ 31,112,568	\$ 26,075,456	\$ 70,762,202	\$ 17,843,878	\$ 3,987,383	\$ 21,831,261
% of Base Budget	85.42%	20.77%	17.41%	47.24%	11.91%	2.66%	14.58%
\$ Increase (Decrease) to PY Base Budget	7,212,175	\$ 2,033,028	\$ 2,129,307	\$ 3,049,840	\$ 513,819	\$ 443,611	\$ 957,430
% Increase/-Decrease to PY Base Budget	5.97%	6.99%	8.89%	4.50%	2.96%	12.52%	4.59%

* Assumes no additional revenues, maintaining 5% reserve, and spreading \$4.26 million budget shortfall among all entities based on FY 13-14 Adopted Budget BAM Percentages.

Riverside Community College District
BAM Revision Continuation 2013

Implementation Issues/Open Items		Open/ Resolved	Resolution
Policy/Organization:			
I.	Defining the roles of the District vis-à-vis the District's four major entities in the budget development and execution process. (a.) What is the expected level of services to be provided by the District Office? (DSPC)	O	Brown indicated that this item would be going to the DSPC on 10/11/13.
II.	Defining the way in which compliance with statutory, regulatory and policy requirements shall be assured (e.g. FON, 50% Law, categorical match). (DBAC?)	R	Consensus reached that budget plans should go to Executive Cabinet (or Chancellor and Presidents) and then, once agreed upon, would then go to DSPC.
III.	Defining self-insurance funding. (DBAC?)	O	Consensus was reached to institute a rate to be applied to each dollar of payroll for general liability insurance, along with a policy deductible amount beginning in FY 2014-2015. Brown to work with Mike Simmons and the college Vice Presidents of Business Services on this process.
IV.	Defining DSP&S services and funding levels. (DBAC?)	O	It was agreed that the college Vice Presidents of Business would discuss with their presidents and then would bring back to DBAC for discussion.
Implementation:			
I.	Personnel:		
	(a.) Faculty	O	Members reviewing Ventura Community College's BAM personnel budget methodology and will discuss at the next DBAC meeting.
	(b.) Classified	O	
	(c.) Administrators	O	
II.	Personnel - Budget Adjustments (positive and negative) associated with:		
	(a.) Reclassifications	R	Consensus reached that the costs associated with personnel reclassifications, both employee initiated and management initiated, should be the responsibility of the respective individual college/district office.
	(b.) Reorganizations	R	Consensus reached that the costs associated with department reorganizations should be the responsibility of the respective individual college/district office.
	(c.) Vacancy Rehires	R	Consensus reached that the costs associated with position vacancy rehires should be the responsibility of the respective individual college/district office.
	(d.) Professional Growth	R	Consensus reached that the costs associated with professional growth should be the responsibility of the respective individual college/district office.
	(e.) Step and Column (mid-year)	R	Consensus reached that the costs associated with mid-year step and column movement should be budgeted "off the top" each year, similar to the annual step and column budget allocation.

Riverside Community College District
BAM Revision Continuation 2013

Implementation Issues/Open Items		Open/ Resolved	Resolution
	(f.) Health and Welfare (Open Enrollment/Budget Adjustments)	O	
III.	Contracts/Agreements	R	The District will continue the same process and allocate by FTES. The exact dollar amount will be decided at a later date by consulting with the colleges.
IV.	Utilities	O	Space inventory (GSF/ASF) and historical utility expenditures will be used to compare costs and will be reviewed at the next DBAC meeting. Members will discuss a methodology.
V.	New Facilities Operating Costs	O	Maintenance & Operations Standards need to be updated by FPD. Once completed members can discuss a methodology for this item. (New facilities will not be coming online until FY 14/15.)
VI.	Capital Equipment (Furniture, Equipment, Computers)	O	An ITSC update was provided by VP's of Business indicating that an analysis of equipment is currently being discussed and a reserve of funds is trying to be established for new purchases and/or replacement of old equipment.
VII.	Common/Shared Expenditures (Basis of Allocation):		
	(a.) Student Systems (Ellucian)	O	
	(b.) Financial/Budget System (Galaxy)	O	
	(c.) Network Infrastructure (Hardware/Maintenance Agreements)	O	
	(d.) La Sierra Loan Repayment	O	
VIII.	Entity Budget Alignment	O	VP's of Business are analyzing the full inventory of CTE and GE programs to get the true cost by college and FTES. Members will review data and have further discussion at the next meeting.
IX.	Associate Faculty and Overload Budget Allocation Methodology	O	There are a combination of factors that need to be taken into consideration, therefore the group wants to wait until we receive results from the alignment work that will occur, and find out what is causing the overages.
X.	Mid-year Budget Adjustments from the State	O	
XI.	Other Resources:		
	(a.) Parking	O	
	(b.) Performance Riverside	O	
	(c.) Community Education	O	

RIVERSIDE COMMUNITY COLLEGE DISTRICT
District Budget Advisory Council Meeting

Friday, Friday, April 25, 2014 - RCC DL 409

1:00 p.m. - 3:00 p.m.

AGENDA

- I. Welcome and Call to Order
- II. Approval of Minutes
 - A. March 28, 2014
- III. BAM Revision – Continuation
 - A. Implementation Issues:
 1. Utilities
 - a. Data service follow-up
 2. Entity Budget Alignment and Personnel
 - a. Data Analysis related to specific courses
 - b. Meeting scheduled for Thursday, May 8th with VP's of Business & VC Business & Financial Services to develop methodology recommendation for BAM Equilibrium, High Cost Programs, Part-time Faculty/Overload Budgets
 3. Capital Equipment (Furniture, Equipment, Computers)
 - a. Student Technology Fee Update
 4. Benefits
 - a. PARS to PERS
 - b. Health Insurance
 - i. Positions created/funded by College/DO/DSS
 - ii. Permanent Part-Time – “No Coverage” to “Coverage”
 5. Other Resources
 - a. Parking
 - b. Performance Riverside
 - c. Community Education
- IV. State Budget Update
- V. Other Items
 - A. District Strategic Planning
 1. Operationalizing Strategic Planning Goals
 - a. The effective implementation of the Budget Allocation Model
- VI. Next Meeting
 - A. Friday, May 30th at RCC DL 409, 1-3p.m.

*RIVERSIDE COMMUNITY COLLEGE DISTRICT
District Budget Advisory Council Meeting
BAM Revision Implementation*

*March 28, 2014
RCC – DL 409
1:00 p.m. - 3:00 p.m.*

MEETING MINUTES

PRESENT

Aaron Brown, Vice Chancellor, Business and Financial Services (District)
Paul Parnell, President (Norco)
Norm Godin, Vice President Business Services (Moreno Valley)
Beth Gomez, Vice President, Business Services (Norco)
Marc Sellick, Associate Professor, Politics (Riverside)
Michael McQuead, Associate Professor, CIS (Moreno Valley)
Tom Wagner, Associate Professor, Business Administration (Norco)
Tim Ragusa, Classified Representative (District)
Jim Parsons, Associate Vice Chancellor, Strategic Communications and Relations (District)
Rachelle Arispe, Executive Administrative Assistant to the Vice Chancellor (Recorder)
Jennifer Lawson, Classified Representative (Riverside)

ABSENT

Nate Finney, Classified Representative (Moreno Valley)
Tanya Wilson, Classified Representative (Norco)
Mary Legner, Professor, Mathematics (Riverside)
Carrie Warren, Student Representative (Riverside)

I. **MEETING WAS CALLED TO ORDER**

A. By Aaron Brown

II. **MINUTES**

A. Gomez moved, and Wagner seconded, approval of the minutes of February 28, 2014.
Motion approved.

III. **BAM REVISION – CONTINUATION**

A. **IMPLEMENTATION ISSUES**

1. **Utilities**

- a) Members reviewed the Analysis prepared by the Budget Office (handout) for each location over an 18 month period.
 - i. Variances can be attributed to increased square footage, on-peak and off- peak pricing, tier structure changes with Southern California

Edison, changes based on the time of year and weather patterns. There was a \$35k issue in 2011-12 due to a late payment that was carried over but the issue was resolved – no real issues were seen on the analysis.

- ii. We can take the data and determine how we want to use it and provide a utility budget for 2014-15 and beyond. (Brown)
 - iii. Data is consistent with anomalies that can be explained. (Parnell)
 - iv. Good information and we can take averages and square footages from the inventory and come up with an appropriate budget. (Gomez)
 - v. Gomez wants to review data and discuss with Brown and Budget Analysts.
- b) Brown commented about the Ventura County Community College District Districtwide Resource BAM (handout) which shows utilities as a centralized budget item.

Utilities Action Item – Consensus for the District to continue budgeting utilities as a centralized item for FY 2014-15; and discuss establishing a methodology for FY 2015-16 so the data can be reviewed and each entity can assume responsibility for their own utility budgets.

2. Entity Budget Alignment

- a) We are trying to determine the CTE courses impact on alignment of the budgets at each college. We need to analyze the data and determine how it may or may not impact us moving forward. (Brown)
- b) It makes a difference if it is Grant funded or General funded. (Gomez)
- c) We need to figure how we isolate the non-General Education courses - by goal? (Godin)
- d) On the whole, ancillary costs are not as significant as the direct instruction costs. (Gomez)
- e) Gomez will ask Raj Bajaj to get specific courses and exclude some courses in order for Godin and Gomez to return with data at next the meeting.
- f) Brown provided multiple BAM examples (PROFORMA) to close equilibrium gap over 5-6 years. It is challenging to model since it is the second year of the BAM implementation.

i. PROFORMA #1 –The PROFORMA shows FY 13-14 budget savings and incorporates the projected Governor’s Budget – all are estimates. There is a projected budget shortfall in the budget estimates, which may get corrected with the May Revise (P2). Enrollment Management Committee FTES targets are all included in the PROFORMA. The High Cost Program Allowance and BAM Equilibrium Adjustments (page 2 of the Proforma) have been left blank. Using this as the baseline we move to PROFORMA #2.

ii. PROFORMA #2 – Incorporating information from Dr. Parnell’s handout (dated 03/20/14), the FY 13-14 difference of available Funds vs. Base Expenditures and by amortizing it over the next five years; increases NC’s allocation and reduces MVC and RCC. Also a High Cost Program allowance is added. Proforma # 2 shows a breakdown with \$708K added to NC and reduction to MVC (\$322K) and RCC (\$385K). There are two choices for the High Cost Program Allowance - \$219K can come from the District to net to zero or like COLA, Salary, Step in Column, Health and Welfare increases’ it could be added to our overall base expenditure budget.

- 1) A suggestion by Gomez and Wagner was instead of showing, as part of the based expenditure budgets, show the high cost program allowance as a separate line item. We can then identify the high cost program element to see if it is in alignment with the calculated methodology.

iii. PROFORMA #3 – An overall review/explanation of how the BAM works was provided. Both the High Cost Program allowance and the BAM Equilibrium adjustment were added as Base Expenditure adjustments. No reductions to any of the entities’ Base Expenditures were made to accommodate these components. It adds to the overall base and is considered another commitment.

- 1) Godin thinks Proforma #3 is good but without the high cost programs. We would need a deficit factor on all.

- 2) Dr. Parnell commented that the gap is not shortening between MVC and RCC and it needs to be corrected in 5 years before the next accreditation.

- 3) Gomez agrees with Dr. Parnell that the compounding is a problem and it needs to be corrected, however she does not agree with Proforma #3 and prefers Proforma #2.

- 4) Access (formerly known as Restoration) should be fully restored by FY 14-15. There is 12,000 unfunded FTES (\$60 million), at P1 in the system and \$216 million has not been distributed yet. (Brown)

- 5) Once the High Cost Programs are determined then they can be factored into the BAM and the three entities could begin balancing, however we still need to reduce our budgets somewhere. (Godin)

- 6) Godin suggested for VP’s of Business and Vice Chancellor of Business & Financial Services to meet and determine a methodology for the High Cost Programs.

Entity Budget Alignment Action Item – VC of Business & Financial Services and VP's of Business will meet to analyze the high cost programs and return with information at the next meeting.

3. Capital Equipment

- a. Ruth Adams is researching the guidelines for the student technology fee. She will also be checking with other community colleges. Once we know the ground rules then we can pursue this option.

Capital Equipment Action Item – Brown will return with an update from Ruth Adams for the student technology fee guidelines at the next meeting.

4. Personnel

- a. Brown noted that we should never be in a \$2 million overage for Part-time Faculty and overload, without prior agreement and knowledge.
- b. Health and Welfare needs some clarity. The Budget office estimates at the beginning of the year, however during the year we have to adopt a budget before open enrollment and costs can change due to employees changing plans or vacancies. The costs could be more or less. Should the costs be deducted off the top or by the college? The Budget office needs consistency so we can follow the same policy throughout the year. Currently, the District offsets the cost at the end of the year, then the next budget year the increase is added.(Brown)
 - i. Example: A single person has the lowest health plan. Then they leave the position. A new employee is hired with a family of 4 and they take the highest health plan. (There is a huge differential in health insurance cost. Who pays the delta?)
- c. Gomez commented that the higher health plan should be budgeted if it was done at the college level.
- d. Parnell would like to see the data; however, until then the shortage needs to be dealt with.
- e. Gomez commented that the Health Care Act could be a problem and we may have to see how much that is going to cost.

Personnel Action Item – Consensus agrees for changes to be temporarily handled by the District in FY14-15 and DBAC will re-look at a methodology for next year.

IV. NEXT MEETING

- A. Friday, April 25, 2014

Riverside Community College District
 BAM Revision Continuation 2013
 (Updates reflect 03/28/14 DBAC Meeting)

Implementation Issues/Open Items		Open/ Resolved	Resolution
Policy/Organization:			
I.	Defining the roles of the District vis-à-vis the District's four major entities in the budget development and execution process. (a.) What is the expected level of services to be provided by the District Office? (DSPC)	O	Brown indicated that this item would be going to the DSPC on 10/11/13.
II.	Defining the way in which compliance with statutory, regulatory and policy requirements shall be assured (e.g. FON, 50% Law, categorical match). (DBAC?)	R	Consensus reached that budget plans should go to Executive Cabinet (or Chancellor and Presidents) and then, once agreed upon, would then go to DSPC.
III.	Defining self-insurance funding. (DBAC?)	O	Consensus was reached to institute a rate to be applied to each dollar of payroll for general liability insurance, along with a policy deductible amount beginning in FY 2014-2015. Brown to work with Mike Simmons and the college Vice Presidents of Business Services on this process.
IV.	Defining DSP&S services and funding levels. (DBAC?)	O	It was agreed that the college Vice Presidents of Business would discuss with their presidents and then would bring back to DBAC for discussion.
Implementation:			
I.	Personnel:		
	(a.) Faculty	O	
	(b.) Classified	O	
	(c.) Administrators	O	
II.	Personnel - Budget Adjustments (positive and negative) associated with:		
	(a.) Reclassifications	R	Consensus reached that the costs associated with personnel reclassifications, both employee initiated and management initiated, should be the responsibility of the respective individual college/district office.
	(b.) Reorganizations	R	Consensus reached that the costs associated with department reorganizations should be the responsibility of the respective individual college/district office.
	(c.) Vacancy Rehires	R	Consensus reached that the costs associated with position vacancy rehires should be the responsibility of the respective individual college/district office.
	(d.) Professional Growth	R	Consensus reached that the costs associated with professional growth should be the responsibility of the respective individual college/district office.
	(e.) Step and Column (mid-year)	R	Consensus reached that the costs associated with mid-year step and column movement should be budgeted "off the top" each year, similar to the annual step and column budget allocation.

Riverside Community College District
 BAM Revision Continuation 2013
 (Updates reflect 03/28/14 DBAC Meeting)

Implementation Issues/Open Items		Open/ Resolved	Resolution
	(f.) Health and Welfare (Open Enrollment/Budget Adjustments)	O	Consensus reached that the cost will be a District expense temporarily and members will discuss a methodology for FY14/15. Expenses will need to be reviewed the next year as the costs may increase due to the Health Care Act.
III.	Contracts/Agreements	R	The District will continue the same process and allocate by FTES. The exact dollar amount will be decided at a later date by consulting with the colleges.
IV.	Utilities	O	The Budget office analyzed utility data district-wide and found variances in costs but no real issues. Consensus reached that the members will continue to review utility data by college and will return with a methodology for FY 15/16.
V.	New Facilities Operating Costs	O	Maintenance & Operations Standards need to be updated by FPD. Once completed members can discuss a methodology for this item. (New facilities will not be coming online until FY 14/15.)
VI.	Capital Equipment (Furniture, Equipment, Computers)	O	Legal Counsel researching ground rules for student technology fees.
VII.	Common/Shared Expenditures (Basis of Allocation):		
	(a.) Student Systems (Ellucian)	O	
	(b.) Financial/Budget System (Galaxy)	O	
	(c.) Network Infrastructure (Hardware/Maintenance Agreements)	O	
	(d.) La Sierra Loan Repayment	O	
VIII.	Entity Budget Alignment	O	The Vice Chancellor of Business & Financial Services and VP's of Business will be meeting to analyze the high cost programs and return with information for the next DBAC meeting.
IX.	Associate Faculty and Overload Budget Allocation Methodology	O	The Vice Chancellor of Business & Financial Services and the VP's of Business will be meeting to discuss and analyze the P/T Faculty and Overload data, and return with information for the next DBAC meeting.
X.	Mid-year Budget Adjustments from the State	O	
XI.	Other Resources:		
	(a.) Parking	O	
	(b.) Performance Riverside	O	

Riverside Community College District

BAM Revision Continuation 2013

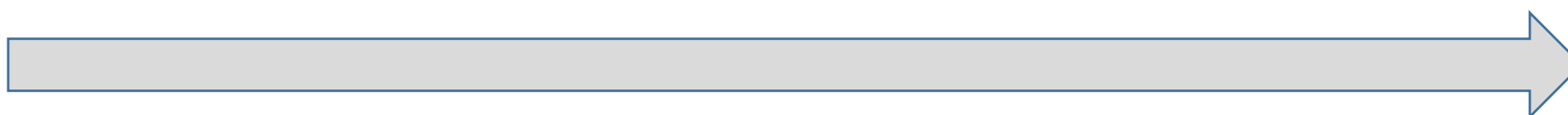
(Updates reflect 03/28/14 DBAC Meeting)

Implementation Issues/Open Items	Open/ Resolved	Resolution
(c.) Community Education	O	

	Goal to be Operationalized	Lead	Possible Team Members
1	Removing barriers to the student application and registration processes.	Sylvia Thomas	VP Student Services, Enrollment Deans, IT
2	Providing more scholarship opportunities for students.	Amy Cardullo	Foundation, Financial Aid
3	Providing their communities and service areas with relevant education and services.	John Tillquist	VP Academic Affairs, CTE Deans
4	Encouraging the use of student services and the completion of Student Educational Plans, when appropriate.	Ed Bush	VP Student Services, VP Academic Affairs, and Presidents
5	Increasing student rates of transfer, degree or certificate completion.	VPAAAs	Chancellor, VP Student Services, VP Academic Affairs, and Presidents
6	Increasing student engagement, as in student learning and student retention.	David Torres	VP Student Services, VP Academic Affairs, VP Instruction, and Presidents
7	The effective implementation of the Budget Allocation Model.	Paul Parnell	VC Business & Finance
8	Increasing resources for faculty development and for ongoing Student Learning Outcomes assessment.	Academic Senate Presidents	Assessment Coordinators, Faculty Development Coordinators
9	Expanding and diversifying their sources of external funding and resource Development.	Richard Keeler	Grants, Foundation, Presidents, VPs of Business, VP Student Services, VP Academic Affairs, and Presidents
10	Developing and implementing "green" strategies (as in renewable energy sources) and measuring their fiscal effect.	Chris Carlson	Facilities, VP Business Services
11	Improving educational offerings and workforce development through community partnerships.	Robin Steinback	CTE Deans, , VP Student Services, VP Academic Affairs, and Presidents
12	Strengthening each college's unique identity in their respective communities.	Sandy Mayo	Public Information Officers, District and College
13	Developing a Technological Plan that addresses hardware improvements and corresponding professional training.	Rick Herman	AVC, Information Services, College Technology Committees, VP of Educational Services, Information Technology Strategic Council
14	Refining enrollment management and curriculum delivery to better coordinate educational offerings within and between the colleges.	Robin Steinback	District Curriculum Committee, College Presidents, Academic Presidents, leadership of Academic Planning Councils, District Enrollment Management Committee (includes faculty)
15	Increasing the efficiency of operations through improving existing processes and innovating new procedures.	Ruth Adams	VC Ed. Services, Business, Classified Staff

Template for Operationalizing District Strategic Plan Measurable Outcomes

	Step 1: Goal	Step 2: What are you measuring?	Step 3: What is the unit of measurement?	Step 4: Where does the data reside now?	Step 5: How will data be collected?	Step 6: What is the mark where success will be decided?	Step 7: Was the goal achieved (as measured in previous column?)
Example	<i>Removing barriers to student application and registration.</i>	<i>Student barriers to student application and registration.</i>	<i>Scores on <u>Student Application and Registration Process</u> survey.</i>	<i>Will be collected through a web-based service.</i>	<i>Data will be collected through a survey for new students where they will rate their experiences in the application and registration process.</i>	<i>The percentage of students reporting barriers to the application and registration process will decrease annually by 10%.</i>	<i>Yes, the percentage of students reporting barriers decreased 10% over the previous year, If not, then No.</i>
Notes	For consistency, please use the wording of the goal in the Dec 2013 presentation.	State the concept that is being measured, using simple, precise and clear language.	This unit of measurement must be <u>clearly-related</u> to the goal. (In this example, a survey will need to be created as this data doesn't presently exist.)	Data doesn't presently exist.	If the data already exists, explain how it will be gathered. If the data doesn't exist, explain how this new data will be created and collected.	This is where the results are <u>explicitly</u> stated within <u>explicit</u> deadlines.	The response to this should <u>only</u> be an unambiguous Yes or No depending on whether goal was met.



Operationalizing District Strategic Plan Measurable Outcomes Goal 7

Step 1: Goal	Step 2: What are you measuring?	Step 3: What is the unit of measurement?	Step 4: Where does the data reside now?	Step 5: How will data be collected?	Step 6: What is the mark where success will be decided?	Step 7: Was the goal achieved (as measured in previous column?)
<p><i>The effective implementation of the Budget Allocation Model</i></p>	<ul style="list-style-type: none"> • <i>The effectiveness of 9 revisions made to the BAM to ensure that it is responsive to changes in the multi-college district.</i> • <i>The equitable alignment of budget allocation among the colleges</i> 	<ul style="list-style-type: none"> • <i>Survey of DBAC/Cabinet on 9 revisions made to the BAM use a Likert scale of 'not effective' to 'very effective' to 'completed'</i> • <i>Dollars allocated to colleges based on FTES</i> 	<ul style="list-style-type: none"> • <i>Would be collected in a survey consisting of an evaluation of effectiveness determined by DBAC/Cabinet annual survey</i> • <i>Budget details to college</i> 	<ul style="list-style-type: none"> • <i>Annual survey of DBAC/Cabinet</i> • <i>In budget allocation process</i> 	<p><i>When the 9 revisions and 7 principles are fulfilled each year and the budget is 20% closer to alignment over 5 years</i></p>	<p><i>If 20% realignment is achieved for 5 years then answer is yes</i></p>



RIVERSIDE COMMUNITY COLLEGE DISTRICT
District Budget Advisory Council Meeting

Friday, Friday, May 30, 2014 - RCC DL 409

1:00 p.m. - 3:00 p.m.

AGENDA

- I. Welcome and Call to Order
- II. Approval of Minutes
 - A. April 25, 2014
- III. BAM Revision – Continuation
 - A. Implementation Issues
 1. Entity Budget Alignment and Part-Time Faculty and Overload Budget – DBAC Sub-Group Recommendation
 - a. Entity Budget Alignment Recommendation
 - i. In recognition that a difference exists between the available funds generated by Norco College and its base expenditure budget, \$708,000 will be provided in FY 2014-2015 as an allocation of resources to assist in reducing the difference.
 - ii. In the meantime and during FY 2014-2015, the District Budget Advisory Council will explore modifying the Budget Allocation Model to recognize the cost differences associated with high cost programs by providing for differential rates between common core courses and career technical education courses.
 - b. Part-time Faculty and Overload Budget Recommendation
 - i. All account categories will be within budget as of June 30, 2014, with the exception of utilities which will be the responsibility of the District. Any remaining unspent funds will rollover for the benefit of each entity.
 - ii. For FY 2014-2015, \$1.2 million will be placed into a holding account to provide for FTES target achievement while the Enrollment Management Tool, developed by Rick Herman in coordination with college and District academic personnel, is evaluated for applicability in projecting the instructional costs to achieve FTES targets. Upon acceptable evaluation, holding account will be allocated to the colleges.
 2. Capital Equipment (Furniture, Equipment, Computers)
 - a. Student Technology Fee Update
 3. Other Resources
 - a. Parking
 - b. Performance Riverside
 - c. Community Education
- IV. State Budget Update
- V. Other Items
 - A. Review Survey Distribution List May 2012
- VI. Next Meeting
 - A. Establish new meeting date for June due to summer workweek (Friday's off) – Friday, June 27th at RCC DL 409, 1-3p.m.
 - B. Establish Fall 2014 DBAC meeting schedule

RIVERSIDE COMMUNITY COLLEGE DISTRICT
District Budget Advisory Council Meeting
BAM Revision Implementation

April 25, 2014
RCC – DL 409
1:00 p.m. - 3:00 p.m.

MEETING MINUTES

PRESENT

Aaron Brown, Vice Chancellor, Business and Financial Services (District)
Norm Godin, Vice President Business Services (Moreno Valley)
Beth Gomez, Vice President, Business Services (Norco)
Tanya Wilson, Classified Representative (Norco)
Tom Wagner, Associate Professor, Business Administration (Norco)
Mary Legner, Professor, Mathematics (Riverside)
Jennifer Lawson, Classified Representative (Riverside)
Arturo Quiroz, Student Representative (Riverside)
Jim Parsons, Associate Vice Chancellor, Strategic Communications and Relations (District)
Rachelle Arispe, Executive Administrative Assistant to the Vice Chancellor (Recorder)

ABSENT

Michael McQuead, Associate Professor, CIS (Moreno Valley)
Nate Finney, Classified Representative (Moreno Valley)
Marc Sellick, Associate Professor, Politics (Riverside)
Tim Ragusa, Classified Representative (District)

GUEST

Irving Hendrick, Interim Chancellor
Paul Parnell, President (Norco)
Wolde-Ab Isaac, Interim President (Riverside)

I. **MEETING WAS CALLED TO ORDER**

A. By Aaron Brown

II. **MINUTES**

A. Legnar moved, and Gomez seconded, approval of the minutes of March 28, 2014.
Motion approved.

III. **INTERIM CHANCELLOR INTRODUCTION – DR. HENDRICK**

IV. **BAM REVISION – CONTINUATION**

A. **IMPLEMENTATION ISSUES**

1. Entity Budget Alignment

- a) Three VP's and Brown will meet on May 8th and return to DBAC with a recommendation for the P/T Faculty and Overload budget, and entity equilibrium, with consideration for high cost programs. The PROFORMAS will also be discussed.
- b) Rick Herman will be attending to inform us on the enrollment management tool.

Entity Budget Alignment – VP's of Business and Brown will return to the next DBAC meeting with a recommendation from the May 8th meeting.

2. Capital Equipment

- a) Ruth Adams provided more information in regards to the Student Technology Fee. Butte College has an optional technology fee starting out at \$10 per term, per individual however for spring it was raised to \$20. There are a total 4100 students (generate \$400k per year).
- b) Adams is researching the restrictions if state money is collected for instructional equipment as it could be a problem with the State Chancellor's Office.
- c) Once Adams follows up with the State Chancellor's Office, DBAC can then ask ITSC to see consider the feasibility of a Student Technology Fee as part of the Technology Plan discussion.
- d) Brown will discuss with Rick Herman to add it to the Technology Plan (charge based on staffing) on the ITSC agenda DBAC can then develop a broad description for the use of the funds and set standards, which may be different for each college. (Parsons/Brown)

Capital Equipment – Brown will return with an update from Ruth Adams for the student technology fee guidelines.

3. Benefits – PARS and PERS

- a) The budget office needs some direction as to how to handle the additional cost of a part-time employee who works over 100 hours.
- b) Part-time hourly employees that work less than 100 hours per year have PARS.
- c) There is no cost to the district for PARS.
- d) If Part-time hourly employee works over 100 hours per year, the employee will automatically go into PERS (permanently) and with PERS there is a charge to the district.
- e) Currently the additional PERS cost is paid out of salary savings.
- f) Hendrick commented that the colleges are in the best position to control the part-time employee working hours since they know their employees therefore the colleges have the control and accountability and they can monitor it.

PARS and PERS – Consensus for the colleges to use their own salary savings for the PERS charges.

4. Benefits – Health Insurance

- a) Mid-year changes to health insurance during open enrollment are covered by the District, we need to clarify where the health costs will be paid for.
- b) The District is responsible to offer insurance for employees if they work over 30 hours per week.

Health Insurance – (1) Consensus reached for each entity to be responsible for the total cost of health insurance of new positions they initiate and fund. (2) Consensus reached for the District to be responsible for the health insurance of permanent part-time positions changing from “no coverage” to “coverage”.

5. Reclassification

- a) The District has a reclassification process on an annual basis, if it is approved there is a cost associated with each individual’s position.
- b) The process needs to be improved as there can be a significant impact at each college and these costs can affect the budget. (Isaac)
- c) A pay differential should be provided that way not all employees who have the same title are allowed to receive the reclassification. (Godin)
- d) Dr. Hendrick commented that there needs to be some alignment with the reclassification process and the budget.
- e) Based on comments at Executive Cabinet there is a consensus to update the reclassification process.

Reclassification – Consensus reached to reverse the original agreement that the costs associated with personnel reclassification, both employee initiated and management initiated, should be the responsibility of the respective college/district office. Consensus for FY 14-15 is that the District will be responsible.

6. Other Items: Operational Strategic Planning Goals

- a) Members reviewed the Operationalizing District Strategic Plan Measurable Outcomes Goal 7 from DSPC (handout)
- b) DBAC charged with effectively implementing the Budget Allocation Model using the steps to Goal 7.
- c) Nine revisions were made to the BAM that we have to measure and effectively implement.
- d) Dr. Isaac does not agree with providing Norco College with 20% of the BAM difference each year over 5 years.
- e) The equity alignment methodologies still need to be evaluated and agreed upon between the VP’s of Business. (Brown)

Operational Strategic Planning Goals – Consensus reached to change the following steps on the DSPC Measurable Outcomes Goal 7:

Step 1 – No Change

Step 2 – Change third bullet to “The equitable alignment of budget allocation among the college/district.”

Step 3 – Change second bullet to “Dollars allocated to colleges/district based on the BAM model.”

Step 4 – Change second bullet to “Budget details to college/district.”

Step 5 – Item will be changed once DBAC reviews the second DBAC survey group from Spring 2012 at the next meeting scheduled on May 30th. (Brown will bring the list of the group surveyed to the next meeting.)

Step 6 - Further discussion and evaluation on this step at the meeting with the three VP's of Business and Brown on May 8th.

Step 7 - Further discussion and evaluation on this step at the meeting with the three VP's of Business and Brown on May 8th.

V. NEXT MEETING

A. Friday, May 30, 2014

Riverside Community College District
BAM Revision Continuation 2013

Implementation Issues/Open Items		Open/ Resolved	Resolution
Policy/Organization:			
I.	Defining the roles of the District vis-à-vis the District's four major entities in the budget development and execution process. (a.) What is the expected level of services to be provided by the District Office? (DSPC)	O	Brown indicated that this item would be going to the DSPC on 10/11/13.
II.	Defining the way in which compliance with statutory, regulatory and policy requirements shall be assured (e.g. FON, 50% Law, categorical match). (DBAC?)	R	Consensus reached that budget plans should go to Executive Cabinet (or Chancellor and Presidents) and then, once agreed upon, would then go to DSPC.
III.	Defining self-insurance funding. (DBAC?)	O	Consensus was reached to institute a rate to be applied to each dollar of payroll for general liability insurance, along with a policy deductible amount beginning in FY 2014-2015. Brown to work with Mike Simmons and the college Vice Presidents of Business Services on this process.
IV.	Defining DSP&S services and funding levels. (DBAC?)	O	It was agreed that the college Vice Presidents of Business would discuss with their presidents and then would bring back to DBAC for discussion.
Implementation:			
I.	Personnel:		
	(a.) Faculty	O	
	(b.) Classified	O	
	(c.) Administrators	O	
II.	Personnel - Budget Adjustments (positive and negative) associated with:		
	(a.) Reclassifications	R	Consensus reached on 05/25/14 to reverse the original agreement that the costs associated with personnel reclassifications, both employee initiated and management initiated, should be the responsibility of the respective college/district office. Consensus for FY 14-15 is that <u>District</u> will be responsible.
	(b.) Reorganizations	R	Consensus reached that the costs associated with department reorganizations should be the responsibility of the respective individual college/district office.
	(c.) Vacancy Rehires	R	Consensus reached that the costs associated with position vacancy rehires should be the responsibility of the respective individual college/district office.
	(d.) Professional Growth	R	Consensus reached that the costs associated with professional growth should be the responsibility of the respective individual college/district office.
	(e.) Step and Column (mid-year)	R	Consensus reached that the costs associated with mid-year step and column movement should be budgeted "off the top" each year, similar to the annual step and column budget allocation.

Riverside Community College District
BAM Revision Continuation 2013

Implementation Issues/Open Items		Open/ Resolved	Resolution
(f.) Health and Welfare			
	1. Open Enrollment/Budget Adjustment	O	Consensus reached that the cost will be a District expense for FY 14-15 and members will discuss a methodology for FY15/16. Expenses will need to be reviewed the next year as the costs may increase due to the Health Care Act.
	2. PARS to PERS	R	Consensus reached to use salary savings from each college and/or district office for part-time hourly employees who work more than 1000 hours and change from PARS to PERS.
	3. Health Insurance - New Positions	R	Consensus reached for the entity to be responsible for the total cost of (new) positions.
	4. Health Insurance - Permanent Part-time Positions	R	Consensus reached for the district to be responsible for changes to permanent part-time positions not having coverage to having coverage.
III.	Contracts/Agreements	R	The District will continue the same process and allocate by FTES. The exact dollar amount will be decided at a later date by consulting with the colleges.
IV.	Utilities	O	Consensus reached for FY14/15 to be centralized and for a different methodology to be discussed and implemented for FY 15/16.
V.	New Facilities Operating Costs	O	Maintenance & Operations Standards need to be updated by FPD. Once completed members can discuss a methodology for this item. (New facilities will not be coming online until FY 14/15.)
VI.	Capital Equipment (Furniture, Equipment, Computers)	O	Legal Counsel to continue research ground rules of the student technology fees. Once DBAC receives more information then a recommendation can be provided to the DSPC.
VII.	Common/Shared Expenditures (Basis of Allocation):		
	(a.) Student Systems (Ellucian)	O	
	(b.) Financial/Budget System (Galaxy)	O	
	(c.) Network Infrastructure (Hardware/Maintenance Agreements)	O	
	(d.) La Sierra Loan Repayment	O	
VIII.	Entity Budget Alignment	O	The Vice Chancellor of Business & Financial Services and VP's of Business will be meeting first week of May to discuss and analyze the high cost programs and return with a recommendation for the next DBAC meeting on May 30th.
IX.	Associate Faculty and Overload Budget Allocation Methodology	O	The Vice Chancellor of Business & Financial Services and the VP's of Business will be meeting first week of May to discuss and analyze the P/T Faculty and Overload data, and return with a recommendation for the next DBAC meeting on May 30th.

Riverside Community College District
 BAM Revision Continuation 2013

Implementation Issues/Open Items		Open/ Resolved	Resolution
X.	Mid-year Budget Adjustments from the State	0	
XI.	Other Resources:		
	(a.) Parking	0	
	(b.) Performance Riverside	0	
	(c.) Community Education	0	

District Budget Advisory Council Meeting

Friday, Thursday, July 17, 2014 - RCC DL 409

1:00 p.m. - 3:00 p.m.

AGENDA

- I. Welcome and Call to Order
- II. Approval of Minutes
 - A. May 30, 2014
- III. BAM Revision – Continuation
 - A. Implementation Issues
 - 1. Capital Equipment (Furniture, Equipment, Computers)
 - a. Student Technology Fee Update
 - 2. Update – Entity Budget Alignment
 - a. Entity Equilibrium Meeting w/VP's of Business
- IV. State/RCCD Budget Update
 - A. COLA
 - B. Access
 - C. Associate Faculty and Overload Budget & Actual
 - D. Deferred Maintenance/Instructional Equipment
 - E. Student Success and Support Program (SSSP)
- V. Other Items
 - A. Review Survey Distribution List May 2012
- VI. Next Meeting
 - A. Thursday, August 14, 2014, 1pm to 3pm in DL 409

*RIVERSIDE COMMUNITY COLLEGE DISTRICT
District Budget Advisory Council Meeting
BAM Revision Implementation*

*May 30, 2014
RCC – DL 409
1:00 p.m. - 3:00 p.m.*

MEETING MINUTES

PRESENT

Aaron Brown, Vice Chancellor, Business and Financial Services (District)
Norm Godin, Vice President Business Services (Moreno Valley)
Beth Gomez, Vice President, Business Services (Norco)
Michael McQuead, Associate Professor, CIS (Moreno Valley)
Nate Finney, Classified Representative (Moreno Valley)
Tanya Wilson, Classified Representative (Norco)
Tom Wagner, Associate Professor, Business Administration (Norco)
Mary Legner, Professor, Mathematics (Riverside)
Mark Sellick, Associate Professor, Politics (Riverside)
Jennifer Lawson, Classified Representative (Riverside)
Arturo Quiroz, Student Representative (Riverside)
Tim Ragusa, Classified Representative (District)
Rachelle Arispe, Executive Administrative Assistant to the Vice Chancellor (Recorder)

ABSENT

Bill Orr, Interim Vice President, Business Services (Riverside)
Jim Parsons, Associate Vice Chancellor, Strategic Communications and Relations (District)

GUEST

Irving Hendrick, Interim Chancellor
Paul Parnell, President (Norco)
Wolde-Ab Isaac, Interim President (Riverside)
Susan Mills, Interim Vice President, Academic Affairs (Riverside)

I. **MEETING WAS CALLED TO ORDER**

A. By Aaron Brown

II. **MINUTES**

A. Legnar moved, and Godin seconded, approval of the minutes of April 25, 2014. Motion approved.

III. **INTERIM CHANCELLOR INTRODUCTION – DR. HENDRICK**

IV. **BAM REVISION – CONTINUATION**

A. **IMPLEMENTATION ISSUES**

1. **Entity Budget Alignment**

a) Three VP's of Business and Brown met on May 8th and May 12th to discuss the Part-time Faculty and Overload budget, and entity equilibrium, with consideration for

high cost programs. Rick Herman also attended the first meeting to provide information on the enrollment management tool.

- b) VP's of Business provided a recommendation to the DBAC members as follows:
 - i. In recognition that a difference exists between the available funds generated by Norco College and its base expenditure budget, \$708k will be provided in FY 2014-2015 as an allocation of resources to assist in reducing the difference.
 - ii. In the meantime and during FY 2014-2015, the DBAC will explore modifying the BAM to recognize the cost differences associated with high cost programs by providing the differential rates between common core courses and career technical education courses.
- c) Isaac was not in favor of the recommendation. Isaac suggested that once DBAC defines a proper budget allocation model then we can discuss aligning the budget. Isaac believes there are discrepancies and once we can see the differences in the cost to generate FTES, then we can determine the shortfalls and decide what the alignment should be. Until then, Isaac suggests we should only do a one-time adjustment.
- d) Parnell believes that the principles are good; however we are in a better situation to make the adjustment due to the current budget with Prop 30 and the economy. Parnell believes that our BAM cannot operate correctly until there is some alignment. Norco College may need more full-time faculty to bring it to alignment.
- e) Hendrick commended Norco College for their exemplary job with enrollment management based on his review of data. Each college must also ensure that students are succeeding and that the pedagogy is considered.
- f) Brown commented that the \$708K shortfall was determined from a proposal by Parnell taking the differential of the adopted FY2013-2014 budget and dividing it over a five year payment period. Brown agreed with Sellick to recommend a one-time adjustment and a good faith effort to align for FY 2014-2015; however he has reservations about the size of the allocation.
- g) Godin commented that the \$3.5 million divided by 5 was a consensus although we know the amount is only an approximate number. The three VP's felt comfortable with the adjustment, based on the data they reviewed, until DBAC can further revise the BAM and there is a consensus that Norco is not being funded appropriately.
- h) Brown suggested that if the DBAC members agree to recommend the one-time allocation, there also needs to be consensus on the amount of the allocation in the current year.
- i) Parnell commented that he is open to the adjustment being one-time. Some of the funds would be used for new positions and other adjustments. Not all of the funds would be used this year since we are waiting on the FON (faculty obligation number).
- j) Brown commented that he is looking at the funds district-wide. There is not enough information yet to justify the \$708K. It is a large number, especially when we are taking a tentative budget to the Board in June that shows a \$3.5 million deficit that, so far, is unresolved. The deficit may get resolved, but it is not a certainty, and the \$3.5 million does not include the potential \$708K allocation. If additional apportionment revenues are not received, then the District will be looking at a reduction or adoption of a reserve balance less than 5% in order to balance the general fund.

- k) Hendrick asked what “Advisory” meant within DBAC and Brown responded that DBAC reports information to DSPC; however, ultimately the decision is probably an Executive Cabinet decision in order to articulate the recommendation into the actual budget.
- l) Hendrick concluded that the ultimate decision for the recommendation would then be for the new chancellor in consultation with Brown; therefore, DBAC has completed their task.

Entity Budget Alignment – Motion approved to recommend to the District Strategic Planning Committee a one-time allocation of \$708K be allocated for FY 2014-2015 as a good faith effort towards entity budget alignment for Norco College. This recommendation is made with the understanding that DBAC, through the Vice Chancellor of Business and Financial Services and the College Vice Presidents of Business Services, will diligently and expeditiously analyze the cost of common core courses and Career Technical Education courses, along with other cost factors that may be appropriate, the goal of which will be the determination of any budget allocation model adjustments that may be deemed necessary to achieve entity budget alignment.

2. **Part-time Faculty and Overload Budget**

- a) VP’s of Business provided a recommendation to the DBAC members as follows:
 - i. All account categories will be within budget as of June 30, 2014, with the exception of utilities and the remaining balance in Barnes and Noble one-time allocation, which will be the responsibility of the District. Any remaining unspent funds will rollover for the benefit of each entity.
 - ii. For FY 2014-2015, \$1.2 million will be placed into a holding account to provide for FTES target achievement while the Enrollment Management Tool, developed by Rick Herman in coordination with college and district academic personnel, is evaluated for applicability in projecting the instructional costs to achieve FTES targets. Upon acceptable evaluation, the holding account will be allocated to the colleges.
- b) Brown expects budget transfers to be submitted by the colleges so that we can be assured that the budget imbalances for FY 2013-2014 are accounted for. The \$1.2 million will remain in a holding account until the enrollment management tool is used to project the costs. Then it will be distributed accordingly.
- c) Godin clarified that the intent is for the enrollment management tool to be used in FY 2014-2015, to appropriately budget at each college part-time teaching based on an 85% fill rate. If there is a deficit, it is the college’s responsibility to determine how to fund the deficit or reduce the schedule while maintaining the enrollment targets.
- d) Brown remarked that the budget shortfall estimate for FY 2013-2014 is \$1.8 million in salaries for part time faculty and overload budget, with another couple hundred thousand dollars for fixed charges.
- e) Brown acknowledged Hendrick’s comment by indicating that it will be up to the colleges to effectively manage enrollment. The colleges will need to appropriately plan, market, and schedule courses to achieve their FTES target within their allocated budget.

Part-time Faculty and Overload Budget – Motion approved to proceed with all account categories, except for utilities and the Barnes and Noble one-time allocation,

and any remaining unspent funds will rollover for the benefit of each entity. For FY 2014-2015, \$1.2 million will be placed into a holding account. The recommendation will be forwarded to the District Strategic Planning Committee.

3. Capital Equipment (Furniture, Equipment, Computers)

- a) Ruth Adams is waiting on a response from the State Chancellor's Office to clarify if there are restrictions if state money is collected for instructional equipment.

Capital Equipment – Brown will return with an update from Adams for the student technology fee guidelines.

4. Operational Strategic Planning Goals

- a) To update Step 5 of the DSPC Measurable Outcomes Goal 7, Brown will return to the next meeting with the distribution list from the DBAC survey conducted in Spring 2012.

Operational Strategic Planning Goals – At the next meeting members will review the DBAC survey distribution list conducted in Spring 2012 to update Step 5 of Goal 7.

V. NEXT MEETING

- A. Next DBAC meeting scheduled for June 27th was rescheduled due to the summer workweek; therefore next confirmed meetings are scheduled for July 17th and August 14th from 1pm to 3pm.
- B. Arispe (recorder) will email to members options for FY 2014-15 meeting schedule.

Riverside Community College District
BAM Revision Continuation 2013

Implementation Issues/Open Items		Open/ Resolved	Resolution
Policy/Organization:			
I.	Defining the roles of the District vis-à-vis the District's four major entities in the budget development and execution process. (a.) What is the expected level of services to be provided by the District Office? (DSPC)	O	Brown indicated that this item would be going to the DSPC on 10/11/13.
II.	Defining the way in which compliance with statutory, regulatory and policy requirements shall be assured (e.g. FON, 50% Law, categorical match). (DBAC?)	R	Consensus reached that budget plans should go to Executive Cabinet (or Chancellor and Presidents) and then, once agreed upon, would then go to DSPC.
III.	Defining self-insurance funding. (DBAC?)	O	Consensus was reached to institute a rate to be applied to each dollar of payroll for general liability insurance, along with a policy deductible amount beginning in FY 2014-2015. Brown to work with Mike Simmons and the college Vice Presidents of Business Services on this process.
IV.	Defining DSP&S services and funding levels. (DBAC?)	O	It was agreed that the college Vice Presidents of Business would discuss with their presidents and then would bring back to DBAC for discussion.
Implementation:			
I.	Personnel:		
	(a.) Faculty	O	
	(b.) Classified	O	
	(c.) Administrators	O	
II.	Personnel - Budget Adjustments (positive and negative) associated with:		
	(a.) Reclassifications	R	Consensus reached on 05/25/14 to reverse the original agreement that the costs associated with personnel reclassifications, both employee initiated and management initiated, should be the responsibility of the respective college/district office. Consensus for FY 14-15 is that <u>District</u> will be responsible.
	(b.) Reorganizations	R	Consensus reached that the costs associated with department reorganizations should be the responsibility of the respective individual college/district office.
	(c.) Vacancy Rehires	R	Consensus reached that the costs associated with position vacancy rehires should be the responsibility of the respective individual college/district office.
	(d.) Professional Growth	R	Consensus reached that the costs associated with professional growth should be the responsibility of the respective individual college/district office.
	(e.) Step and Column (mid-year)	R	Consensus reached that the costs associated with mid-year step and column movement should be budgeted "off the top" each year, similar to the annual step and column budget allocation.

Riverside Community College District
BAM Revision Continuation 2013

Implementation Issues/Open Items		Open/ Resolved	Resolution
(f.) Health and Welfare			
	1. Open Enrollment/Budget Adjustment	O	Consensus reached that the cost will be a District expense for FY 14-15 and members will discuss a methodology for FY15/16. Expenses will need to be reviewed the next year as the costs may increase due to the Health Care Act.
	2. PARS to PERS	R	Consensus reached to use salary savings from each college and/or district office for part-time hourly employees who work more than 1000 hours and change from PARS to PERS.
	3. Health Insurance - New Positions	R	Consensus reached for the entity to be responsible for the total cost of (new) positions.
	4. Health Insurance - Permanent Part-time Positions	R	Consensus reached for the district to be responsible for changes to permanent part-time positions not having coverage to having coverage.
III.	Contracts/Agreements	R	The District will continue the same process and allocate by FTES. The exact dollar amount will be decided at a later date by consulting with the colleges.
IV.	Utilities	O	Consensus reached for FY14/15 to be centralized and for a different methodology to be discussed and implemented for FY 15/16.
V.	New Facilities Operating Costs	O	Maintenance & Operations Standards need to be updated by FPD. Once completed members can discuss a methodology for this item. (New facilities will not be coming online until FY 14/15.)
VI.	Capital Equipment (Furniture, Equipment, Computers)	O	Legal Counsel to continue research ground rules of the student technology fees. Once DBAC receives more information then a recommendation can be provided to the DSPC.
VII.	Common/Shared Expenditures (Basis of Allocation):		
	(a.) Student Systems (Ellucian)	O	
	(b.) Financial/Budget System (Galaxy)	O	
	(C.) Network Infrastructure (Hardware/Maintenance Agreements)	O	
	(d.) La Sierra Loan Repayment	O	
VIII.	Entity Budget Alignment	O	Motion to recommend to the DSPC a one-time allocation of \$708k be allocated for FY 201-15 as a good faith effort towards entity budget alignment for NC. VC and VP's will diligently and expeditiously analyze the cost of common core courses and Career Technical Education courses, along with other cost factors that may be appropriate, to determine of any BAM adjustments that may be deemed necessary to achieve entity budget alignment.

Riverside Community College District
 BAM Revision Continuation 2013

Implementation Issues/Open Items		Open/ Resolved	Resolution
IX.	Associate Faculty and Overload Budget Allocation Methodology	O	Motion to recommend to the DSPC to proceed with all account categories, except for utilities and the Barnes and Nobel one-time allocation, and any remaining unspent funds will rollover for the benefit of each entity. For FY 2014-15, \$1.2 million will be placed into a holding account.
X.	Mid-year Budget Adjustments from the State	O	
XI.	Other Resources:		
	(a.) Parking	O	
	(b.) Performance Riverside	O	
	(c.) Community Education	O	

TECHNOLOGY FEES

Student Fee Handbook – State Chancellor’s Office Publication

The student fee handbook indicates that the Chancellor’s Office has considered the viability of such a fee that gives students access to computer labs and computers, the internet and email. It was concluded that the fee would be a permissible, optional fee with respect to **students who were not in courses where such technology was required**. However, an optional fee is prohibited if the District receives state funds for this purpose. Costs associated with purchasing or maintaining computers, or other related costs, may be recovered through an optional fee only to the extent that state funds were not used to support those expenses. Bottom line, a district may not use funds that are required or expressly authorized for a specific purpose and also charge students a fee to cover the same costs, even if the fee is optional.

The question came up as to whether or not the \$\$ we receive for instructional equipment would be considered \$\$ we receive to purchase/maintain computers. A request for a legal opinion on that issue has been sent to the legal department of the state chancellor’s office. They have a huge backlog and are very understaffed, so the opinion could be delayed for quite some time.

See * below under Butte-Glenn CCD.

CCD’s who have a Technology Fee

Butte-Glenn CCD - I have combed other CCD’s to see if any have technology fees in place and the only one I found is Butte. They put one in place in 2010 to help defray the costs of student access to campus technology. They use the fees to keep student computer labs equipped with current hardware and software as well as “high-speed” connectivity to the internet. Their original fee was \$10 per term – fall, winter, spring and summer. The fee was approved by their BOT. In Spring of 2013, it increased to \$20 per term.

The idea for the fee was initiated by their administrators, but eventually involved campus input, especially from the students, who saw the need of technology updating on an on-going basis. They are generating approx. \$400,000 per year in revenue. They have about 14,300 students. This has not impacted the 50% law calculation as the items purchased with the funds are all equipment. All information was provided by the Director of Business Services.

*Butte did contact the legal department for the state chancellor’s office. Based on their conversation with that office, Butte determined that the funds collected for a technology fee are above and beyond what they have or will receive for instructional equipment.

Cerritos CCD – The Cerritos website indicated that they also had a Technology Fee, but when contacted, it was indicated that was an error. They had proposed the technology fee and it was recommended by students, faculty senate and their coordinating committee, but when put to the Board for a vote, it was rejected. They gave their BOT a paper identifying the goal, problem, solution, as well as a cost analysis and classroom computer inventory. They proposed \$5 for fall and spring and \$3 for summer and estimated that it would generate approx. \$150K per year.

I have asked my counterparts at the other Districts and none have indicated that they have a technology fee. Our CCLC consultant has also attempted to locate other CCD’s who have this fee and could not find any others.



(In Millions)

FY 2014-2015

Unrestricted Resources - New

COLA (.85%) <i>was .86%</i>	\$	47.3	
Access (2.75%) <i>was 3.00%</i>	\$	140.4	
Total	\$	<u>187.7</u>	

Restricted Resources - New

Student Success and Support Program	\$	100.0	
Student Success and Support Program - Equity	\$	100.0	\$ 70.0
Career Technical Education	\$	50.0	
Deferred Maintenance (No Match Required)	\$	148.0	
<i>Disabled Students Programs and Services (DSP&S)</i>			\$ 30.0
Telecommunications and Technology Infrastructure	\$	<u>20.4</u>	<u> </u>
Total	\$	<u>418.4</u>	<u>\$ 418.4</u>

Other

Local Property Tax and Student Fee Shortfall Offset	\$	42.4	
Apportionment Deferral "Buy Down"	\$	592.4	\$ 497.8



(In Millions)

FY 2014-2015

Unrestricted Resources - New

COLA (.85%) <i>was .86%</i>	\$	1.1	
Access (2.75%) <i>was 3.00%</i>	\$	3.3	
Total	\$	<u>4.4</u>	

Restricted Resources - New

Student Success and Support Program	\$	2.3	
Student Success and Support Program - Equity	\$	2.3	\$ 1.6
Career Technical Education*	\$	1.2	
Deferred Maintenance (No Match Required) and Flexibility w/ IE	\$	3.5	
<i>Disabled Students Programs and Services (DSP&S)</i>			\$ 0.7
Telecommunications and Technology Infrastructure*	\$	<u>0.5</u>	
Total	\$	<u>9.8</u>	<u>\$ 9.8</u>

Other

Local Property Tax and Enrollment Fee Shortfall Offset	\$	1.0	
Apportionment Deferral "Buy Down"	\$	23.0	\$ 19.3

*Likely awarded on a Competitive Grant Basis

**Riverside Community College District
Part-Time Faculty and Overload
FY 2013-2014
As of July 14, 2014**

<u>District/Campus</u>	<u>Adopted Budget FY 13-14</u>	<u>Revised Budget FY 13-14</u>	<u>FY 13-14 Expended</u>	<u>FY 13-14 Positive (Negative) Difference</u>	<u>Revised Budget FY 12-13</u>	<u>FY 12-13 Expended</u>	<u>FY 12-13 Positive (Negative) Difference</u>
<u>District Totals</u>							
<u>Summer 2013</u>							
Part-Time (1331)	\$ 567,693	\$ 576,612	\$ 810,724	\$ (234,112)	\$ 1,451,003	\$ 572,799	\$ 878,204
Overload (1339)	865,344	878,931	982,775	(103,844)	702,962	907,882	(204,920)
Total Summer 2013	<u>\$ 1,433,037</u>	<u>\$ 1,455,543</u>	<u>\$ 1,793,499</u>	<u>\$ (337,956)</u>	<u>\$ 2,153,965</u>	<u>\$ 1,480,681</u>	<u>\$ 673,284</u>
<u>Fall 2013</u>							
Part-Time (1330)	\$ 7,078,529	\$ 7,189,653	\$ 7,138,361	\$ 51,292	\$ 6,113,939	\$ 6,099,222	\$ 14,717
Overload (1335)	1,341,590	1,362,653	1,587,833	(225,180)	1,100,534	1,343,478	(242,944)
Budget Augmt (1330) Spreadsh Only	-	(950,877)	-	(950,877)			
Total Fall 2013	<u>\$ 8,420,119</u>	<u>\$ 7,601,429</u>	<u>\$ 8,726,194</u>	<u>\$ (1,124,765)</u>	<u>\$ 7,214,473</u>	<u>\$ 7,442,700</u>	<u>\$ (228,227)</u>
<u>Winter 2014</u>							
Part-Time (1332)	\$ 728,654	\$ 740,091	\$ 1,212,946	\$ (472,855)	\$ 1,263,572	\$ 725,055	\$ 538,517
Overload (1337)	1,215,954	1,235,042	1,632,986	(397,944)	1,140,647	1,214,010	(73,363)
Total Winter 2014	<u>\$ 1,944,608</u>	<u>\$ 1,975,133</u>	<u>\$ 2,845,932</u>	<u>\$ (870,799)</u>	<u>\$ 2,404,219</u>	<u>\$ 1,939,065</u>	<u>\$ 465,154</u>
<u>Spring 2014</u>							
Part-Time (1333)	\$ 6,577,299	\$ 6,680,559	\$ 7,213,158	\$ (532,599)	\$ 4,920,867	\$ 6,573,160	\$ (1,652,293)
Overload (1338)	1,542,684	1,566,901	1,683,631	(116,730)	1,160,543	1,543,068	(382,525)
Total Spring 2014	<u>\$ 8,119,983</u>	<u>\$ 8,247,460</u>	<u>\$ 8,896,790</u>	<u>\$ (649,330)</u>	<u>\$ 6,081,410</u>	<u>\$ 8,116,228</u>	<u>\$ (2,034,818)</u>
<u>Summer 2014</u>							
Part-Time (1334)	\$ 589,850	\$ 599,112	\$ 681,610	\$ (82,498)	\$ 663,114	\$ 567,691	\$ 95,423
Overload (1336)	909,342	923,619	901,523	22,096	898,211	865,191	33,020
Total Summer 2014	<u>\$ 1,499,192</u>	<u>\$ 1,522,731</u>	<u>\$ 1,583,133</u>	<u>\$ (60,402)</u>	<u>\$ 1,561,325</u>	<u>\$ 1,432,882</u>	<u>\$ 128,443</u>
Budget Augmt (1330) Spreadsh Only	-	950,877	-	950,877			
District Totals	<u>\$21,416,939</u>	<u>\$21,753,173</u>	<u>\$23,845,547</u>	<u>\$ (2,092,374)</u>	<u>\$19,415,392</u>	<u>\$20,411,556</u>	<u>\$ (996,164)</u>

\$ 908.75 Cost per FTES

\$ 814.76 Cost per FTES

11.54% Increase

0.01% Increase

Total with Est. Fixed Charges	\$ (2,092,374)	13.50%	\$ (282,471)	\$ (2,374,845)
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**Riverside Community College District
Part-Time Faculty and Overload
FY 2013-2014
As of July 14, 2014**

<u>District/Campus</u>	<u>Adopted Budget FY 13-14</u>	<u>Revised Budget FY 13-14</u>	<u>FY 13-14 Expended</u>	<u>FY 13-14 Positive (Negative) Difference</u>	<u>Revised Budget FY 12-13</u>	<u>FY 12-13 Expended</u>	<u>FY 12-13 Positive (Negative) Difference</u>
Riverside							
<u>Summer 2013</u>							
Part-Time (1331)	\$ 279,409	\$ 283,797	\$ 330,881	\$ (47,084)	\$ 645,838	\$ 213,663	\$ 432,175
Overload (1339)	587,781	597,010	694,713	(97,703)	541,359	665,618	(124,259)
Total Summer 2013	<u>\$ 867,190</u>	<u>\$ 880,807</u>	<u>\$ 1,025,594</u>	<u>\$ (144,787)</u>	<u>\$ 1,187,197</u>	<u>\$ 879,281</u>	<u>\$ 307,916</u>
<u>Fall 2013</u>							
Part-Time (1330)	\$ 3,173,985	\$ 3,223,812	\$ 3,368,127	\$ (144,315)	\$ 3,149,732	\$ 2,679,628	\$ 470,104
Overload (1335)	793,380	805,835	921,314	(115,479)	664,873	793,374	(128,501)
Budget Augmt (1330) Spreadsh Only	-	(502,116)	-	(502,116)			
Total Fall 2013	<u>\$ 3,967,365</u>	<u>\$ 3,527,531</u>	<u>\$ 4,289,440</u>	<u>\$ (761,909)</u>	<u>\$ 3,814,605</u>	<u>\$ 3,473,002</u>	<u>\$ 341,603</u>
<u>Winter 2014</u>							
Part-Time (1332)	\$ 299,164	\$ 303,861	\$ 470,927	\$ (167,066)	\$ 531,427	\$ 299,163	\$ 232,264
Overload (1337)	809,176	821,878	1,050,775	(228,897)	655,827	809,178	(153,351)
Total Winter 2014	<u>\$ 1,108,340</u>	<u>\$ 1,125,739</u>	<u>\$ 1,521,702</u>	<u>\$ (395,963)</u>	<u>\$ 1,187,254</u>	<u>\$ 1,108,341</u>	<u>\$ 78,913</u>
<u>Spring 2014</u>							
Part-Time (1333)	\$ 3,057,667	\$ 3,105,671	\$ 3,429,485	\$ (323,814)	\$ 2,220,535	\$ 3,057,669	\$ (837,134)
Overload (1338)	929,989	944,589	993,163	(48,574)	714,212	930,378	(216,166)
Total Spring 2014	<u>\$ 3,987,656</u>	<u>\$ 4,050,260</u>	<u>\$ 4,422,648</u>	<u>\$ (372,388)</u>	<u>\$ 2,934,747</u>	<u>\$ 3,988,047</u>	<u>\$ (1,053,300)</u>
<u>Summer 2014</u>							
Part-Time (1334)	\$ 213,659	\$ 217,012	\$ 306,181	\$ (89,169)	\$ 468,323	\$ 279,407	\$ 188,916
Overload (1336)	665,620	676,069	613,133	62,936	501,860	587,625	(85,765)
Total Summer 2014	<u>\$ 879,279</u>	<u>\$ 893,081</u>	<u>\$ 919,314</u>	<u>\$ (26,233)</u>	<u>\$ 970,183</u>	<u>\$ 867,032</u>	<u>\$ 103,151</u>
Budget Augmt (1330) Spreadsh Only	-	502,116	-	502,116			
Riverside Totals	<u>\$10,809,830</u>	<u>\$10,979,534</u>	<u>\$12,178,699</u>	<u>\$ (1,199,165)</u>	<u>\$10,093,986</u>	<u>\$10,315,703</u>	<u>\$ (221,717)</u>

\$ 870.03 Cost per FTES

\$ 765.32 Cost per FTES

13.68% Increase

-2.07% Decrease

Total with Est. Fixed Charges	\$ (1,199,165)	13.50%	\$ (161,887)	\$ (1,361,052)
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**Riverside Community College District
Part-Time Faculty and Overload
FY 2013-2014
As of July 14, 2014**

<u>District/Campus</u>	<u>Adopted Budget FY 13-14</u>	<u>Revised Budget FY 13-14</u>	<u>FY 13-14 Expended</u>	<u>FY 13-14 Positive (Negative) Difference</u>	<u>Revised Budget FY 12-13</u>	<u>FY 12-13 Expended</u>	<u>FY 12-13 Positive (Negative) Difference</u>
Norco							
<u>Summer 2013</u>							
Part-Time (1331)	\$ 80,910	\$ 82,184	\$ 94,479	\$ (12,295)	\$ 381,758	\$ 27,149	\$ 354,609
Overload (1339)	127,690	129,695	114,618	15,077	-	68,772	(68,772)
Total Summer 2013	<u>\$ 208,600</u>	<u>\$ 211,879</u>	<u>\$ 209,097</u>	<u>\$ 2,782</u>	<u>\$ 381,758</u>	<u>\$ 95,921</u>	<u>\$ 285,837</u>
<u>Fall 2013</u>							
Part-Time (1330)	\$ 1,539,130	\$ 1,563,293	\$ 1,530,507	\$ 32,786	\$ 1,006,688	\$ 1,394,786	\$ (388,098)
Overload (1335)	295,809	300,452	337,715	(37,263)	239,018	295,808	(56,790)
Budget Augmt (1330) Spreadsh Only	-	(146,607)	-	(146,607)			
Total Fall 2013	<u>\$ 1,834,939</u>	<u>\$ 1,717,138</u>	<u>\$ 1,868,222</u>	<u>\$ (151,084)</u>	<u>\$ 1,245,706</u>	<u>\$ 1,690,594</u>	<u>\$ (444,888)</u>
<u>Winter 2014</u>							
Part-Time (1332)	\$ 44,825	\$ 45,527	\$ 196,030	\$ (150,503)	\$ 281,287	\$ 44,826	\$ 236,461
Overload (1337)	162,092	164,637	240,748	(76,111)	254,594	162,092	92,502
Total Winter 2014	<u>\$ 206,917</u>	<u>\$ 210,164</u>	<u>\$ 436,778</u>	<u>\$ (226,614)</u>	<u>\$ 535,881</u>	<u>\$ 206,918</u>	<u>\$ 328,963</u>
<u>Spring 2014</u>							
Part-Time (1333)	\$ 1,351,837	\$ 1,373,060	\$ 1,395,792	\$ (22,732)	\$ 948,895	\$ 1,351,836	\$ (402,941)
Overload (1338)	330,864	336,055	294,928	41,127	239,303	330,864	(91,561)
Total Spring 2014	<u>\$ 1,682,701</u>	<u>\$ 1,709,115</u>	<u>\$ 1,690,720</u>	<u>\$ 18,395</u>	<u>\$ 1,188,198</u>	<u>\$ 1,682,700</u>	<u>\$ (494,502)</u>
<u>Summer 2014</u>							
Part-Time (1334)	\$ 27,148	\$ 27,575	\$ 128,852	\$ (101,277)	\$ (82,902)	\$ 80,910	\$ (163,812)
Overload (1336)	68,771	69,852	121,690	(51,838)	263,655	127,691	135,964
Total Summer 2014	<u>\$ 95,919</u>	<u>\$ 97,427</u>	<u>\$ 250,542</u>	<u>\$ (153,115)</u>	<u>\$ 180,753</u>	<u>\$ 208,601</u>	<u>\$ (27,848)</u>
Budget Augmt (1330) Spreadsh Only	-	\$ 146,607	-	\$ 146,607			
Norco Totals	<u>\$ 4,029,076</u>	<u>\$ 4,092,330</u>	<u>\$ 4,455,359</u>	<u>\$ (363,029)</u>	<u>\$ 3,532,296</u>	<u>\$ 3,884,734</u>	<u>\$ (352,438)</u>

**\$ 723.98 Cost per FTES
8.18% Increase**

**\$ 669.23 Cost per FTES
4.61% Increase**

Total with Est. Fixed Charges	\$ (363,029)	13.50%	\$ (49,009)	\$ (412,038)
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**Riverside Community College District
Part-Time Faculty and Overload
FY 2013-2014
As of July 14, 2014**

<u>District/Campus</u>	<u>Adopted Budget FY 13-14</u>	<u>Revised Budget FY 13-14</u>	<u>FY 13-14 Expended</u>	<u>FY 13-14 Positive (Negative) Difference</u>	<u>Revised Budget FY 12-13</u>	<u>FY 12-13 Expended</u>	<u>FY 12-13 Positive (Negative) Difference</u>
Moreno Valley							
<u>Summer 2013</u>							
Part-Time (1331)	\$ 207,374	\$ 210,631	\$ 385,363	\$ (174,732)	\$ 423,407	\$ 331,987	\$ 91,420
Overload (1339)	149,873	152,226	173,444	(21,218)	161,603	173,492	(11,889)
Total Summer 2013	<u>\$ 357,247</u>	<u>\$ 362,857</u>	<u>\$ 558,807</u>	<u>\$ (195,950)</u>	<u>\$ 585,010</u>	<u>\$ 505,479</u>	<u>\$ 79,531</u>
<u>Fall 2013</u>							
Part-Time (1330)	\$ 2,365,414	\$ 2,402,548	\$ 2,239,727	\$ 162,821	\$ 1,957,519	\$ 2,024,808	\$ (67,289)
Overload (1335)	252,401	256,366	328,804	(72,438)	196,643	254,296	(57,653)
Budget Augmt (1330) Spreadsh Only	-	(302,154)	-	(302,154)			
Total Fall 2013	<u>\$ 2,617,815</u>	<u>\$ 2,356,760</u>	<u>\$ 2,568,531</u>	<u>\$ (211,771)</u>	<u>\$ 2,154,162</u>	<u>\$ 2,279,104</u>	<u>\$ (124,942)</u>
<u>Winter 2014</u>							
Part-Time (1332)	\$ 384,665	\$ 390,703	\$ 545,990	\$ (155,287)	\$ 450,858	\$ 381,066	\$ 69,792
Overload (1337)	244,686	248,527	341,463	(92,936)	230,226	242,740	(12,514)
Total Winter 2014	<u>\$ 629,351</u>	<u>\$ 639,230</u>	<u>\$ 887,453</u>	<u>\$ (248,223)</u>	<u>\$ 681,084</u>	<u>\$ 623,806</u>	<u>\$ 57,278</u>
<u>Spring 2014</u>							
Part-Time (1333)	\$ 2,167,795	\$ 2,201,828	\$ 2,387,881	\$ (186,053)	\$ 1,751,437	\$ 2,163,655	\$ (412,218)
Overload (1338)	281,831	286,257	395,541	(109,284)	207,028	281,826	(74,798)
Total Spring 2014	<u>\$ 2,449,626</u>	<u>\$ 2,488,085</u>	<u>\$ 2,783,422</u>	<u>\$ (295,337)</u>	<u>\$ 1,958,465</u>	<u>\$ 2,445,481</u>	<u>\$ (487,016)</u>
<u>Summer 2014</u>							
Part-Time (1334)	\$ 349,043	\$ 354,525	\$ 246,577	\$ 107,948	\$ 277,693	\$ 207,374	\$ 70,319
Overload (1336)	174,951	177,698	166,700	10,998	132,696	149,875	(17,179)
Total Summer 2014	<u>\$ 523,994</u>	<u>\$ 532,223</u>	<u>\$ 413,277</u>	<u>\$ 118,946</u>	<u>\$ 410,389</u>	<u>\$ 357,249</u>	<u>\$ 53,140</u>
Budget Augmt (1330) Spreadsh Only	-	\$ 302,154	-	\$ 302,154			
Moreno Valley Totals	<u>\$ 6,578,033</u>	<u>\$ 6,681,309</u>	<u>\$ 7,211,490</u>	<u>\$ (530,181)</u>	<u>\$ 5,789,110</u>	<u>\$ 6,211,119</u>	<u>\$ (422,009)</u>

\$ 1,184.54 Cost per FTES

\$ 1,076.73 Cost per FTES

10.01% Increase

0.81% Increase

Total with Est. Fixed Charges	\$ (530,181)	13.50%	\$ (71,574)	\$ (601,755)
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DBAC
Survey Distribution List
April 2012

1	aaron.brown@rccd.edu
2	alombardo@student.rcc.edu
3	andrea.scott@rccd.edu
4	andy.aldasoro@norcocollege.edu
5	angela.lee@rcc.edu
6	angela.thomas@rcc.edu
7	ann.yoshinaga@mvc.edu
8	anthony.rizo@rcc.edu
9	arniks27@yahoo.com
10	bernie.fradkin@rcc.edu
11	bill.bogle@rccd.edu
12	botra.moeung@rcc.edu
13	carlos.tovares@mvc.edu
14	Carolyn.quin@mvc.edu
15	cecilia.alvarado@rcc.edu
16	celia.brockenbrough@norcocollege.edu
17	cesar23rhs@gmail.com
18	charles.richard@rcc.edu
19	charles.wyckoff@rcc.edu
20	chip.herzig@rcc.edu
21	chris.carlson@rccd.edu
22	cid.tenpas@mvc.edu
23	cindy.bendshadler@rcc.edu
24	cindy.conley@rccd.edu
25	cordell.briggs@mvc.edu
26	cynthia.azari@rcc.edu
27	dale.barajas@mvc.edu
28	damon.nance@norcocollege.edu
29	darlene.willie@rcc.edu
30	david.bobbitt@mvc.edu
31	david.kroh@mvc.edu
32	david.torres@rccd.edu
33	deanna.murrell@rcc.edu
34	debby.renfrow@rcc.edu
35	debbie.dithomas@norcocollege.edu
36	debbie.mcdowell@rccd.edu
37	deborah.hall@rcc.edu
38	debra.creswell@norcocollege.edu
39	diane.dieckmeyer@norcocollege.edu
40	diane.solorzano@rcc.edu

RCC Strategic Planning Leadership Council - Student Access & Support

MV President's Management Council

Norco Institutional Strategic Planning Committee

DBAC
Survey Distribution List
April 2012

41	dominique.moise-swanson@mvc.edu	
42	donald.foster@mvc.edu	
43	doug.graham@rcc.edu	
44	edward.bush@rcc.edu	RCC Strategic Planning Leadership Council - Student Access & Support
45	edwin.roque@rcc.edu	
46	ellen.brown-drinkwater@rcc.edu	
47	eric.thompson@mvc.edu	
48	erin.power@rccd.edu	
49	estrella.romero@rcc.edu	
50	eugenia.vincent@mvc.edu	
51	gail.zwart@norcocollege.edu	Norco Institutional Strategic Planning Committee
52	gilbert.deleon@mvc.edu	
53	ginny.haguewood@rcc.edu	
54	gloria.aguilar@rccd.edu	
55	greg.aycock@norcocollege.edu	
56	greg.gray@rccd.edu	
57	greg.sandoval@mvc.edu	MV President's Management Council
58	greta.cohen@rcc.edu	
59	gustavo.segura@mvc.edu	MV SP Voting Members
60	hayley.ashby@rcc.edu	
61	isabel.alanis@rcc.edu	
62	jacqueline.lesch@rcc.edu	
63	james.seals@rcc.edu	
64	jamie.clifton@mvc.edu	
65	janelle.wortman@rcc.edu	
66	janet.lehr@rcc.edu	
67	jason.rey@norcocollege.edu	
68	jeanette.laporte@mvc.edu	
69	jeanne.howard@rcc.edu	
70	jefferson.tiangco@norcocollege.edu	
71	jennifer.lawson@rcc.edu	
72	jim.buysse@rccd.edu	
73	jim.parsons@rccd.edu	
74	jim.thomas@norcocollege.edu	
75	joan.gibbons-anderson@rcc.edu	
76	joe.eckstein@norcocollege.edu	
77	johanna.vasquez@rcc.edu	
78	john.rosario@rcc.edu	
79	julie.hlebasko@mvc.edu	
80	julio.cuz@mvc.edu	
81	julio.gonzalez@mvc.edu	
82	kathy.paschke@rccd.edu	
83	kelli.dower@rccd.edu	
84	kenneth.morgan@mvc.edu	
85	kristi.woods@rcc.edu	
86	lani.kreitner@rcc.edu	
87	laurens.thurman@norcocollege.edu	Norco Institutional Strategic Planning Committee

DBAC
Survey Distribution List
April 2012

88	lee.nelson@rcc.edu
89	leona.crawford@norcollege.edu
90	lilia.acevedo@rcc.edu
91	linda.arellanes@rcc.edu
92	linda.wright@norcollege.edu
93	lisa.chavez@mvc.edu
94	lisa.conyers@mvc.edu
95	lori.fiedler@rcc.edu
96	majd.askar@rccd.edu
97	marsha.brown@rcc.edu
98	marie.colucci@rcc.edu
99	marilyn.martinez-flores@rcc.edu
100	mark.deasis@norcollege.edu
101	mark.lewis@norcollege.edu
102	mary.legner@rcc.edu
103	maureen.chavez@mvc.edu
104	mchristens2@student.rcc.edu
105	melissa.bader@norcollege.edu
106	melissa.elwood@rccd.edu
107	melissa.kane@rccd.edu
108	michael.mcquead@mvc.edu
109	micherri.wiggs@rcc.edu
110	mike.barnes@rcc.edu
111	monica.green@norcollege.edu
112	nick.bygon@rcc.edu
113	norm.godin@rcc.edu
114	orin.williams@rccd.edu
115	pam.kollar@rccd.edu
116	patricia.avila@rcc.edu
117	patsy.navarro@rcc.edu
118	peter.westbrook@rcc.edu
119	phu.tran@norcollege.edu
120	rafal.helszer@rcc.edu
121	raj.bajaj@rccd.edu
122	ray.maghroori@rccd.edu
123	rchoy@student.rcc.edu
124	reyna.philp@rcc.edu
125	rhix@student.rcc.edu
126	rich.finner@rcc.edu
127	richard.henry@rccd.edu
128	richard.keeler@rccd.edu
129	richard.mahon@rcc.edu
130	robert.leyva@rcc.edu
131	rogelio.ruiz@rcc.edu
132	ron.vito@rcc.edu
133	rosa.espinoza-leal@rccd.edu
134	ruth.adams@rccd.edu
135	sandy.baker@rcc.edu

MV President's Management Council

RCC Strategic Planning Leadership Council - Resource Devel. & Admin. Serv.

RCC Strategic Planning Leadership Council - Resource Devel. & Admin. Serv.

DBAC
Survey Distribution List
April 2012

136	sharon.crasnow@norcocollege.edu	Norco Institutional Strategic Planning Committee
137	sherrie.disalvio@rccd.edu	
138	stephen.ashby@rcc.edu	
139	steve.brewster@rcc.edu	
140	steve.gilson@rccd.edu	
141	steve.monsanto@norcocollege.edu	
142	susan.mills@rcc.edu	
143	susan.tarcon@mvc.edu	
144	sylvia.thomas@rccd.edu	
145	tara.mccarthy@rcc.edu	
146	thomas.allen@rcc.edu	RCC Strategic Planning Leadership Council - Resource Devel. & Admin. Serv.
147	tim.brown@rcc.edu	
148	tish.chavez@rcc.edu	
149	tom.harris@mvc.edu	MV President's Management Council
150	tom.wagner@norcocollege.edu	
151	tony.ortiz@rcc.edu	
152	travis.gibbs@mvc.edu	
153	tucker.amidon@rcc.edu	
154	vickie.vega@rccd.edu	
155	victor.goldbaum@norcocollege.edu	
156	wendi.alcazar@norcocollege.edu	
157	wolde-ab.isaac@rcc.edu	

District Budget Advisory Council Meeting

Thursday, August 14, 2014 - RCC DL 409

9:00 a.m. - 11:00 a.m.

AGENDA

- I. Welcome and Call to Order
- II. Approval of Minutes
 - A. July 17, 2014
- III. BAM Revision – Continuation
 - A. Implementation Issues
 1. Self-Insurance – Total Cost of Risk (TCOR)
 2. Capital Equipment (Furniture, Equipment, Computers)
 - a. Student Technology Fee Update
 3. Update – Entity Budget Alignment
 - a. Entity Equilibrium Meeting w/VP's of Business
- IV. RCCD Budget Update
 - A. Physical Plan and Instructional Support Allocation
 - B. Prop 39 – Energy Efficiency Funds
 - C. Information Services Projects - Unidata to SQL Conversion
SSSP/Instructional Equipment Funding and Disk Storage Expansion
 - D. General Fund Status
- V. Other Items
 - A. Review Survey Distribution List submitted by each college
- VI. Next Meeting
 - A. Friday, September 26, 2014, 1pm to 3pm in DL 409
 1. Can we move meeting to 2:30 to 4:30pm?

RIVERSIDE COMMUNITY COLLEGE DISTRICT
District Budget Advisory Council Meeting
BAM Revision Implementation

July 17, 2014
RCC – DL 409
1:00 p.m. - 3:00 p.m.

MEETING MINUTES

PRESENT

Aaron Brown, Vice Chancellor, Business and Financial Services (District)
Norm Godin, Vice President Business Services (Moreno Valley)
Beth Gomez, Vice President, Business Services (Norco)
Mazie L. Brewington, Vice President, Business Services (Riverside)
Michael McQuead, Associate Professor, CIS (Moreno Valley)
Nate Finney, Classified Representative (Moreno Valley)
Tanya Wilson, Classified Representative (Norco)
Tom Wagner, Associate Professor, Business Administration (Norco)
Mary Legner, Professor, Mathematics (Riverside)
Mark Sellick, Associate Professor, Politics (Riverside)
Jennifer Lawson, Classified Representative (Riverside)
Jim Parsons, Associate Vice Chancellor, Strategic Communications and Relations (District)
Rachelle Arispe, Executive Administrative Assistant to the Vice Chancellor (Recorder)

ABSENT

Arturo Quiroz, Student Representative (Riverside)
Tim Ragusa, Classified Representative (District)

GUEST

Paul Parnell, President (Norco)
Sandra Mayo, President (Moreno Valley)

I. **MEETING WAS CALLED TO ORDER**

A. By Aaron Brown

II. **NEW MEMBER INTRODUCED**

A. Mazie Brewington, Vice President, Business Services (RCC) introduced to members.

III. **MINUTES**

A. Legnar moved, and Parnell seconded, approval of the minutes of May 30, 2014. Motion approved.

IV. **BAM REVISION – CONTINUATION**

A. Implementation issues

1. Capital Equipment – Brown reviewed Student Technology Fee handout provided by Ruth Adams.

a) Handout indicates that the State Chancellor's office concludes that the student technology fee is permissible, optional fee with respect to students who are not in courses where such technology was required. However, an optional fee is prohibited if

the District receives state funds for this purpose. Handout also includes information from two community college districts (Butte-Glenn and Cerritos) that have student technology fees.

- b) Adams will follow-up with Chris Yatooma (VP of Administration at Sierra CC) as he just issued a CBO survey which could provide more information on the student technology fees (emailed by Godin 07/16/14).
- c) McQuead commented that UCR has a student technology fee based on \$2 per unit and it was initiated by the students (detail is described on UCR website).
- d) Parnell remarked that since we have a recommendation from Accreditation to develop a district wide technology plan, the request of a student technology fee could be incorporated into our efforts of developing a technology plan. Brown will discuss this recommendation with Rick Herman.

2. Entity Equilibrium Alignment

- a) VP's of Business and Brown have met twice to review course listings provided by Raj Bajaj. VP's and Brown compared each of the college's TOPS codes to find differences. They identified differences in the ratios of some courses and have forwarded the information to Vice Chancellor Steinback to follow-up.

V. STATE/RCCD BUDGET UPDATE – Brown reviewed handouts (State Adopted Budget Changes and PT Faculty & Overload FY 2013-14 as of July 14, 2014). Brown explained how we will not know how the State's budget will impact the District's budget shortfall until year-end closing (mid-August). The Kaiser and Health Net plan rates are lower than estimated; however we still need to calculate the PPO plan rate. It may be higher than originally estimated. As far as revenue, there is no impact on the bottom line since the Governor's May revise; however there is still a deficit in the P2 number. The deficit number will be lower for FY 2013-14 per the State; however we don't know what it will be. The tentative budget has a .26 deficit factor.

A. COLA

- 1. Originally at .86%, now .85%

B. Access

- 1. Originally at 3% now 2.75%

C. Associate Faculty and Overload Budget and Actual

- 1. Handout is separated by term. Under Fall 2013, the budget amount for object code 1330 is not spread throughout the terms, it is only accounted for in a lump sum. Salaries are approximately \$2.1 million over; however if we factor in fixed charges it increases to \$2.4 million.

Mayo commented that she has a challenge because there is very little control at Ben Clark. Regardless of the number of academies, the Sherriff can cancel classes, which then creates a challenge to keep up FTES. Academies are supposed to be larger. MVC has to try to add some programs to generate enough FTES to counterbalance the lack of FTES at Ben Clark.

Brown remarked that at the college level, they need to schedule to meet their FTES target but within their allocated budget.

D. Deferred Maintenance/Instructional Equipment

1. Since there is not a match requirement, the colleges have the ability to direct how much they want to distribute. Estimated amount is \$3.5 million district wide. This is a substantial increase from what we have received in the past five (5) years. A decision of how to allocate on a District basis must be made. Brown suggested possibly allocating on FTES basis. Then the college can decide how they want to split the funds based on their needs (deferred maintenance or instructional equipment or both).

E. Student Success and Support Program (SSSP)

1. Most of the State's adopted budget changes are in the SSSP - Equity programs. Ultimately the State approved \$70 million. With this change, the District SSSP funds decreased from \$2.3 million to \$1.6 million and DSP&S increased from \$0 to \$0.7 million. By the end of FY 2014-15 there will be no deferrals. There is no information yet on how much the match will be for SSSP. Our District's match piece was less than 3 to 1. If the match does not change, we may not have the ability to receive all of the funding we are entitled to or we will have to make other choices for a hard dollar backfill to support the program.

VI. OTHER ITEMS

A. DBAC Survey Distribution List April/May 2012 (handout)

1. Members reviewed listing and VP's of Business preferred to provide a new survey list by the next DBAC meeting.

B. Health Fee Increase

1. Godin commented that there is a proposal from the VP's of Student Services to increase the health fee by \$1.00 since there is a structural budget deficit. Godin asked if there were plans to reduce their reserve.

Brown commented that the health service directors need to be engaged with their colleges regarding strategic planning and to plan for allowable uses for their reserves.

Gomez remarked that there has been an increase in mental health issues.

VII. NEXT MEETING

- A. Next DBAC meeting scheduled for Thursday, August 14, 2014

District Budget Advisory Council Meeting
Thursday August 14, 2014

- I. Risk Management Departmental Objectives
 - a. Identified Risk Management Department Mission Scope
 - i. **Insurance** Program Review and Management
 - ii. **Safety** and Loss Control Program Development
 - iii. **Security** and Asset Protection Program Development
 - iv. **Claims** Management Program Development
 - b. Identified Risk Management Goals for the Riverside Community College District
 - i. Maintain sufficient Workers' Compensation Claim Reserves based on actuarial valuations
 - ii. Generate Sufficient Resources to:
 - 1. Effectively Manage Claims
 - 2. Reduce High Rates of Litigation Activity and Costs
 - 3. Address Rising Insurance Premiums
 - 4. Provide for Insurance Coverage Gaps / Retention Issues
 - 5. Manage Vendor Partnerships for Higher Service Levels
 - 6. Effectively Design, Implement, and Manage Safety and Loss Control Programs
 - 7. Develop an Effective, Proactive Risk Management Infrastructure to Meet Cost Challenges
 - 8. Update and Revise Risk Management Methodologies to Comply with Current Laws
 - c. Cost and Loss Drivers Considered
 - i. Direct Costs
 - 1. Insurance Premiums
 - 2. Self-Insured Claim Payments
 - 3. Claim Defense and Mitigation Costs
 - ii. Indirect Costs
 - 1. Historical Loss Experience Drivers (Premium Impact)
 - a. Catastrophic Property Loss (2010)
 - b. Large Employment Liability Losses
 - c. Substantial Workers' Compensation Reserve Obligation
 - d. High Loss Cost Development Outlook

2. Ancillary Loss Drivers

- a. Replacement Labor and Training
- b. Decreased Morale / Productivity
- c. Operational Disruption

d. Identified our Incurred Total Costs of Risk (TCOR)

- i. Insurance Premiums
- ii. Broker / Joint Powers Authority Commission Expense
- iii. Actual Workers' Compensation Claims Payments
- iv. Actual General Liability Claims Payments
- v. Litigation Defense Expense
- vi. IBNR / Future Claim Development Reserves
- vii. Department Support Expense
- viii. Safety and Loss Control Program Development
- ix. Security Program Development

e. Identified Initiatives to Control Loss / Reduce Expenses / Lower Rates for Colleges

i. Insurance Program Revisions

1. Reduce self-insured retention level (lower deductibles, etc.)
2. Add coverage to address new risks (data breach, etc.)
3. Revise memorandums of coverage (better policy language)
4. Change insurance providers (increased service levels)

ii. Claim Reduction and Management Initiatives

1. Casualty Claims Coordinator Position
2. Safety / Disaster Preparedness Position
3. Return-to-Work Process
4. Medical Provider Network (MPN)
5. Triage Nurse Process
6. Litigation Reduction Process
7. Vendor Support Enhancements (broker, counsel, JPA, etc.)
8. Claims Cost Review and Reduction Process (medical costs, etc.)

iii. Safety / Security

1. Injury & Illness Prevention Program
2. Safety Coordinator Process
3. Safety Training Platform
4. Safety Awareness Process
5. Physical Security Master Plan (inventory, restore, replace, standards)
6. Active Shooter Program
7. Mass Notification System

f. 2014-2015 Budget Rate Calculation Methodology

i. Total Cost of Risk (TCOR) Base

1. Actuarial Valuations

- a. Reserve Requirements for Pre-2014 Losses
- b. Estimated Losses for FY 2014-2015

2. Self-Insurance Program Staffing and Support Costs

3. Risk Program Initiative Costs

ii. Revenues Needed to Fund TCOR

iii. Converted to a Rate Per Payroll Dollar Across all Resources

iv. Worker's Compensation Rate – 2.29% - No change from FY 13-14

v. General Liability Rate – 1.35% to Generate Approximately \$1.5 Million Which is Close to the Same GF Transfer in Prior Years.

vi. Rates Reevaluated Every Year with Focus on Reductions and Slowing Rate of Increase Due to Self-Insurance Program Initiative Success

Riverside Community College District
Physical Plant and Instructional Support Allocation
FY 2014-2015

Total District Allocation*	\$3,498,047
Set-Aside for ADA Litigation Remediation	<u>(500,000)</u>
Remaining Allocation	<u>\$2,998,047</u>

Remaining Allocation Distribution	<u>FTES %</u>	
Riverside City College	53.80%	\$1,612,949
Norco College	23.10%	692,549
Moreno Valley College	23.10%	<u>692,549</u>
Total Allocation		<u>\$2,998,047</u>

* Instructional Support includes Instructional Equipment and Library Materials. Physical Plant includes Scheduled Maintenance/Special Repairs, Hazardous Substances, Architectural Barrier Removal, and Seismic Retrofit. There are no match requirements for the FY 2014-15 allocation. Certain project dollar limits apply to each category.

DBAC Survey List 2014

MORENO VALLEY COLLEGE

(Received by email on 07/23/14)

Sandra.Mayo@mvc.edu

Carol.Farrar@mvc.edu

SPC

Annamarie.Amezquita@mvc.edu

Teri.Currie@mvc.edu

Donald.Foster@mvc.edu

Gerald.Goodenough@mvc.edu

Susan.Lauda@mvc.edu

Akia.Marshall@mvc.edu

Sheila.Pisa@mvc.edu

Leslie.Salas@mvc.edu

Silvia.Trejo@mvc.edu

FRAG

Donna.lessner@mvc.edu

Patricia.nava@mvc.edu

Cheryl.Honore@mvc.edu

Lorraine.grippin@mvc.edu

Sandra.sydlik@mvc.edu

Jan.ponder@mvc.edu

Maureen.chavez@mvc.edu

Mark.carpenter@rccd.edu

Norm.godin@mvc.edu

Nate.finney@mvc.edu

Michael.mcquead@mvc.edu

Susan.tarcon@mvc.edu

Rmiller20@student.rcc.edu

HRAG

Susan.Boling@rccd.edu

Joanna.Werner-Fraczek@mvc.edu

Julie.Hlebasko@mvc.edu

Paula.Stafford@mvc.edu

tmacedonsr@student.rcc.edu (Student – May rotate out in fall)

PRAG

jose.recinos@mvc.edu

diane.marsh@mvc.edu

Rhonda.patterson@mvc.edu

DBAC Survey List 2014

MORENO VALLEY COLLEGE - Continued

csaway@yahoo.com (student, may rotate out in fall)

TRAG

mark.oliver@rccd.edu

joe.gonzales@mvc.edu

matthew.barboza@mvc.edu

julio.cuz@mvc.edu

gustavo.segura@mvc.edu

robert.loya@mvc.edu

lisa.horn@mvc.edu

ann.yoshinaga@mvc.edu

christopher.whiteside@mvc.edu

darren.dong@rccd.edu

debby.renfrow@mvc.edu

Loretta.steele@rccd.edu

Edd.chi@mvc.edu

Ronald Johnson (Student – may rotate out this fall)

RSC

Angie.Arballo@mvc.edu

Julio.Cuz@mvc.edu

Raina.Fonseca@rccd.edu

Felipe.Galicia@mvc.edu

Julio.Gonzalez@mvc.edu

Jackie.Grippin@mvc.edu

Christina.Leon@mvc.edu

Rebecca.Loomis@mvc.edu

Diane.Marsh@mvc.edu

Shirley.McGraw@rccd.edu

Michael.McQuead@mvc.edu

Frankie.Moore@mvc.edu

Abel.Sanchez@mvc.edu

Cid.Tenpas@mvc.edu

Eugenia.Vincent@mvc.edu

Ann.Yoshinaga@mvc.edu

Conanjam9@yahoo.com (Student. May rotate out this fall)

DBAC Survey List 2014

NORCO COLLEGE

(Received by email on 08/04/14)

ISPC

Natalie.Aceves@norcocollege.edu
Greg.Aycock@norcocollege.edu
Melissa.Bader@norcocollege.edu
Celia.Brockenbrough@norcocollege.edu
Mark.DeAsis@norcocollege.edu
Diane.Dieckmeyer@norcocollege.edu
Andres.Elizalde@norcocollege.edu
Beth.Gomez@norcocollege.edu
Monica.Green@norcocollege.edu
Lyn.Greene@norcocollege.edu
Ruth.Jones@norcocollege.edu
Ruth.Leal@norcocollege.edu
Deborah.Makin@norcocollege.edu
Ana.Molina@norcocollege.edu
Jason.Parks@norcocollege.edu
Jim.Thomas@norcocollege.edu
Diann.Thursby@norcocollege.edu
Sheryl.Tschetter@norcocollege.edu
Gail.Zwart@norcocollege.edu

BFPC

Mark.DeAsis@norcocollege.edu
Diane.Dieckmeyer@norcocollege.edu
Beth.Gomez@norcocollege.edu
Monica.Green@norcocollege.edu
Lyn.Greene@norcocollege.edu
Richard.Henry@rccd.edu
Daniel.Lambros@norcocollege.edu
Steve.Monsanto@norcocollege.edu
Damon.Nance@norcocollege.edu
Gustavo.Oceguera@norcocollege.edu
Lorena.Patton@norcocollege.edu
Erin.Power@norcocollege.edu
Gabriela.Ramirez@norcocollege.edu
criosberri@student.rcc.edu
George.Salas@norcocollege.edu
Jim.Thomas@norcocollege.edu
Phu.Tran@norcocollege.edu

DBAC Survey List 2014

NORCO COLLEGE - Continued

Koji.Uesugi@norcocollege.edu
Tanya.Wilson@norcocollege.edu
Linda.Wright@norcocollege.edu

APC

Melissa.Bader@norcocollege.edu

Peter.Boelman@norcocollege.edu
Zina.Chacon@norcocollege.edu
John.Coverdale@norcocollege.edu
Alexis.Gray@norcocollege.edu
Dominique.Hitchcock@norcocollege.edu
Jason.Parks@norcocollege.edu
Margarita.Shirinian@norcocollege.edu
Walter.Stevens@norcocollege.edu
Phu.Tran@norcocollege.edu
Sheryl.Tschetter@norcocollege.edu
Paul.VanHulle@norcocollege.edu
Tim.Wallstrom@norcocollege.edu
Patti.Worsham@norcocollege.edu

SSPC

Miriam.Alonso@norcocollege.edu
Eva.Amezola@norcocollege.edu
Patti.Brusca@norcocollege.edu
Zina.Chacon@norcocollege.edu
Keith.Coleman@norcocollege.edu
Hortencia.Cuevas@norcocollege.edu
Mark.DeAsis@norcocollege.edu
Maria.Gonzalez@norcocollege.edu
Monica.Green@norcocollege.edu
Tricia.Hodawanus@norcocollege.edu
Leticia.Martinez@norcocollege.edu
Dimitrios.Synodinos@norcocollege.edu

DBAC Survey List 2014

RIVERSIDE CITY COLLEGE

(Received by email on 08/04/14)

President's Leadership Team (PLT)

Wolde-ab.isaac@rcc.edu

Mazie.brewington@rcc.edu

Edward.bush@rcc.edu

Susan.mills@rcc.edu

Strategic Planning Council (SPC)

Susan.mills@rcc.edu

rorozco14@student.rcc.edu (ASRCC Pres) Ray Orozco

Student Access & Support Leadership Council (SASLC)

Edward.bush@rcc.edu

Deborah.hall@rcc.edu

Angela.lee@rcc.edu

Academic & Career /Technical Programs & Instructional Support Leadership Council (ACTP&IS LC)

Kathleen.sell@rcc.edu

Stephen.ashby@rcc.edu

Resource Development & Administrative Services Leadership Council (RD&AS LC)

Faculty co-chair, vacant

Mazie.brewington@rcc.edu

Ginny.haguewood@rcc.edu

Linda.arellanes@rcc.edu

Greta.cohen@rcc.edu

Jennifer.lawson@rcc.edu

Patsy.navarro@rcc.edu

Sheryl.plumley@rcc.edu

Mark.sellick@rcc.edu

Antonio.curtis@rcc.edu

Shannon.hammock@rcc.edu

Tad.hove@rcc.edu

Mary.legner@rcc.edu

Paul.oconnell@rcc.edu

John.rosario@rcc.edu

Ward.schinke@rcc.edu

Peter.westbrook@rcc.edu

DBAC Survey List 2014

RIVERSIDE CITY COLLEGE - Continued

Academic Senate

Lee.nelson@rcc.edu

gmcCarver@student.rcc.edu (ASRCC Rep-Garrett McCarver)

Associated Students

Ray Orozco

rorozco14@student.rcc.edu (ASRCC Pres)

Ryan Rudolph

rrudolph1@student.rcc.edu (ASRCC Vice President)

Accreditation/ Strategic Planning

Thomas.allen@rcc.edu

DRAFT

District Budget Advisory Council Meeting

Friday, September 26, 2014 - RCC DL 409

1:00 p.m. - 3:00 p.m.

AGENDA

- I. Welcome and Call to Order
- II. Approval of Minutes
 - A. August 14, 2014
- III. BAM Revision – Continuation
 - A. Implementation Issues
 - 1. Capital Equipment (Furniture, Equipment, Computers)
 - a. Student Technology Fee Update
 - 2. Update – Entity Budget Alignment
 - a. Entity Equilibrium Meeting w/VP's of Business
- IV. RCCD Budget Update
 - A. FY 2014-15
 - 1. Adopted Budget
 - B. FY 2015-16
 - 1. Board of Governors of the CCC's – Budget Proposal
- V. Other Items
 - A. Review Survey Distribution List submitted by each college
- VI. Next Meeting
 - A. Friday, October 24, 2014, 1pm to 3pm in DL 409

Riverside Community College District
BAM Revision Continuation 2013

Implementation Issues/Open Items		Open/ Resolved	Resolution
Policy/Organization:			
I.	Defining the roles of the District vis-à-vis the District's four major entities in the budget development and execution process. (a.) What is the expected level of services to be provided by the District Office? (DSPC)	O	Brown indicated that this item would be going to the DSPC on 10/11/13.
II.	Defining the way in which compliance with statutory, regulatory and policy requirements shall be assured (e.g. FON, 50% Law, categorical match). (DBAC?)	R	Consensus reached that budget plans should go to Executive Cabinet (or Chancellor and Presidents) and then, once agreed upon, would then go to DSPC.
III.	Defining self-insurance funding. (DBAC?)	R	Consensus was reached to institute a rate to be applied to each dollar of payroll for general liability insurance, along with a policy deductible amount beginning in FY 2014-2015. Three self-insurance Resources will be established: PPO, General Liability, and Workers Compensation.
IV.	Defining DSP&S services and funding levels. (DBAC?)	O	It was agreed that the college Vice Presidents of Business would discuss with their presidents and then would bring back to DBAC for discussion.
Implementation:			
I.	Personnel:		
	(a.) Faculty	O	
	(b.) Classified	O	
	(c.) Administrators	O	
II.	Personnel - Budget Adjustments (positive and negative) associated with:		
	(a.) Reclassifications	R	Consensus reached on 05/25/14 to reverse the original agreement that the costs associated with personnel reclassifications, both employee initiated and management initiated, should be the responsibility of the respective college/district office. Consensus for FY 14-15 is that <u>District</u> will be responsible.
	(b.) Reorganizations	R	Consensus reached that the costs associated with department reorganizations should be the responsibility of the respective individual college/district office.
	(c.) Vacancy Rehires	R	Consensus reached that the costs associated with position vacancy rehires should be the responsibility of the respective individual college/district office.
	(d.) Professional Growth	R	Consensus reached that the costs associated with professional growth should be the responsibility of the respective individual college/district office.
	(e.) Step and Column (mid-year)	R	Consensus reached that the costs associated with mid-year step and column movement should be budgeted "off the top" each year, similar to the annual step and column budget allocation.

Riverside Community College District
BAM Revision Continuation 2013

Implementation Issues/Open Items		Open/ Resolved	Resolution
(f.) Health and Welfare			
	1. Open Enrollment/Budget Adjustment	O	Consensus reached that the cost will be a District expense for FY 14-15 and members will discuss a methodology for FY15/16. Expenses will need to be reviewed the next year as the costs may increase due to the Health Care Act.
	2. PARS to PERS	R	Consensus reached to use salary savings from each college and/or district office for part-time hourly employees who work more than 1000 hours and change from PARS to PERS.
	3. Health Insurance - New Positions	R	Consensus reached for the entity to be responsible for the total cost of (new) positions.
	4. Health Insurance - Permanent Part-time Positions	R	Consensus reached for the district to be responsible for changes to permanent part-time positions not having coverage to having coverage.
III.	Contracts/Agreements	R	The District will continue the same process and allocate by FTES. The exact dollar amount will be decided at a later date by consulting with the colleges.
IV.	Utilities	O	Consensus reached for FY14/15 to be centralized and for a different methodology to be discussed and implemented for FY 15/16.
V.	New Facilities Operating Costs	O	Maintenance & Operations Standards need to be updated by FPD. Once completed members can discuss a methodology for this item. (New facilities will not be coming online until FY 14/15.)
VI.	Capital Equipment (Furniture, Equipment, Computers)	O	Legal Counsel to continue research ground rules of the student technology fees. Once DBAC receives more information then a recommendation can be provided to the DSPC.
VII.	Common/Shared Expenditures (Basis of Allocation):		
	(a.) Student Systems (Ellucian)	O	
	(b.) Financial/Budget System (Galaxy)	O	
	(c.) Network Infrastructure (Hardware/Maintenance Agreements)	O	
	(d.) La Sierra Loan Repayment	O	
VIII.	Entity Budget Alignment	O	The Vice Chancellor of Business & Financial Services and VP's of Business have met and found some variances within the data. The variances have been provided to the VC of Academic Affairs for a response. Once response is received, VC of BFS and VP's of Business will continue to analyze data and return with a recommendation to the next DBAC meeting on October 24, 2014.

Riverside Community College District
 BAM Revision Continuation 2013

Implementation Issues/Open Items		Open/ Resolved	Resolution
IX.	Associate Faculty and Overload Budget Allocation Methodology	O	Consensus reached that all account categories will be within budget as of June 30, 2014, with the exception of utilities and the remaining balance in Barnes and Noble one-time allocation, which will be the responsibility of the District. Any remaining unspent funds will rollover for the benefit of each entity. The FY 2014-15, \$1.2 million will be placed into a holding account to provide for FTES target achievement while the Enrollment Management Tool is evaluated for applicability in projecting the instructional costs to achieve FTES targets. Upon acceptable evaluation, the holding account will be allocated to the colleges. The recommendation will be forwarded to the DSPC.
X.	Mid-year Budget Adjustments from the State	O	
XI.	Other Resources:		
	(a.) Parking	O	
	(b.) Performance Riverside	O	
	(c.) Community Education	O	

FY 2014-2015 Adopted Budget

FY 2014-2015 Budgeted Revenues

Base Revenues	\$ 138.96	
New Revenues	<u>7.30</u>	
Total Budgeted Revenues		\$ 146.26

FY 2014-2015 Budgeted Expenditures

Base Expenditures	(144.01)	
New Expenditures	<u>(7.20)</u>	
Total Budgeted Expenditures		<u>(151.21)</u>
Structural Budget Deficit before 5% Reserve Requirement		(4.95)
Less, 5% Reserve		<u>(8.96)</u>
Budget Shortfall prior to using Beginning Fund Balance		(13.91)

FY 2014-2015 Beginning Fund Balance (Reserve)

FY 2013-2014 Budgeted Reserve (3.81%)	<u>6.36</u>	
Budget Shortfall before FY 2013-2014 Budget Savings		(7.55)
FY 2013-2014 Budget Savings	<u>6.39</u>	
Remaining Budget Shortfall		<u><u>\$ (1.16) *</u></u>

* Required lowering Board Policy Reserve of 5% to 4.28%

COMMUNITY COLLEGE UPDATE

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Volume 27

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No. 19

BOG Approves 2015-16 System Budget Request

At its September 2014 meeting, the Board of Governors (BOG) unanimously approved the system budget request for the 2015-16 State Budget. Consistent with past requests and the priorities of the system, Vice Chancellor Dan Troy presented the following items for funding in 2015-16:

- \$120 million—Access/Enrollment Funding
- \$200 million—Student Success and Student Equity
- \$180 million—Increase for General Operations (based on School Services of California, Inc.'s estimated 2.1% cost-of-living adjustment and restoration of purchasing power)
- \$70 million—Funding for Full-Time Faculty Hiring
- \$115 million—Restoration of Categorical Programs
- \$25 million—Professional Development
- \$25 million—Economic and Workforce Development Program
- \$5 million—Technical Assistance
- \$1.5 million—Public Outreach

Vice Chancellor Troy also laid out priorities should one-time funding becomes available, with a top priority being deferred maintenance and instructional equipment and a secondary priority of funding past mandate reimbursement claims. Other priorities for the system include restoration of Cal Grants to better serve community college students, a guaranteed revenue backfill, and \$500 million for K-12 and California Community College Adult Education programs.

Vice Chancellor Troy described the request as reflecting a general consensus among numerous community college stakeholder groups and as an ambitious, but not unreasonable, ask of the Administration. After discussion, the BOG unanimously approved the request, and it will be conveyed to the Department of Finance for consideration as they craft the 2015-16 State Budget proposal to be released by January 10, 2015. Further details of the 2015-16 System Budget Request can be found [here](#).

—Michelle McKay Underwood

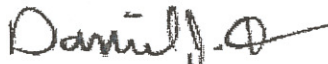

posted 09/09/2014



The Board of Governors of the California Community Colleges

PRESENTED TO THE BOARD OF GOVERNORS

DATE: September 9, 2014

SUBJECT: 2015-16 System Budget Request		Item Number: 2.1	
		Attachment: Yes	
CATEGORY:	Fiscal Policy	TYPE OF BOARD CONSIDERATION:	
Recommended By:	 Dan Troy, Vice Chancellor	Consent/Routine	
		First Reading	
Approved for Consideration:	 Brice W. Harris, Chancellor	Action	X
		Information	

ISSUE: This item presents the proposed 2015-16 California Community Colleges System Budget Request for consideration and approval.

BACKGROUND: Education Code section 70901(b)(5)(A) directs the Board to prepare and adopt an annual system budget request, using the Consultation Process established under state law. The budget request is focused on local assistance to community college districts that is funded under Proposition 98. The local assistance budget is distinct from the Chancellor's Office budget—which is ineligible for Proposition 98 funds—and capital outlay budget, which is largely funded with bonds and is separately reviewed by the Board. A Budget Workgroup comprised of members and designees of the Consultation Council, other college representatives, and Chancellor's Office staff, first convened in June to identify the top budget priorities and begin planning for the California Community Colleges system's 2015-16 budget request. Initial discussions from the Workgroup were presented to the consultation Council as well as the Board of Governors in July. The Workgroup reconvened in later in July to finalize recommendations and the proposed 2015-16 System Budget Request reflects a general consensus of the process.

RECOMMENDED ACTION: It is recommended that the Board of Governors approve the proposed 2015-16 System Budget Request for timely transmittal to the Department of Finance, Governor's Office, Legislature and other interested parties.

ANALYSIS: Thanks to the increased revenues generated by Proposition 30, and a state economy that is continuing to improve, the California Community Colleges system is growing after years of reductions. The 2014-15 Budget provided the system with significant increases balanced among access, student success and equity, a funded cost of living adjustment (COLA), maintenance and instructional equipment, and the reduction of system deferrals. Broadly, Workgroup and Consultation Council members voiced support for continuing to advocate for the balanced approach that was successfully pursued in the 2014-15 fiscal year. This year's budget workgroup participants strongly expressed the need to advocate for budget priorities that will work to improve the *quality* of education (not just the *quantity* of courses offered) and facilitate increased student success, particularly for disadvantaged students that may be less likely to succeed without additional support.

To reflect an emphasis on access, educational quality and student success, the 2015-16 budget request identifies four core priorities for funding: increasing access for community college students; funding for student success and equity; a COLA; and funding to hire more full-time faculty which were significantly reduced during the recent economic downturn. We believe that the priorities expressed in the request are consistent with the Board's priority to pursue an agenda that supports the principles of the Student Success Task Force recommendations. The system budget request is summarized below with a longer narrative document accompanying it under separate cover, titled *2015-16 System Budget Proposal*.

Access/Enrollment Funding

(\$120 million)

Restoring access to higher education for those who need it remains a major system priority. The 2014-15 budget featured a large increase for access (2.75 percent), which is enough funding to restore approximately 60,000 students (headcount) to the system. The need for community college access remains strong based on a number of factors. Students displaced from University of California and California State University due to budget cuts and the high cost of attendance, an economy in slow recovery, veterans returning from Iraq and Afghanistan, and drastic reductions in K-12 adult education programs all contribute to the need for community college courses.

For 2015-16, we are requesting \$120 million (approximately 2 percent) for increased access so that colleges may continue to restore course offerings that were reduced during the budget cuts of the last several years. The colleges will focus on adding courses that align with the system's primary missions of transfer, career technical education, and basic skills. Since districts in some areas of the state are growing while other areas are having trouble increasing enrollments, it is important that the request for access funding be balanced with other funding requests to ensure that all districts have a chance at new funding to increase educational quality and improve student success. \$120 million would restore access for over 50,000 students.

Student Success and Student Equity**(\$200 million)**

The 2014-15 budget increased funding for the Student Success and Support Program (SSSP) by \$100 million, bringing total annual funding for this program to approximately \$200 million. The SSSP provides support to students through services such as orientation, assessment, placement educational planning, counseling, and tutoring. For many community college students, these support services are the difference between an efficient pathway to an educational objective (such as a certificate, degree, transfer, or desired skill) and an unproductive pathway to a delayed or inconclusive end.

In addition to increasing funding for the SSSP, the 2014-15 budget provided \$70 million in new funding to be used to provide increased support for underrepresented students based on districts' student equity plans. The purpose of the student equity funds are to allow districts to close gaps in access and achievement for underrepresented student groups, as identified in district Student Equity Plans. Based on allocation formula currently under development, districts with a greater proportion of disadvantaged students will receive a larger funding allocation than comparably sized districts with a smaller proportion of disadvantaged students.

For 2015-16, the system is requesting \$200 million for student success and student equity to be split between the two programs. The SSSP and funding for student equity are critical to student success and to increasing the quality of education provided to community college students. For many community college students, especially those from disadvantaged backgrounds, these services—or the lack thereof—can represent the difference between educational success and educational failure.

Increase for General Operations**(\$180 million)**

Historically, the community colleges have received annual COLA increases. However, due to California's economic situation, the state did not provide COLAs to the colleges for many years beginning with the fiscal year 2008-09. The price index specified by law for the community college COLA calculation is identical to that specified for K-12 education, the state and local government price deflator published by the federal government. No COLAs were received between 2007-08 and 2012-13. These foregone COLAs represent a significant loss in purchasing power to the colleges, as they have experienced rising expenses in the form of information technology, utility bills, health care costs, and other expenses, without corresponding funds to keep pace with those costs. Further, Assembly Bill 1469 recently set in place a schedule of significant rate increases for college contributions to the California State Teachers' Retirement System (CalSTRS). Without help, these rate increases will absorb district general fund resources. When expenses increase over time and the funding per student remains the same, the quality of education provided to students is diminished.

The statutory COLA for 2015-16 is estimated by School Services of California to be 2.10 percent which equates to approximately \$125M in funding for the California community colleges. The system is requesting that the state fund the COLA plus an additional \$55 million for a total increase of approximately \$180 million. This increase would restore some of the purchasing power lost in years when no COLA was received, address the increase in CalSTRS obligations, and help colleges provide the qualitative educational services that students deserve.

Funding for Full-Time Faculty Hiring

(\$70 million)

During budget negotiations for 2014-15, there was considerable discussion about adding funding to support hiring of full-time faculty. Members in the legislature seemed generally supportive of the idea, but unsure about how it should be structured and where it would fit into the budget.

For 2015-16, we are requesting \$70 million to be used by the districts to hire additional full-time faculty. Funding allocated for full-time faculty hiring would be included in the general apportionment, and districts would have varying requirements for full-time faculty hiring depending on their status in relation to the current percentage of instruction provided by full-time faculty. Those with a lower percentage of instruction being provided by full-time faculty would be required to hire a greater number full-time faculty than districts that already have a high percentage of instruction being provided by full time faculty.

Research has shown that having more full time faculty is positively correlated with student success and educational quality. Full-time faculty benefit students, as well as the colleges; they provide critical services such as academic advising of students during faculty office hours, ongoing curriculum development, and faculty participation in institutional planning and governance. For districts, hiring additional full-time faculty represents a substantial ongoing cost commitment. Historically, districts have relied on enrollment growth funding to hire new full-time faculty, adding full-time faculty at a rate proportional to the rate of change in funded full-time equivalent student (FTES), however, this method does not generate sustained progress toward the 75 percent goal.

We also recognize the importance of part-time faculty to student success and educational quality, and that issue is addressed in the next section.

Restoration of Categorical Programs**(\$115 million)**

For 2015-16, we are requesting \$115 million to restore funding of categorical programs. Some of the categorical programs including the Extended Opportunity Programs and Services (EOPS), the California Work Opportunity and Responsibility to Kids (CalWORKS), the Basic Skills Initiative, and others, serve the most at-risk students and are critical to their success in college. We are requesting that these programs be restored to the level of funding they were receiving prior to the budget cuts that occurred during the economic downturn. These programs provide additional support over the services provided by the SSSP and focus specifically on students that are less likely to be successful in college absent additional resources.

In addition to providing support to the most at-risk student populations, a portion of this \$115 million will go toward the categorical programs for part-time faculty including compensation, health insurance, and office hours, which were reduced by more than 50 percent in recent years. Community colleges have historically hired part-time faculty to meet community needs. Part-time faculty can provide hiring flexibility, and often fill voids created by unanticipated enrollment growth. Increasing funding for these programs to support part-time faculty is critical as it allows them to be more available to students increasing the quality of education and students success.

Professional Development**(\$25 million)**

For 2015-16, we are requesting \$25 million to be used for professional development of faculty and staff in the areas of basic skills, lower division, transfer, and other local initiatives to advance student success.

Research has identified a correlation between the level of resources devoted to professional development of faculty and staff and the rates of student success in community colleges. It is anticipated that faculty turnover over the next decade will be high as baby boomers exit the workforce. Colleges will need to hire new faculty to meet expanding enrollments, which will create a sizable need for professional development.

Technology has changed the way in which we approach many aspects of teaching, particularly in the traditional sciences, and academic and vocational pedagogical programs. Additionally, some major changes are occurring in the system due to the increased use of distance education, changes in adult education, implementation of student success activities, and the new Senate Bill 1440 degrees. Without sufficient resources allocated to training of new and existing faculty and staff, we cannot expect them to be fully prepared to offer the quality of service and instruction required to ensure student success.

Economic and Workforce Development Program**(\$25 million)**

The 2014-15 budget included \$50 million in one-time funding for the Economic and Workforce Development program to improve student success in career technical education. For 2015-16 we are requesting an ongoing increase of \$25 million for this program. The funds would be used to develop, enhance, and expand quality Career and Technical Education programs that build upon existing regional capacity to better meet regional market demands. Career and Technical Education is one of the primary missions of the system and is a high priority for the governor and the legislature, and it is reasonable that the budget reflect that priority.

Technical Assistance

The 2014-15 budget provided \$2.5 million in funding for local technical assistance and \$1.1 million in support for Chancellor's Office as part of the next phase of implementation of the Student Success Initiative. The local assistance funds will be available to districts in need of support for implementation of student success plans, basic skills programs, or to address other fiscal, support, or programmatic issues. Our request is to increase this appropriation to \$5 million to further expand resources available to help districts in their efforts to support student success. Also, the Chancellor's Office will request additional funding and position authority to adequately resource the office to set goals and standards, monitor progress, and provide support to districts.

Public Outreach**(\$1.5 million)**

The Chancellor's Office conducts a statewide outreach and marketing campaign to inform residents that community colleges are affordable and accessible and that financial aid is available to pay for enrollment fees and help with other costs associated with attendance. Since its inception in 2004-05, funding for the "I Can Afford College" campaign has remained at \$2.8 million per year. Since funding for the campaign has remained stagnant, the purchasing power for advertising and outreach efforts to inform students of available financial aid has eroded significantly. As expanding access and increasing transfers to other higher education segments is a high priority for the state, this campaign is critical to informing students of resources available to allow them to attend and succeed in college.

For 2015-16, we are requesting an additional \$1.5 million for the "I Can Afford College" campaign; which would bring the total annual funding to \$4.3 million. This increased funding would restore purchasing power and allow the campaign to resume outreach in markets that were cut from the campaign due to cost, including Spanish language marketing.

One-Time Funding Request

The 2015-16 request proposes funding in two areas should one-time funds become available. Our top priority for one-time funding is deferred maintenance and instructional equipment, and our second priority is funding for past mandate reimbursement claims.

The colleges have identified in their 5-year capital outlay plans submitted to the Chancellor's Office over \$200 million in annual deferred maintenance costs. The purpose of the deferred maintenance program is to keep the existing community college physical plant in operational condition and to prevent any degradation in instructional services caused by facility conditions. By properly maintaining our facilities and replacing major building components at their scheduled time - roofs, utilities, windows, etc. - we will extend the useful life of our buildings and we can focus more of our scarce capital outlay bond funds on meeting the system's growth needs. In addition, community colleges cannot adequately fund instructional equipment, library materials, technology, or workforce development upgrades. Funds for these vital programs have been drastically reduced since 2008-09 due to the state zeroing out funding for the Instructional Equipment program. While we believe deferred maintenance and instructional equipment is worthy of ongoing funding in the budget, we estimate there is likely to be significant one-time funds available during the fiscal year and would be content to use a share of those funds for this purpose.

We are also requesting one-time funding for payment of unfunded mandates. Paying down unfunded mandate reimbursement claims from prior years is important as these mandates forced college districts to incur additional costs to meet laws and regulations promulgated by the state, they should be reimbursed for these costs as funding becomes available. This funding would be helpful to districts as they are dealing with the increasing employer contribution rates for the California State Teachers' Retirement System and the California Public Employees' Retirement System. According the most recent report from the State Controller's office, community college districts are owed over \$260 million in prior claims.

Restore Cal Grants to Better Serve Community College Students

While Cal Grant funding is not part of the California Community Colleges' budget, it is clear that recent reductions in the amounts of Cal Grant funds available had a negative impact on our students. Two-thirds of California's higher education students are attending a California community college, however, only six percent of the total funding awarded by the Cal Grant program goes to community college students. This funding disparity reduces the ability of community college students to take more classes, increasing the time it takes to obtain a degree.

To help our students achieve their educational goals and ultimately increase the number of bachelor degrees in this state, we encourage the state to reinvest in Cal Grant B and C awards.

Cal Grant B awards help students with costs necessary to go to college other than tuition, such as transportation, books, supplies, housing costs or food. These “access” costs are becoming an increasingly larger share of a community college student’s budget and the current award is inadequate to cover them. Cal Grant C awards are competitive grants that go to very low-income students who were not able to obtain an entitlement Cal Grant. Given the importance of the state’s need to support equity *and* access, we urge an increase in Cal Grant funding in the 2015-16 budget.

Request for Guaranteed Revenue Backfill

While not a request for a specific funding augmentation, the need for guaranteed revenue backfill may be as or more important to the stability of funding for the California Community Colleges as access, COLA, or categorical funding. Simply put, our general apportionment budget is now predominantly based on *estimated* revenues at the time the annual budget is approved rather than on general fund actually appropriated. In the 2008-09 fiscal year, about two-thirds of our funds were appropriated in the annual budget act. That amount has shrunk to about one-third as of the 2013-14 budget. To the extent estimated revenues do not materialize to the extent anticipated, the colleges face a funding deficit at the end of the year with no time to adequately adjust to the shortfall, and the exposure to this risk has never been higher.

We have long faced risk due to shortfalls in property taxes and fee revenues (e.g., a deficit of \$90 million relating to fee revenues was absorbed in the 2011-12 fiscal year), but this risk has been greatly increased in recent years due to increased reliance upon property taxes, funds from the Education Protection Account (Proposition 30), and revenues resulting from the dissolution of redevelopment agencies (RDAs). While we have gained the promise of statutory backfills for RDA and the Education Protection Account (EPA) revenues, colleges continue to suffer from uncertainty in backfill timeframes or from property tax and fee revenue shortfalls .

Additionally, our system is not always adequately funded to meet the statutory and regulatory funding provisions that apply to our 72 districts. Projecting how many districts will make use of 3-year restoration provisions and to what extent, for example, is not perfectly predictable. With no room provided in our budget for these circumstances, we can face deficits even if there are no revenue shortfalls.

Colleges should know how much money they have to spend, and currently, this is not the case due to the factors discussed above. For this reason, we believe now is the time to pursue a process of guaranteed backfill for the system to bring certainty to district budgets and provide increased truth in state budgeting.

Staff: Diane Brady, Administrator, and Natalie Wagner, Fiscal Analyst, College Finance and Facilities Planning

DBAC Survey List 2014

MORENO VALLEY COLLEGE

(Received by email on 07/23/14)

Sandra.Mayo@mvc.edu

Carol.Farrar@mvc.edu

SPC

Annamarie.Amezquita@mvc.edu

Teri.Currie@mvc.edu

Donald.Foster@mvc.edu

Gerald.Goodenough@mvc.edu

Susan.Lauda@mvc.edu

Akia.Marshall@mvc.edu

Sheila.Pisa@mvc.edu

Leslie.Salas@mvc.edu

Silvia.Trejo@mvc.edu

FRAG

Donna.lessor@mvc.edu

Patricia.nava@mvc.edu

Cheryl.Honore@mvc.edu

Lorraine.grippin@mvc.edu

Sandra.sydlik@mvc.edu

Jan.ponder@mvc.edu

Maureen.chavez@mvc.edu

Mark.carpenter@rccd.edu

Norm.godin@mvc.edu

Nate.finney@mvc.edu

Michael.mcquead@mvc.edu

Susan.tarcon@mvc.edu

Rmiller20@student.rcc.edu

HRAG

Susan.Boling@rccd.edu

Joanna.Werner-Fraczek@mvc.edu

Julie.Hlebasko@mvc.edu

Paula.Stafford@mvc.edu

tmacedonsr@student.rcc.edu (Student – May rotate out in fall)

PRAG

jose.recinos@mvc.edu

diane.marsh@mvc.edu

Rhonda.patterson@mvc.edu

DBAC Survey List 2014

MORENO VALLEY COLLEGE - Continued

csaway@yahoo.com (student, may rotate out in fall)

TRAG

mark.oliver@rccd.edu

joe.gonzales@mvc.edu

matthew.barboza@mvc.edu

julio.cuz@mvc.edu

gustavo.segura@mvc.edu

robert.loya@mvc.edu

lisa.horn@mvc.edu

ann.yoshinaga@mvc.edu

christopher.whiteside@mvc.edu

darren.dong@rccd.edu

debby.renfrow@mvc.edu

Loretta.steele@rccd.edu

Edd.chi@mvc.edu

Ronald Johnson (Student – may rotate out this fall)

RSC

Angie.Arballo@mvc.edu

Julio.Cuz@mvc.edu

Raina.Fonseca@rccd.edu

Felipe.Galicia@mvc.edu

Julio.Gonzalez@mvc.edu

Jackie.Grippin@mvc.edu

Christina.Leon@mvc.edu

Rebecca.Loomis@mvc.edu

Diane.Marsh@mvc.edu

Shirley.McGraw@rccd.edu

Michael.McQuead@mvc.edu

Frankie.Moore@mvc.edu

Abel.Sanchez@mvc.edu

Cid.Tenpas@mvc.edu

Eugenia.Vincent@mvc.edu

Ann.Yoshinaga@mvc.edu

Conanjam9@yahoo.com (Student. May rotate out this fall)

DBAC Survey List 2014

NORCO COLLEGE

(Received by email on 08/04/14)

ISPC

Natalie.Aceves@norcocollege.edu
Greg.Aycock@norcocollege.edu
Melissa.Bader@norcocollege.edu
Celia.Brockenbrough@norcocollege.edu
Mark.DeAsis@norcocollege.edu
Diane.Dieckmeyer@norcocollege.edu
Andres.Elizalde@norcocollege.edu
Beth.Gomez@norcocollege.edu
Monica.Green@norcocollege.edu
Lyn.Greene@norcocollege.edu
Ruth.Jones@norcocollege.edu
Ruth.Leal@norcocollege.edu
Deborah.Makin@norcocollege.edu
Ana.Molina@norcocollege.edu
Jason.Parks@norcocollege.edu
Jim.Thomas@norcocollege.edu
Diann.Thursby@norcocollege.edu
Sheryl.Tschetter@norcocollege.edu
Gail.Zwart@norcocollege.edu

BFPC

Mark.DeAsis@norcocollege.edu
Diane.Dieckmeyer@norcocollege.edu
Beth.Gomez@norcocollege.edu
Monica.Green@norcocollege.edu
Lyn.Greene@norcocollege.edu
Richard.Henry@rccd.edu
Daniel.Lambros@norcocollege.edu
Steve.Monsanto@norcocollege.edu
Damon.Nance@norcocollege.edu
Gustavo.Oceguera@norcocollege.edu
Lorena.Patton@norcocollege.edu
Erin.Power@norcocollege.edu
Gabriela.Ramirez@norcocollege.edu
criosberri@student.rcc.edu
George.Salas@norcocollege.edu
Jim.Thomas@norcocollege.edu
Phu.Tran@norcocollege.edu

DBAC Survey List 2014

NORCO COLLEGE - Continued

Koji.Uesugi@norcocollege.edu
Tanya.Wilson@norcocollege.edu
Linda.Wright@norcocollege.edu

APC

Melissa.Bader@norcocollege.edu

Peter.Boelman@norcocollege.edu
Zina.Chacon@norcocollege.edu
John.Coverdale@norcocollege.edu
Alexis.Gray@norcocollege.edu
Dominique.Hitchcock@norcocollege.edu
Jason.Parks@norcocollege.edu
Margarita.Shirinian@norcocollege.edu
Walter.Stevens@norcocollege.edu
Phu.Tran@norcocollege.edu
Sheryl.Tschetter@norcocollege.edu
Paul.VanHulle@norcocollege.edu
Tim.Wallstrom@norcocollege.edu
Patti.Worsham@norcocollege.edu

SSPC (updated 09-25-14)

Miriam.Alonso@norcocollege.edu
Eva.Amezola@norcocollege.edu
Patti.Brusca@norcocollege.edu
Zina.Chacon@norcocollege.edu
Keith.Coleman@norcocollege.edu
Hortencia.Cuevas@norcocollege.edu
Mark.DeAsis@norcocollege.edu
Maria.Gonzalez@norcocollege.edu
Monica.Green@norcocollege.edu
Tricia.Hodawanus@norcocollege.edu
Leticia.Martinez@norcocollege.edu
Dimitrios.Synodinos@norcocollege.edu
Kilpatrick, Julianna
Pam.Kollar@norcocollege.edu
Lisa.McAllister@norcocollege.edu
Daniela.McCarson@norcocollege.edu
Julie.Mendez@norcocollege.edu
Koji.Uesugi@norcocollege.edu

DBAC Survey List 2014

RIVERSIDE CITY COLLEGE

(Received by email on 08/04/14)

President's Leadership Team (PLT)

Wolde-ab.isaac@rcc.edu

Mazie.brewington@rcc.edu

Edward.bush@rcc.edu

Susan.mills@rcc.edu

Strategic Planning Council (SPC)

Susan.mills@rcc.edu

rorozco14@student.rcc.edu (ASRCC Pres) Ray Orozco

Student Access & Support Leadership Council (SASLC)

Edward.bush@rcc.edu

Deborah.hall@rcc.edu

Angela.lee@rcc.edu

Academic & Career /Technical Programs & Instructional Support Leadership Council (ACTP&IS LC)

Kathleen.sell@rcc.edu

Stephen.ashby@rcc.edu

Resource Development & Administrative Services Leadership Council (RD&AS LC)

Faculty co-chair, vacant

Mazie.brewington@rcc.edu

Ginny.haguewood@rcc.edu

Linda.arellanes@rcc.edu

Greta.cohen@rcc.edu

Jennifer.lawson@rcc.edu

Patsy.navarro@rcc.edu

Sheryl.plumley@rcc.edu

Mark.sellick@rcc.edu

Antonio.curtis@rcc.edu

Shannon.hammock@rcc.edu

Tad.hove@rcc.edu

Mary.legner@rcc.edu

Paul.oconnell@rcc.edu

John.rosario@rcc.edu

Ward.schinke@rcc.edu

Peter.westbrook@rcc.edu

DBAC Survey List 2014

RIVERSIDE CITY COLLEGE - Continued

Academic Senate

Lee.nelson@rcc.edu

gmccarver@student.rcc.edu (ASRCC Rep-Garrett McCarver)

Associated Students

Ray Orozco

rorozco14@student.rcc.edu (ASRCC Pres)

Ryan Rudolph

rrudolph1@student.rcc.edu (ASRCC Vice President)

Accreditation/ Strategic Planning

Thomas.allen@rcc.edu

District Budget Advisory Council Meeting

Friday, October 24, 2014 - RCC DL 409

1:00 p.m. - 3:00 p.m.

AGENDA

- I. Welcome and Call to Order
- II. Approval of Minutes
 - A. August 14, 2014
 - B. September 26, 2014
- III. BAM Revision – Continuation
 - A. Implementation Issues
 - 1. Capital Equipment (Furniture, Equipment, Computers)
 - a. Student Technology Fee Update with Ruth Adams
 - 2. Update – Entity Budget Alignment
 - a. Entity Equilibrium Meeting w/VP's of Business
- IV. Other Items
 - A. Indirect Cost Recovery Discussion
 - B. Review Survey Questions and Distribution List
- V. Next Meeting
 - A. Wednesday, November 26, 2014, 9am to 11am in DL 409

RIVERSIDE COMMUNITY COLLEGE DISTRICT
District Budget Advisory Council Meeting

August 14, 2014
RCC – DL 409
9:00 a.m. - 11:00 a.m.

MEETING MINUTES

PRESENT

Aaron Brown, Vice Chancellor, Business and Financial Services (District)
Norm Godin, Vice President Business Services (Moreno Valley)
Beth Gomez, Vice President, Business Services (Norco)
Mazie L. Brewington, Vice President, Business Services (Riverside City College)
Michael McQuead, Associate Professor, CIS (Moreno Valley)
Tanya Wilson, Classified Representative (Norco)
Mary Legner, Professor, Mathematics (Riverside)
Jennifer Lawson, Classified Representative (Riverside)
Tim Ragusa, Classified Representative (District)
Jim Parsons, Associate Vice Chancellor, Strategic Communications and Relations (District)
Rachelle Arispe, Executive Administrative Assistant to the Vice Chancellor (Recorder)

ABSENT

Nate Finney, Classified Representative (Moreno Valley)
Tom Wagner, Associate Professor, Business Administration (Norco)
Arturo Quiroz, Student Representative (Riverside)
Mark Sellick, Associate Professor, Politics (Riverside)

GUEST

Irving Hendrick, Consultant (District)
Michael Simmons, Director, Risk Management (District)

I. **MEETING WAS CALLED TO ORDER**

A. By Aaron Brown

II. **MINUTES**

A. Legner moved, and McQuead seconded, approval of the minutes of June 17, 2014. Motion approved.

III. **BAM REVISION – CONTINUATION**

A. Implementation issues

1. Self-Insurance “Total Cost of Risk” – Simmons provided a handout for review.

- a) Handout provided information regarding the department's mission/scope of services, goals, direct/indirect costs, initiatives to control loss/reduction of expenses/lower rates for the colleges, and the 2014-15 budget rate calculation methodology.
- b) In 2012 there were 120 open claims and another 160 to 170 were added within the last two years, totaling 280. Today, the claims have been reduced to 30.
- c) There is \$335 million in assets/property district-wide with a \$100k deductible per occurrence.
- d) Simmons is working on a "loss prevention system" with the goal that future policy rates will be lower. It takes 3 years for loss improvement to be reflected in the actuary reports/calculations.
- e) Currently \$1.5 million to fund the self-insured general liability program is a straight transfer from the general fund. A rate will be established and will be applied against payroll in all Resources (savings the general fund of \$200-300k). Three self-insurance Resources will be established: PPO, General Liability, and Workers Compensation.
- f) A \$10k rebate was received last year from workers compensation which was returned to the self-insurance fund.
- g) Gomez suggests charging the G/L rate starting July 1, 2014. The change may affect the Grants budget since it was not expected; however Grants is familiar with the changes and they are constantly adjusting with having to adjust their budgets.
- h) Gomez made a motion to implement the 1.35% for the General Liability, Parson's seconds. None oppose. Brewington and Legner abstain. Motion passed.
- i) Discussion occurred relative to Gomez making a motion to amend the vote and to state the "prorate of payroll to July 1, 2014". None oppose. Brewington, Legner, Lawson abstain. Motion passed.

2. Capital Equipment – No student fee update from Ruth Adams.
3. Entity Equilibrium Budget Alignment – Brown has not received a response from Robin Steinback (Vice Chancellor of Academic Affairs) on some variances of the data. Once information is received from Steinback, Brown will follow up and schedule another meeting with the Vice Presidents of Business to review.

IV. STATE/RCCD BUDGET UPDATE

A. Physical Plant and Instructional Support Allocation – Brown provided a handout for review.

1. Handout provided information on the total District Allocation of \$3,498,047, minus \$500k set aside for an ADA Litigation Remediation.
2. Brown described that the allocated funds can be used for different categories; scheduled maintenance, instructional equipment, architectural barrier removal, hazardous substance mitigation, and library materials.
3. Brown informed the members that due to an outstanding RCC ADA litigation the Chancellor and he discussed setting aside \$500k of the Physical Plant and Instructional Support funds until the District can determine the final cost of the litigation. The remaining allocation of \$2,998,047, after deducting \$500k, will be distributed to the

colleges on an FTES basis. The “set-aside” funds will be used for the physical correction of the ADA issues at RCC. Once the litigation is closed, any remaining funds will be redistributed to the colleges on an FTES basis.

4. Godin, Gomez, and Legner are concerned with the set-aside amount and feel that each college should pay for their own costs resulting from litigation.
5. Godin motioned to recommend remediation costs resulting from litigation be paid by each college; however, after further discussion and clarification of decision by the Chancellor, Godin withdrew his recommendation.

B. Prop 39 Energy Efficiency Funds – Brown provided a handout for review.

1. Handout provided information on the total District allocation of \$746,762 for Energy Efficiency and Renewable Generation. Brown reviewed the Prop 39 Energy Efficiency funds with the Chancellor and Chancellor Burke agreed for the funds to be allocated on an FTES basis: The State Chancellor’s Office indicates spending on projects as follows: 54% spent on lighting projects, 19% on HVAC, 15% on controls (energy management system), 5% other, and the remaining funds on RCX (re-commissioning of existing energy management systems).

C. Information Services Projects – Brown provided a handout for review.

1. Handout provided information on the estimated cost of two projects; Unidata to SQL Conversion and Disk Storage Space Expansion with the total estimated at \$410k. Both projects will impact students. An additional 25% is needed to fund the two projects.
2. Brown read to DBAC members an email justification from Rick Herman (Associate Vice Chancellor of Information Services) and Robin Steinback as to why Instructional Equipment and SSSP funds could be used to fund the additional 25%. Brown will forward the emails to DBAC members as requested by Godin.
3. Due-diligence completed on Instructional Equipment will be sent to DBAC members as requested by Godin.
4. VP’s of Business need to respond with their suggestions to Brown by Tuesday, August 19th regarding usage of Instructional Equipment and SSSP funds.

D. General Fund Status

1. Brown projects an estimated shortfall of \$2 million for the general fund. Part-time faculty and overload budget was exceeded by \$2.1 million, with fixed charges of \$.28 million.
2. Brown suggests two resolutions: (1) backfill as we have done in the past - spread amongst the colleges or (2) the colleges fix the shortfall internally by reallocating their budget.

3. Consistent with previous discussions between the VP's of Business and VC Brown, Godin ~~prefers~~ suggests the colleges ~~to~~ take responsibility for their schedules and stay within their budget however Godin wants to see the actual numbers before he makes a decision.
4. Gomez would like to look at the actual numbers more.
5. Brewington wants to discuss with her president since the presidents seem to have different views.
6. Brown is gathering from VP's of Business responses that there will not be an augmentation to the college's budgets for part-time faculty and overload for FY 2013-2014.

V. OTHER ITEMS

- A. DBAC Survey Distribution List – Handout not discussed.

VI. NEXT MEETING

- A. Next DBAC meeting scheduled for Friday, September 26, 2014.

RIVERSIDE COMMUNITY COLLEGE DISTRICT
District Budget Advisory Council Meeting

September 26, 2014
RCC – DL 409
1:00 p.m. - 3:00 p.m.

MEETING MINUTES

PRESENT

Aaron Brown, Vice Chancellor, Business and Financial Services (District)
Norm Godin, Vice President Business Services (Moreno Valley)
Beth Gomez, Vice President, Business Services (Norco)
Mazie L. Brewington, Vice President, Business Services (Riverside City College)
Michael McQuead, Associate Professor, CIS (Moreno Valley)
Tom Wagner, Associate Professor, Business Administration (Norco)
Tanya Wilson, Classified Representative (Norco)
Mark Sellick, Associate Professor, Politics (Riverside)
Mary Legner, Professor, Mathematics (Riverside)
Tim Ragusa, Classified Representative (District)
Rachelle Arispe, Executive Administrative Assistant to the Vice Chancellor (Recorder)

ABSENT

Nate Finney, Classified Representative (Moreno Valley)
Arturo Quiroz, Student Representative (Riverside)
Jennifer Lawson, Classified Representative (Riverside)
Jim Parsons, Associate Vice Chancellor, Strategic Communications and Relations (District)

GUEST

Carol Farrar, Interim Vice President, Academic Affairs (Moreno Valley)

I. **MEETING WAS CALLED TO ORDER**

A. By Aaron Brown

II. **MINUTES**

A. Postponed approval of the August 14, 2014 meeting minutes to make corrections requested by members. The corrected meeting minutes will be presented at the next meeting for review and approval.

III. **BAM REVISION – CONTINUATION**

A. Implementation issues

1. Capital Equipment –Ruth Adams was on extended vacation so there was no student fee update.
2. Entity Equilibrium Budget Alignment – Brown has not received a response from Robin Steinback (Vice Chancellor of Academic Affairs) on course data variances that were looked at by Brown and College Vice Presidents of Business. Once information is received from Steinback, Brown will follow up and schedule another meeting with the Vice Presidents of Business to review.

IV. **RCCD BUDGET UPDATE**

A. FY 2014-2015 Adopted Budget

1. Brown reviewed important funding data from the FY 2014-2015 Final Budget presentation that was discussed at the Board Committee meeting on September 2, 2014.
 - a) Unrestricted Resources - New
 - i. Includes COLA, Access, and Mandate Block Grant; totaling \$6.3 million.
 - b) Restricted Resources - New
 - i. Includes SSSP, Career Tech Ed, Deferred Maintenance, and DSP&S; totaling \$9.3 million.
 - c) Other
 - i. Includes Apportionment Deferral "Buy Down"; totaling \$19.3 million
 - ii. Relieves the District from having to finance cash flow.
 - iii. In FY 2013/2014 the TRAN we borrowed \$5 million as a protective measure, but ultimately it was not needed.
 - iv. We probably will see some money distributed on a one-time basis (deferral "buy down", deferred maintenance, instructional equipment, State mandate reimbursement). However, the Department of Finance has made no commitment to fund these items.
 - d) Contingency Reserve (presentation slide number 7)
 - i. Revenues and Expenditures – Identifies a beginning balance of \$12.74 million as of July 1, 2014.
2. Brown presented a detailed outline of the FY 2014-2015 Adopted Budget identifying the remaining budget shortfall of \$1.16 million, requiring the Board to lower the 5% contingency reserve to 4.28%.
 - a) The (\$8.96) million (less, 5% Contingency Reserve) includes the deficits for Community Education and Performance Riverside, which are indirectly supported by the general fund. The general fund is essentially subsidizing the two programs since they are not generating enough revenue to be self-sustaining.
 - b) Brewington commented that she is working with faculty and staff on "erasing the deficit" for the Performance Riverside program, including transferring funds from the Bookstore Fund.
 - c) The members do not agree with the way the two programs are being budgeted and operated, they believe it should be self-sustaining. Brown will convey the member's sentiment with Chancellor Burke and Vice Chancellor Steinback.
 - d) Brown reviewed the "Challenges and Opportunities" (presentation slide number 16) with the members.
 - i. Brown provided background information on the genesis of the La Sierra Fund requested by Sellick as follows: The La Sierra Fund originated from District owned property located on La Sierra Avenue that was sold. Funds have been designated primarily for construction of CSA. These funds were used as a one-time budget shortfall solution during the recession and now we are paying back the obligation with interest at the County Treasure rate.

B. FY 2015-2016 Board of Governors (BOG) of the California Community College's Budget Proposal

1. Brown reviewed the BOG's budget requests handout identifying the items to be funded for 2015-2016. (Numbers below are preliminary only.)
 - a) Access/Enrollment Funding - \$120 million
 - i. Approximately \$2.5 million in growth (530 FTES) for RCCD
 - b) Student Success and Student Equity - \$200 million
 - i. Approximately \$4.5 million of additional funding for RCCD (an additional \$600k more than last year). We have to meet certain objectives to receive the funding.
 - c) Increase for General Operations - \$180 million
 - i. Approximately \$3.9 million for RCCD
 - d) Funding for Full-Time Faculty Hiring - \$70 million
 - i. Approximately \$1.5 million for RCCD
 - ii. RCCD budgets faculty positions at midrange with the highest medical insurance plan (\$123k). This would equate to the ability to hire 12-13 faculty.
 - iii. Funding allocated for full-time faculty hiring would be included in general apportionment. Adjustment of the FON (Full-time Obligation Number) will likely result if this funding materializes.
 - e) Restoration of Categorical Programs - \$115 million
 - i. Approximately \$2.5 million for RCCD. The restoration funding includes EOPS and CalWORKS, the Basic Skills Initiative, and others (for most at-risk students).
 - f) Professional Development - \$25 million
 - i. Possibly \$.5 million
 - g) Economic and Workforce Development Program - \$25 million
 - i. This will likely be awarded based on competitive grants.
 - h) Technical Assistance - \$5 million
 - i. Funding is for local technical assistance and support for the Chancellor's office.
 - i) Public Outreach - \$1.5 million
 - i. Funding is for the Chancellor's office statewide outreach and marketing campaigns.
 - j) One-time funding requests - This may be a benefit to RCCD from a revenue stand point; however, for the State the top priority for one-time funding is for deferral "buy down" deferred maintenance and instructional equipment; and funding for past mandate reimbursement claims.

V. OTHER ITEMS

A. DBAC Survey Distribution List - Handout

1. We need to address distributing another survey to continually assess the Budget Allocation Model.
2. Brown will email the last survey to the members so members can modify it at the next meeting. Brown will also email the distribution list to the VP's of Business so they can update the listing since changes were made during the summer.

VI. NEXT MEETING

- A. Next DBAC meeting scheduled for Friday, October 24, 2014, 1pm to 3pm in DL 409.

DBAC Survey List 2014

MORENO VALLEY COLLEGE

(Received by email on 07/23/14)

Sandra.Mayo@mvc.edu

Carol.Farrar@mvc.edu

SPC

Annamarie.Amezquita@mvc.edu

Teri.Currie@mvc.edu

Donald.Foster@mvc.edu

Gerald.Goodenough@mvc.edu

Susan.Lauda@mvc.edu

Akia.Marshall@mvc.edu

Sheila.Pisa@mvc.edu

Leslie.Salas@mvc.edu

Silvia.Trejo@mvc.edu

FRAG

Donna.lessor@mvc.edu

Patricia.nava@mvc.edu

Cheryl.Honore@mvc.edu

Lorraine.grippin@mvc.edu

Sandra.sydlik@mvc.edu

Jan.ponder@mvc.edu

Maureen.chavez@mvc.edu

Mark.carpenter@rccd.edu

Norm.godin@mvc.edu

Nate.finney@mvc.edu

Michael.mcquead@mvc.edu

Susan.tarcon@mvc.edu

Rmiller20@student.rcc.edu

HRAG

Susan.Boling@rccd.edu

Joanna.Werner-Fraczek@mvc.edu

Julie.Hlebasko@mvc.edu

Paula.Stafford@mvc.edu

tmacedonsr@student.rcc.edu (Student – May rotate out in fall)

PRAG

jose.recinos@mvc.edu

diane.marsh@mvc.edu

Rhonda.patterson@mvc.edu

DBAC Survey List 2014

MORENO VALLEY COLLEGE - Continued

csaway@yahoo.com (student, may rotate out in fall)

TRAG

mark.oliver@rccd.edu

joe.gonzales@mvc.edu

matthew.barboza@mvc.edu

julio.cuz@mvc.edu

gustavo.segura@mvc.edu

robert.loya@mvc.edu

lisa.horn@mvc.edu

ann.yoshinaga@mvc.edu

christopher.whiteside@mvc.edu

darren.dong@rccd.edu

debby.renfrow@mvc.edu

Loretta.steele@rccd.edu

Edd.chi@mvc.edu

Ronald Johnson (Student – may rotate out this fall)

RSC

Angie.Arballo@mvc.edu

Julio.Cuz@mvc.edu

Raina.Fonseca@rccd.edu

Felipe.Galicia@mvc.edu

Julio.Gonzalez@mvc.edu

Jackie.Grippin@mvc.edu

Christina.Leon@mvc.edu

Rebecca.Loomis@mvc.edu

Diane.Marsh@mvc.edu

Shirley.McGraw@rccd.edu

Michael.McQuead@mvc.edu

Frankie.Moore@mvc.edu

Abel.Sanchez@mvc.edu

Cid.Tenpas@mvc.edu

Eugenia.Vincent@mvc.edu

Ann.Yoshinaga@mvc.edu

Conanjam9@yahoo.com (Student. May rotate out this fall)

DBAC Survey List 2014

NORCO COLLEGE

(Received by email on 08/04/14)

ISPC

Natalie.Aceves@norcocollege.edu
Greg.Aycock@norcocollege.edu
Melissa.Bader@norcocollege.edu
Celia.Brockenbrough@norcocollege.edu
Mark.DeAsis@norcocollege.edu
Diane.Dieckmeyer@norcocollege.edu
Andres.Elizalde@norcocollege.edu
Beth.Gomez@norcocollege.edu
Monica.Green@norcocollege.edu
Lyn.Greene@norcocollege.edu
Ruth.Jones@norcocollege.edu
Ruth.Leal@norcocollege.edu
Deborah.Makin@norcocollege.edu
Ana.Molina@norcocollege.edu
Jason.Parks@norcocollege.edu
Jim.Thomas@norcocollege.edu
Diann.Thursby@norcocollege.edu
Sheryl.Tschetter@norcocollege.edu
Gail.Zwart@norcocollege.edu

BFPC

Mark.DeAsis@norcocollege.edu
Diane.Dieckmeyer@norcocollege.edu
Beth.Gomez@norcocollege.edu
Monica.Green@norcocollege.edu
Lyn.Greene@norcocollege.edu
Richard.Henry@rccd.edu
Daniel.Lambros@norcocollege.edu
Steve.Monsanto@norcocollege.edu
Damon.Nance@norcocollege.edu
Gustavo.Oceguera@norcocollege.edu
Lorena.Patton@norcocollege.edu
Erin.Power@norcocollege.edu
Gabriela.Ramirez@norcocollege.edu
criosberri@student.rcc.edu
George.Salas@norcocollege.edu
Jim.Thomas@norcocollege.edu
Phu.Tran@norcocollege.edu

DBAC Survey List 2014

NORCO COLLEGE - Continued

Koji.Uesugi@norcocollege.edu
Tanya.Wilson@norcocollege.edu
Linda.Wright@norcocollege.edu

APC

Melissa.Bader@norcocollege.edu

Peter.Boelman@norcocollege.edu
Zina.Chacon@norcocollege.edu
John.Coverdale@norcocollege.edu
Alexis.Gray@norcocollege.edu
Dominique.Hitchcock@norcocollege.edu
Jason.Parks@norcocollege.edu
Margarita.Shirinian@norcocollege.edu
Walter.Stevens@norcocollege.edu
Phu.Tran@norcocollege.edu
Sheryl.Tschetter@norcocollege.edu
Paul.VanHulle@norcocollege.edu
Tim.Wallstrom@norcocollege.edu
Patti.Worsham@norcocollege.edu

SSPC (updated 09-25-14)

Miriam.Alonso@norcocollege.edu
Eva.Amezola@norcocollege.edu
Patti.Brusca@norcocollege.edu
Zina.Chacon@norcocollege.edu
Keith.Coleman@norcocollege.edu
Hortencia.Cuevas@norcocollege.edu
Mark.DeAsis@norcocollege.edu
Maria.Gonzalez@norcocollege.edu
Monica.Green@norcocollege.edu
Tricia.Hodawanus@norcocollege.edu
Leticia.Martinez@norcocollege.edu
Dimitrios.Synodinos@norcocollege.edu
Kilpatrick, Julianna
Pam.Kollar@norcocollege.edu
Lisa.McAllister@norcocollege.edu
Daniela.McCarson@norcocollege.edu
Julie.Mendez@norcocollege.edu
Koji.Uesugi@norcocollege.edu

DBAC Survey List 2014

RIVERSIDE CITY COLLEGE

(Received by email on 08/04/14)

President's Leadership Team (PLT)

Wolde-ab.isaac@rcc.edu

Mazie.brewington@rcc.edu

Edward.bush@rcc.edu

Susan.mills@rcc.edu

Strategic Planning Council (SPC)

Susan.mills@rcc.edu

rorozco14@student.rcc.edu (ASRCC Pres) Ray Orozco

Student Access & Support Leadership Council (SASLC)

Edward.bush@rcc.edu

Deborah.hall@rcc.edu

Angela.lee@rcc.edu

Academic & Career /Technical Programs & Instructional Support Leadership Council (ACTP&IS LC)

Kathleen.sell@rcc.edu

Stephen.ashby@rcc.edu

Resource Development & Administrative Services Leadership Council (RD&AS LC)

Faculty co-chair, vacant

Mazie.brewington@rcc.edu

Ginny.haguewood@rcc.edu

Linda.arellanes@rcc.edu

Greta.cohen@rcc.edu

Jennifer.lawson@rcc.edu

Patsy.navarro@rcc.edu

Sheryl.plumley@rcc.edu

Mark.sellick@rcc.edu

Antonio.curtis@rcc.edu

Shannon.hammock@rcc.edu

Tad.hove@rcc.edu

Mary.legner@rcc.edu

Paul.oconnell@rcc.edu

John.rosario@rcc.edu

Ward.schinke@rcc.edu

Peter.westbrook@rcc.edu

DBAC Survey List 2014

RIVERSIDE CITY COLLEGE - Continued

Academic Senate

Lee.nelson@rcc.edu

gmccarver@student.rcc.edu (ASRCC Rep-Garrett McCarver)

Associated Students

Ray Orozco

rorozco14@student.rcc.edu (ASRCC Pres)

Ryan Rudolph

rrudolph1@student.rcc.edu (ASRCC Vice President)

Accreditation/ Strategic Planning

Thomas.allen@rcc.edu

District Budget Allocation Survey

The following survey is part of the District Budget Advisory Council's ongoing assessment effort and thus is related to accreditation. The survey focuses on district-wide budget processes and the District's Budget Allocation Model. We ask you to respond to this survey because we believe you are or have been involved in one or more budget discussions as part of the district and/or a college strategic planning process. Thank you for agreeing to respond to this survey. If you were sent this survey in error and have no familiarity with the budget processes of the district or your college, please do not complete to the survey.

1. My assignment is

- District
- Moreno Valley
- Norco
- Riverside

2. I am

- Management
- Faculty
- Staff
- Student

District Budget Allocation Survey

3. Indicate your knowledge about DISTRICT level budgetary processes

- Very knowledgeable
- Reasonably knowledgeable
- Somewhat knowledgeable
- Minimally knowledgeable
- Not knowledgeable

4. Indicate your knowledge about COLLEGE level budgetary processes

- Very knowledgeable
- Reasonably knowledgeable
- Somewhat knowledgeable
- Minimally knowledgeable
- Not knowledgeable

5. What has been your involvement in budgetary processes at the DISTRICT level?

- Extensively involved
- Somewhat involved
- Minimally involved
- Uninvolved

6. What has been your involvement in budgetary processes at the COLLEGE level?

- Extensively involved
- Somewhat involved
- Minimally involved
- Uninvolved

7. I am now, or was at one time, a member of the District Budget Advisory Council

- Yes
- No

District Budget Allocation Survey

This set of questions deals with the budget allocation processes. A later set will ask about the ultimate budget allocations (decisions). If you have had no involvement in the budget process please do not answer the questions on this page.

8. Please rank your response to the following statements:

	Strongly Agree	Agree	Disagree	Strongly Disagree	Unaware/NA
A) The district budget allocation process has been student centered.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B) The district budget allocation process has been collegial.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C) The district budget allocation process supports long-range planning.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D) The district budget allocation process has encouraged participation and input from the lowest applicable level (the office where the money is actually spent).	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E) The district budget allocation process has encouraged input from all levels of the college/district community including students.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F) During discussion of how the district budget allocation process might be made, I was made aware of both the short and long term impacts of various budgetary decisions.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G) During the past year my college had significant responsibility for its own budget processes (if you are a district employee please select N/A).	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H) I am aware of major regulatory and legal constraints that impact our budget.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I) I believe the district-wide budget allocation processes are data driven.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

District Budget Allocation Survey

J) The district allocation process provides for funding district/college improvements.

K) The district allocation process is based on institutional planning documents.

District Budget Allocation Survey

This set of questions deals with the Budget Allocation Model (BAM). If you have had no involvement in the budget process please do not answer the questions on this page.

9. Please rank your response to the following statements:

	Strongly Agree	Agree	Disagree	Strongly Disagree	Unaware/NA
A) The district BAM has been broadly communicated.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B) The district BAM is easy to understand.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C) The district BAM supports strategic planning.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D) The district BAM supports operational planning.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E) The district BAM allows the college/district to respond to immediate crisis.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F) The district BAM provides for multi-year planning.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G) The district BAM is regularly evaluated and assessed.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H) The district BAM promotes efficiency and rational decision-making.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I) The district BAM provides a sense of stability and financial predictability.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
J) The district BAM effectively supports the district/college mission and goals.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
K) The district BAM provides for long-range liabilities and obligations.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
L) The district BAM allows for financial stability in times of state budget difficulties.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
M) The district BAM insures a contingency reserve of at least 5% of total available funds.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
N) My entity	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

District Budget Allocation Survey

(district/college) has received its fair share of the operating budget.

O) The BAM takes into consideration new programs and initiatives.

P) The district BAM takes into consideration operating costs for new facilities.

Q) The district BAM takes into consideration funding for new positions necessary for program growth.

R) The district BAM takes into consideration the impact of base budget adjustments such as the COLA, step/grade increases, utility cost increases and other fixed cost changes.

S) The district BAM encourages enrollment efficiencies through incentives.

T) I believe the district BAM will change as needed to meet strategic goals and economic realities.

10. How can the BAM process be improved?

11. How can the BAM be improved?

SURVEYS CONCERNING THE DISTRICT BUDGET ALLOCATION PROCESS

March 1, 2013

BACKGROUND

A new direction in the Riverside Community College District (RCCD) budget allocation process began in the 2007-08 fiscal year. At that time, the Chancellor convened a task force (Budget Allocation Model Task Force)--composed of faculty, staff, and management representatives from the several internal District constituencies--to develop a budget allocation model for the emergent three-college district. That group produced a budget allocation model which, though not considered final, was implemented in FY 2008-09. In addition to providing a new way to allocate resources in a three-college district, this allocation model addressed District Recommendation 2 made by the 2007 Evaluation Team: "The teams recommend that the district and college/campuses develop, implement, and assess a resource allocation model that

- Is open, transparent, and inclusive; (Standards IB and IVB.3c)
- Is widely disseminated and reviewed periodically for effectiveness; (Standards IIID.2b and IIID.3)
- Is linked to the strategic plans at the district, college, and campus levels (Standards IA.1, IIID.1 a-d, and IVB.3c; Eligibility Requirement 19)."

In fact, the 2009 Follow-up Visiting Team acknowledged that the "District with Norco, Moreno Valley, and Riverside City participation has implemented this recommendation." Since its implementation, the District has continued to use this allocation model in each budget planning process to allocate resources—even during the years of unprecedented reductions in state allocations.

On 26 February 2009, the Task Force was revised in terms of name and composition. It became the "District Budget Advisory Council" (DBAC), and the membership was significantly expanded. In an effort to improve the budget allocation process that, as noted above was never considered a final product, DBAC has consistently discussed, since 2010, the matter of assessing the District's budget allocation process, including the budget allocation model itself.

This assessment process has been considered an imperative, first of all because it is a critically important thing to do. Each community college district must find its own way to allocate resources based on factors such as history, traditions, culture, and organizational structure. Districts also often revise their processes based on experience, changes in external funding, and the like. Thus, to maintain the currency and relevance of the process, the model must be continuously evaluated in the context of both internal and external factors. Second, assessment is an essential component of the standards developed by the Accrediting Commission for Community and Junior Colleges (ACCJC) of the Western Association of Schools and Colleges (WASC). ACCJC specifically speaks to this matter in Standard III.D. (Financial Resources).

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To this end, DBAC created and distributed a survey (the District Budget Allocation Survey) in 2011. DBAC then had some experience under its proverbial belt, and the District had officially become a multi-college district with three separately accredited colleges. It therefore seemed an appropriate time to begin the assessment effort. However, the results of that survey, while helpful, were considered insufficient due to an inadequate response. DBAC then decided that the survey, with modest revisions, should be reissued in 2012. This time a more significant effort would be undertaken to increase the response rate. This effort in April/May 2012 was successful with an increase of 67% in the overall number of responses. DBAC then reviewed the responses to the second survey and compared same to those received from the first.

FINDINGS

The major focus here will be on the responses to the second survey. There are three reasons for this approach. They are as follows:

1. The responses to the second survey reflected an additional year of experience with the District budget allocation process;
2. The language of the second survey was considered an improvement over the first, as it was based on insights gained by DBAC in reviewing responses to the latter; and
3. The response rate, as noted above, was markedly better in the second survey. However, it should be noted that there will be references herein to the initial survey when and where appropriate.

RESPONSE RATE OVERVIEW

It should be noted, here, that DBAC distributed the survey in a purposeful manner. DBAC considered it important that the survey be sent to those with a reasonable possibility that they would have, or perhaps should have, some familiarity with the District budget allocation process. The new survey improved the number of responses in all categories. There was an increase of 59% in the number of both managers and staff who responded, and twice as many faculty members. Four students also responded, an increase of one over the number in the first survey. Other observations regarding the second survey respondents include the following results:

- 54 managers responded, 46.2% of the total (down from 48.6% in the initial survey);
- 32 faculty responded, 27.4% of the total (up from 22.8%);
- 27 staff responded, 23.0% of the total (down from 24.3%);
- 4 students responded, 3.4% of the total (down from 4.3%);

In terms of the location, 21.4% of the respondents were from the District office, 17.9% were from Moreno Valley College, 21.4% were from Norco College, and 39.3% were from Riverside City College.

THE SURVEY STATEMENTS

The District Budget Allocation Survey consisted of a series of 31 statements. Respondents could reply by noting either Agree, Disagree, NA/Unaware, or No Response. Responses were summarized by respondent group (i.e., management, faculty, staff and students) by place of employment, or entity (i.e., District Office, Moreno Valley College, Norco College, and

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Riverside City College). Respondent data were compiled for both the 2011 and 2012 surveys. Additionally, open-ended responses to the question “How can the BAM be improved” were also reported for each survey. The summary which follows looks first at the “NA/Unaware” and “No Responses” categories, as the numbers in each instance were significant (nearly half of all respondents).

NA/UNAWARE/NO RESPONSE

As regards those indicating “NA/Unaware” (NA/U) or “No Response” (NR), the following observations are drawn from the data:

- Taken together, NA/U and N/R responses to survey statements for 2012 ranged from 38.5%-64.1% of all respondents, as compared to a range of 37.1%-52.9% in 2011. On average, 50.4% of respondents reported “NA/U” or “N/R” in 2012, as compared to 44.3% in 2011. Clearly, DBAC needs to explore why so many responded as they did in these categories, especially since the survey population consisted of those who should have had some familiarity with the District budget allocation process.
- The number of N/R responses was quite consistent, with 29.9% of respondents so indicating for statements 1-11 and 41.0% for statements 12-31. Again, these fairly large numbers demand further scrutiny as suggested above.
- Substantial variability in the NA/U responses exists across the survey statements. The number of responses ranged from 6-28. The mode was 3, with that number of responses for only six of the 31 statements.
- An interesting and decided shift in the N/R category between statements 1-11 and 12-31 occurred in both surveys. For example, in 2012 thirty-five (35) respondents indicated N/R for statements 1-11 whereas 48 or 49, depending on the statements, reported N/R for statements 12-31. However, this result perhaps should not be surprising. Statements 1-11 speak more to the District budget allocation process, while 12-31 speak to various attributes of the budget allocation model itself. Should this be a matter of concern? It would seem rather intuitive that faculty, staff, management, and student respondents would have more familiarity with the process than with the various components of the model. What is also interesting is why some 14 individuals shifted from other categories to N/R when it came to the model. Why didn't they choose NA/U? And it would appear that in 2012, some 35 individuals simply may not have participated in the survey. Thus, some additional thought should be directed to this matter.

AGREE/DISAGREE

As regards 2012 Agree/Disagree responses, 21 statements exist where the majority “agreed”; 9 where the majority “disagreed”; and one where there was a tie. In the 2011 survey, the corresponding numbers were 28, 3 and 0, respectively. This would seem a fairly significant shift, but it is speculative as to why it occurred. Nonetheless, this shift should be kept in mind, especially in light of the budget reductions experienced by the District. Also, the responses by employee category, particularly the difference in responses between administration and faculty, and the responses by location, especially those between District administration and the colleges, demonstrate a significant disparity in perspective about the budget allocation process.

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Other interesting shifts and different perspectives include the following:

- To the statement “I believe the district BAM will change as needed to meet strategic goals and economic realities,” there was a shift from narrow disagreement (16A/18D) in 2011 to narrow agreement in 2012 (22A/19D). While perhaps not seemingly a large shift, one could say that moving from a 47.1% positive score to 55.0% is a nice move in the right direction. One might even say it suggests improved confidence in the belief that needed changes will be forthcoming. However, a clear majority of the faculty (19D/A11 in total and 11D/8A for 2012) does not have that confidence, and at Riverside City College, a clear majority of the administration, faculty, and staff do not think a change will occur (19D/9A). This disparity signals some concern.
- Another interesting shift involved the statement “The District BAM provides a sense of stability and financial predictability.” The same number of respondents (28) marked “Agree” to this statement in each survey. However, the number of “Disagree” responses increased from 11 to 28, a major shift in a negative direction. Again, the majority of negative responses came from faculty. Of the 28 negative response, 17 came from faculty, and again, Riverside City College administration and faculty had a significantly different perspective (the total 2011 and 2012 response 20D/12A). Interestingly, there were only two other instances where there were the same number of “Agree” responses in both 2011 and 2012, and in each case the data showed a significant negative movement. Those statements were as follows:

1. “The district BAM provides for multi-year planning.” 22 respondents marked “Agree” in each year, while the numbers of “Disagree” responses increased from 14 to 28. However, administration and faculty have radically different perspectives. Twelve (12) administrators agreed, but 18 of the 28 negative responses came from faculty. Also, Riverside City College accounted for 14 of the 28 negative responses. An interesting comparison, here, is that another statement, “The district budget allocation process supports long-range planning,” was viewed positively in each year (29A/11D in 2011 and 39A/28D in 2012), though there clearly was a move towards “Disagree” in the latter. However, again the disparity between administration and faculty exists. Of the 39 positive statements, 25 (12 district) were managers, and only 5 faculty agreed. Of the 28 negative statements, 18 were faculty, and only 8 were management. Again, Riverside City College accounted for 17 of the negative statements. And the statement “The district BAM effectively supports the district/college mission goals,” with responses at 27A/13D for 2011 and 37A/23D for 2012, was interesting in that the agreement rate exceeded 60% in each year. Yet management and faculty again have disparate responses. Of the total responses, more management agreed 33A/15D than faculty 19D/15A. Staff had the greatest number of positive responses with 14A/2D. One could also consider, here, the statements “The district allocation process is based on institutional planning documents” (2011: 29A/10D; 2012: 25A/29D) and “The district BAM supports strategic planning” (2011: 18A/22D; 2012: 27A/34D). Again the differences in

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- management and faculty are significant (2011: management 11A/10D; faculty 5A/5D, but 2012 management 13A (7 from district)/13D; faculty 8A/14D.
2. There were 22 “Agrees” in each year for the statement “The district BAM takes into consideration the impact of base budget adjustments such as the COLA, step/grade increases, utility cost increases and other fixed cost increases.” Here we see a shift towards disagree, from 17 in 2011 to 32 in 2012. In 2012, management was split 11A/11D, but faculty clearly disagreed 18D/5A. Again, Riverside City College’s perspective clearly differs from the other colleges and the district. In 2012, only 4A and 17D. Also, the statement “The district BAM takes into consideration operating costs for new facilities,” with responses 23A/15D in 2011 and 27A/21D in 2012, we see a modest shift towards disagree...but here, the number of agrees increase year-over-year and outnumber the disagrees in each year, except among faculty. In total, management and staff overwhelmingly agree (management 25A/16D, staff 11A/5D, faculty 12A/15D). Riverside City College employees again have a different perspective with 13A/15D.

POSITIVES-TO-NEGATIVES

Following are statements where “Agrees” exceeded “Disagrees” in 2011, but where the situation was reversed in 2012. Also noted are the numbers of Agree and Disagree responses for each statement.

- “The district budget allocation process has been student centered” (2011: 25A/12D; 2012: 28A/37D). This shift is significant, but it should be noted that one must consider to what extent an allocation model, established for broad allocation purposes, can be student centered. If that is not particularly doable, then perhaps this is a perceptual problem needing a communications solution. However, the disparity between management and faculty in the 2012 results is even more significant. In 2012, management still agreed (20A/9D), but faculty overwhelmingly disagreed (4A/22D). Again, Riverside City College is the pivotal factor (5A/23D).
- “The district budget allocation process has encouraged participation and input from the lowest applicable level/the office where the money is actually spent” (2011:21A/20D; 2012: 30A/38D). This response is interesting, as there was a similar statement that was also included in the survey, “The district budget allocation process has encouraged input from all levels of the college district community including students.” Here, in 2011, there were 24 “Agrees” and 16 “Disagrees.” In 2012, the difference was less, but those agreeing still outnumbered those who disagreed 32-29, except among faculty (6A/19D) and at Riverside City College (13A/29D).
- “I believe the district-wide budget allocation processes are data driven” (2011: 22A/19D; 2012: 27A/34D). In considering this matter, one must think about the meaning of the term “data driven” and how it might have been interpreted by respondents. Faculty again overwhelmingly disagree in 2012 (3A/22D), and the Riverside City College respondents also disagree (5A/21D). Interestingly, the district management and staff clearly agree (9A/2D).

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- “During discussion of how the district budget allocation process might be made, I was made aware of both the short and long-term impacts of various budgetary decisions.” (2011: 27A/17D; 2012: 38A/30D). In 2012, the faculty were more evenly split (12A/14D). The colleges, too, were divided. The district management and staff tended to agree (9A/3D). This disparity between district and college responses warrants discussion.
- “During the past year my college had significant responsibility for its own budget processes (if you are a district employee please select N/A).” (2011:34A/4D; 2012: 38A/25D). There was a significant shift towards Disagree; however, 60% still said Agree in 2012. The disparity occurs at Riverside City College 10A/18D and among the faculty at Riverside 8A/11D. In 2011, no negative responses existed. The other two colleges and the district were essentially positive.
- “I am aware of major regulatory and legal constraints that impact our budget.” (2011: 36A/6D; 2012: 62A/10D). It should be noted that this statement merely gets at awareness. Just how familiar respondents are with these constraints was beyond the scope of the survey. Nevertheless, all constituents and all entities were more positive than negative.
- “The district allocation process provides for funding district/college improvements.” (2011:32A/11D; 42A/23D). These results seem at odds with frequent statements in various forums that the BAM does not so provide. One related note, to the statement “The district BAM supports operational planning,” respondents agreed 20-15 in 2011 and 31-26 in 2012. Again, of the 26 negative responses, 13 came from Riverside Faculty. Also, Riverside City College’s perspective is significantly different 7A/16D.
- “The district BAM has been broadly communicated.” (2011: 33A/8D; 37A/19D). Broad agreement with this statement is interesting given the large percentages of NA/Unaware and No Responses. Additionally, the same could be said for the statement: “The district budget allocation process has been collegial.” (2011: 29A/12D; 2012: 41A/26D), and “The district BAM is regularly evaluated and assessed.” (2011: 21A/14D; 2012: 31A/27D). However, management and faculty have very different perspectives in 2012 on collegiality—management 25A/7, faculty 7A/18D. Again, Riverside City has a different view (9A/19D). On the issue of the BAM’s being broadly communicated, management and faculty clearly disagree in 2012 (management 21A-14 from district offices/5D, faculty 7A/13D). On the issue of assessment, management and faculty again have different views in 2012 (management 15A/10D, faculty 7A/16D)
- “The district BAM is easy to understand.” (2011: 27A/16D; 2012: 33A/30D). Opinion seems more evenly split in 2012 among all constituents and district entities. Also, the number of NA/U/NR responses doubled from 2011 to 2012.
- “The district BAM allows the college/district to respond to immediate crisis.” (2011: 29A/11D; 35A/22D). In 2012, management (17A/7D) and faculty (8A/14D) again have different perspectives, and Riverside City College’s view differs from other district entities (9A/14D—11 of the disagrees are faculty).
- “The district BAM promotes efficiency and rational decision-making.” (2011: 20A/31D; 2012: 22A/20D). Management (10A/7D) and faculty (7A/11D) have disparate views.
- “The district BAM allows for financial stability in times of state budget difficulties.” (2011: 27A/9D; 2012: 41A/12D). The overall results here are fascinating given frequent

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criticisms of the BAM to the contrary. Even the constituencies and district entities have similar results.

- “The district BAM insures a contingency reserve of at least 5% of total available funds.” (2011: 32A/6D; 2012: 31A/26D). The responses here are also fascinating, given that the District has deployed a budget strategy in the past two years to reduce reserve below 5%.
- “My entity (district/college) has received its fair share of the operating budget.” (2011: 37A/1D; 2012: 40A/12D). The responses here need to be weighed against others where there are large numbers of “Disagrees” relative to various aspects of the BAM. This comment is made in that if fairness is a value, then in the end perhaps the BAM is more or less on track. In general, management, faculty, and staff have similar responses.
- “The district BAM takes into consideration funding for new positions for program growth.” (2011: 29A/11D; 30A; 23D). Responses for this statement obviously should be considered along with others concerning planning and cost increases. However, in 2012 management (15A/8D) and faculty (9A/12D) have different views.
- “The district BAM encourages enrollment efficiencies through incentives.” (2011: 29A/5D; 2012: 46A/5D). Clearly, there is a very strong sentiment towards “Agree” in the responses. It is the strength of this response that was striking, especially that all constituencies have similar responses.
- “The district BAM provides for long-range liabilities and obligations.” (2011: 26A/12D; 27A/30D). This shift, and the apparent current perception, would seem to warrant further discussion, as long-range liabilities and obligations are neither broadly nor frequently discussed across the District. However, in 2012 management (14A/11D) and faculty (5A/17D) differ significantly.

RESPONSES RELATED TO PLANNING

Because accreditation standards emphasize the relationship between planning and resource allocation, the survey offers some insight into how the various groups and entities perceive this relationship. Several of the responses have been reviewed above, but they have not been grouped under the rubric of planning itself. The following are responses from 2012:

“The district BAM supports strategic planning.”

- Management 13A/13D, Faculty 8A/14D, Staff 6A/7D, no student response.
- District 11A/2D, MV 5A/3D, Nor 5A/11D, Riv 6A/18D

“The district BAM supports operational planning.”

- Management 15A/8D, Faculty 5A/18D, Staff 11A/0D, one student NA
- District 14A/0D, MV 5A/3D, Nor 5A/7D, Riv 7A/16D

“The district allocation process is based on institutional planning documents.”

- Management 14A/9D, Faculty 6A/18D, Staff 5A/2D, one student NA
- District 9A/1D, MV 5A/4D, Nor 4A/8D, Riv 7A/16D

“The district budget allocation process supports long-range planning.”

- Management 25A/8D, Faculty 5A/18D, Staff 9A/2D, one student NA
- District 12A/1D, MV 9A/3D, Nor 8A/7D, Riv 10A/17D

“The district BAM provides for multi-year planning.”

- Management 12A/8D, Faculty 6A/18D, Staff 4A/2D, one student NA

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- District 7A/1D, MV 4A/4D, Nor 6A/6D, Riv 5A/17D

The responses demonstrate, as they have above, that management and faculty have very different perspectives on the budget allocation process. Also, the responses show that the colleges and the district have slightly different views and that Riverside City College, the largest entity in the district, has a radically different perspective on the process. For each of the questions, the total responses for 2012 were as follows:

Strategic Planning 27A/34D, Operational Planning 31A/26D, Based on Planning Documents 25A/29D, Long-Range Planning 39A/28D, Multi-Year Planning 22A/28D.

The total numbers indicate a mixed response on whether the budget allocation process is linked to institutional planning.

COMMENTS TO OPEN-ENDED QUESTIONS

- Of the 45 responses in the survey, 20 of the respondents indicated that transparency and communication are critical issues.
- Three respondents indicated a problem with planning.
- Three respondents do not understand the process.
- Nine respondents offered suggestions for revisions.

CONCLUSIONS AND RECOMMENDATIONS

Even though the District Budget Allocation Model (BAM) has been used since 2008-09 to allocate resources in the District as part of the District budgeting process and even though the Model, along with the principles guiding it, is available to all constituencies and to the public, very different perspectives exist within the District. The responses to the survey indicate that management and staff tend to agree on most issues related to the BAM, but that the faculty has very disparate views. Also, Riverside City College views the process much more negatively than the other District entities, perhaps because the college constituencies believe that Riverside City College has been more impacted than the other entities. Nevertheless, the District has used the current allocation process for five straight years, and the reasons for the differing perspectives demand an institutional dialogue. Clearly, communication among various constituencies and entities needs to be improved.

The BAM is, in principle, an objective process that allocates resources in a transparent and equitable manner. If this principle is true, then the various constituencies should have a more common perspective of the process. For some reason, management and faculty view the process very differently. Is the issue solely one of communication? Is the issue one of conflicting interests? Is the issue one of equity? Is the issue one of college control of its budget?

Also, the survey demonstrates that the relationship between strategic planning processes and the allocation of resources needs to be addressed.

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Clearly, these questions and conclusions need to be deliberated by DBAC. To facilitate that discussion, the following recommendations are made:

1. DBAC should develop a communications strategy. Such a strategy could include such initiatives as the development of a DBAC website wherein agendas and minutes would be posted, BAM components would be identified and defined, etcetera. Also, perhaps a DBAC “Budget” newsletter could be issued on a periodic basis. Additionally, communications with other District/College groups (e.g., DSPC, Executive Cabinet, ITSC) should be reviewed in terms of needed frequency and content.
2. Each District entity (i.e., the three Colleges and the District Office) should assign an existing strategic planning committee to review its responses vis-à-vis this paper and report its review findings to the entity and DBAC.
3. DBAC should define the role of its members and articulate same in writing. It should also review its composition, address whether term length should be addressed, develop an orientation program for new members regarding their roles and responsibilities and create a glossary of terms. DBAC needs to define its charge.
4. Each district entity should develop a communications plan relative to the district and entity budget development processes, and in so doing, it should define expectations for its representatives on DBAC.
5. A BAM-specific survey should be conducted. It should be broad-based/open-ended in nature, especially given the apparent lack of familiarity with the BAM on the part of those supposedly “in the know.” In so doing, DBAC should discuss expectations regarding “familiarity.” What level of familiarity should various positions/groups be expected to have with the budget development process and with the model itself? This consideration would help DBAC manage expectations as well as design appropriate communications mechanisms. Also, in addition to, or rather than, a survey, DBAC might consider the use of focus groups so that one can get into the thinking behind a response. We suggest this, as given the responses to the various statements in this survey and the open-ended comments that were made, it was difficult in many instances to determine why something was being said or why it was being perceived in a certain way. Additional background information would have been helpful.

To conclude, there is much food for thought in the survey. We would encourage DBAC to carefully consider the results as it charts the way for the District so that the course traveled will be considered transparent, equitable, consistent, and fair.

District Budget Advisory Council Meeting

Wednesday, November 26, 2014 - RCC DL 409

9:00 a.m. - 11:00 a.m.

AGENDA

- I. Welcome and Call to Order
- II. Approval of Minutes
 - A. October 24, 2014
- III. BAM Revision – Continuation
 - A. Implementation Issues Update
 1. Student Technology Fee
 2. Entity Budget Alignment
- IV. Other Items
 - A. State Budget Update
 - B. General Liability and Property Insurance Rate
 - C. Scheduled Maintenance
 - D. Indirect Cost Reimbursement
 - E. Review Survey Questions
- V. Next Meeting
 - A. Friday, December 19, 2014, 1: 00 p.m. to 3:00 p.m. in DL 409

RIVERSIDE COMMUNITY COLLEGE DISTRICT
District Budget Advisory Council Meeting

October 24, 2014
RCC – DL 409
1:00 p.m. - 3:00 p.m.

MEETING MINUTES

PRESENT

Aaron Brown, Vice Chancellor, Business and Financial Services (District)
Norm Godin, Vice President Business Services (Moreno Valley)
Michael McQuead, Associate Professor, CIS (Moreno Valley)
Nate Finney, Classified Representative (Moreno Valley)
Tom Wagner, Associate Professor, Business Administration (Norco)
Mark Sellick, Associate Professor, Politics (Riverside)
Mary Legner, Professor, Mathematics (Riverside)
Jennifer Lawson, Classified Representative (Riverside)
Tim Ragusa, Classified Representative (District)
Rachelle Arispe, Executive Administrative Assistant to the Vice Chancellor (Recorder)

ABSENT

Beth Gomez, Vice President, Business Services (Norco)
Mazie L. Brewington, Vice President, Business Services (Riverside City College)
Arturo Quiroz, Student Representative (Riverside)
Jim Parsons, Associate Vice Chancellor, Strategic Communications and Relations (District)
Tanya Wilson, Classified Representative (Norco)

GUEST

Ruth Adams, General Counsel, Risk Management and Legal (District)

I. **MEETING WAS CALLED TO ORDER**

A. By Aaron Brown

II. **MINUTES**

- A. Godin moved, and Legner seconded, approval of the amended minutes for August 14, 2014. Motion approved.
- B. Legner moved, and Sellick seconded, approval of the minutes for September 26, 2014. Motion approved.

III. **BAM REVISION – CONTINUATION**

A. Implementation issues

- 1. Student Technology Fee – Ruth Adams (guest)
 - a) Adams received the name of the attorney that has been assigned to respond to our question regarding the Student Technology fee, however, Adams has not

received a response. Adams indicated that the State handbook shows that a technology fee is permissible unless a college receives State funds. Instructional and TTIP money could be considered State funds – Adam will confirm with the State attorney.

- b) Adams found that only two districts have Student Technology Fees:
- i. Butte College approved a Technology Fee in 2010. The fee generates \$400k per year with approximately 14,300 students. The fee did not impact the 50% Law since it was all equipment. The fee was charged for all four sessions (Fall/Winter/Spring/Summer) at a rate of \$20 per student.
 - ii. Redwood College approved a Technology Fee in 2013. There are approximately 6,100 students however the college did not indicate the amount of revenue they would receive. A \$10 fee is charged per student for all four sessions. They are using the funds to increase the availability of technology, resources and services to students (music/theatrical/gaming equipment).
 - iii. Cerritos College planned for a Technology Fee with approval from all constituents, however, their Board did not approve it. The fee would have been \$5 per student during Fall and Spring, and \$3 during intersessions, generating approximately \$150k in revenue.
 - iv. Adams noticed that some of the above colleges have used the funds to increase their Wi-Fi access.
 - v. State has not defined the definition of Technology fees or expenses.
 - vi. UCR has a Technology Fee with undergrads being charged \$4 per unit and graduates \$2 per unit. UCR also has a Technology Committee and a lot of information and good ideas on their website.
 - McQuead commented that he has direct contact with a primary UCR technology support employee and they have indicated that UCR receives a substantial amount of money, approximately \$2-4 million a year and it has helped secure a lot of resources.
 - vii. Brown suggested that Adams continue to contact the Chancellor's office to get clarification on the fee. Once received, we can move forward. ITSC can formulate a fee proposal. The proposal should specify what the fund will be used for, including infrastructure.
 - viii. Godin reminded the members that ITSC is discussing a capital outlay fee to be assessed against employee payroll, similar to workers compensation, to generate capital resources as well. The major focus for this fee is to help with infrastructure.
 - ix. Brown commented that the self-insured general liability assessment is assessed on a payroll per dollar basis. This is a manual process and the county will not permit the District to use the payroll system if it is not payroll related, therefore, if a capital outlay fee (suggested by ITSC) is established the District will need to verify that there are no limitations.
2. Entity Equilibrium Budget Alignment – Brown has not received a response from Vice Chancellor Steinback so we are at a standstill to move forward. Steinback has indicated to Brown that she has done some analysis, however, she would like to engage the College

Academic Affairs Vice Presidents to get their input. Brown will discuss the status with the Chancellor to see if he can get some movement on a response.

IV. OTHER ITEMS

1. Indirect Cost Recovery – The majority of grants have administrative costs that cannot be charged directly to a grant. Administrative costs are indirect costs. Usually the amount charged is based on a percentage of the grant total. Historically, on particular grants, the District has treated the indirect cost as a transfer from a restricted resource to the general fund - part of our base revenue. The District has budgeted this indirect charge every year. A historical analysis since 2005-2006, is shown in the handout provided. A differential is shown because there is a difference between budgeted amount and actual amount realized due to the indirect charge only against actual expenditures. The VP's of Business would like the ability to expend the indirect costs realized for each college, however, use of the indirect will need to be defined. The indirect cost recovery has been part of the base budget for revenue but a specific expenditure line to offset has not been budgeted. This offset would increase the base expenditure budget. Approximately \$360k was budgeted for FY 2013-14.
 - a) There are 3 types of grant funds: private, state and federal. The District applies for the federal rates which includes an onsite and an offsite rate. The rate is good for three to five years. There are no restrictions on the use of the funds once it is awarded.
 - b) The VP's of Business would like to reinvest the funds back into the institution and would like the funds to be restricted in order to help support the acquisition of additional grants; such as a grant writer, grant reader or professional expert (dependent on what type of grant it is for).
 - c) In order to come to a consensus the impact needs to be assessed since there are many components; timing, allocation methodology, etc. The VP's of Business and Brown will work together in detail and return to DBAC with a recommendation.
2. Instructional Equipment Survey – The State Chancellor's office emailed a survey to the CBO list serve requesting costs (for past and future) of instructional equipment at each District and/or College. The survey will help the State identify and build inventory for future Instructional Equipment funds. The survey is due to the Chancellor's office on December 1st.
 - a) Brown encouraged the VP's of Business to collect their data in order to complete the survey by the deadline.
 - b) Brown indicated that he has had a conversation with Rick Herman, AVC of Information Services, to have an overarching infrastructure technology plan to support all the systems District-wide. The District office will be separate from the colleges and the entire District.
3. DBAC Survey – The last survey was conducted Spring 2012. A synopsis of the survey was provided by Dr. Buysse and Tom Allen - March 2013 (handout). Now members must assess and discuss how to approach the next survey.
 - a) Suggestions/Thoughts – (1) Should we build upon the past survey or build a new one? (2) Should we still have consistency to the survey so we can measure changes, however, questions could be added at the end of the BAM survey

regarding DBAC? (3) We should have an outreach effort to target individuals on the list and send reminders prior to the survey being emailed? (4) Use the word "reasonably" that way it is student centered? (5) On operational concepts, we should add definitions of terms to the survey that way it is clearer. (6) Add an open ended area to respond.

- b) For the next meeting, members will recommend updated/new survey questions. Members can then finalize the questions and come up with a timeline to best send out the survey, possibly beginning of March 2015.
- c) Brown will meet with David Torres to discuss survey questions, concerns and provide to him with the 2012 survey information since Daniel Martinez worked on the survey last.
- d) The survey distribution list will be updated and finalized by members in January-February since committee members' change.

V. NEXT MEETING

- A. Next DBAC meeting scheduled for Wednesday, November 26, 2014, 9:00 a.m. to 11:00 a.m. at DL 409.