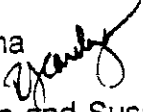


CHABOT-LAS POSITAS COMMUNITY COLLEGE DISTRICT
Offices of the Presidents

TO: Terry Dicianna 

FROM: Raúl Cardoza and Susan Cota
Co-chairs, District Budget Study Group

DATE: April 13, 1994

SUBJECT: **Proposed District Budget Allocation Model: Policy, Procedures and Draft Spreadsheet**

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At its meeting last Friday, April 8, the District Budget Study Group (DBSG) agreed that we would like for you to take the *Proposed District Budget Allocation Model* to the Board of Trustees as soon as possible. **There is one vital caveat that must be stressed to the Board and other interested parties as they review the spreadsheet. It is imperative that they understand that the allocation model is founded upon two central elements agreed to by all members of the DBSG:**

- **The statewide program-based funding model by which our district earns its revenue;**
- **The premise that "what you earn is what you get," that is, the revenues flow to the colleges based on FTES and student headcount.**

The draft spreadsheet attached shows allocations to the colleges, Maintenance and Operations and District Operations which are very different than the status quo. However, as you can see from the list below of "future work needed to refine the model," the decision concerning which costs are to be charged to which centers may change the allocations. It is not the DBSG's intention to impose a radical revenue shift on any center; we will propose some equitable approaches, should the model result in such a shift.

Attached are the following items:

1. **Policy:** The committee is now very comfortable with the *Policy* component of the model, which is the element which will require board action.
2. **Procedures:** These are nearly ready for use by the committee; the remaining work needed is identified under #4, below.

3. **Draft spreadsheet:** It describes how the 1993-94 revenues would have flowed through this model. It also provides a comparison of the actual allocation which was utilized this year with the allocation which the model would have produced. This item needs some refinement (as the numbers will show you!). We think we can have it completed in time for the April 19 board meeting, at which time we will provide you with an updated version of the spreadsheet.

4. **Future work needed to refine the model:**

a. **Tasks which must be completed prior to full implementation;** these can easily be accomplished in time for implementation for the 1994-95 budget year:

- 1) Develop an implementation plan, possibly a phase-in of the model, to minimize disruption to any center;
- 2) Describe which costs are charged at which center (e.g., Communications, RUMBL, Security);
- 3) Check/revise the input section and formula section (attached to the spreadsheet).

b. **Tasks which can be completed subsequent to implementation:**

- 1) Complete a list of definitions of terms.
- 2) Ensure that all appendices are developed and attached: VATEA split, nonresident tuition split, Puente - define the two pieces, California Code of Regulations, Title V under Chapter 9, Subchapter 8 (S#58700-58779).
- 3) Clarify the role of the DBSG in the context of shared governance.
- 4) Refine the allocation of basic skills revenue to link it to a college's relation to its FTES target as well as basic skills FTES generation.

Suggested timeline:

April 13 Mail this packet to the Board of Trustees, as a *Draft* for their review in preparation for the April 19 Board meeting

April 19 Present the model to the Board as an information item, with a focus on the *Policy*, but a briefing on the *Procedures*, Draft Spreadsheet, and Future Work Needed. Members of the DBSG are prepared to make this presentation, with particular individuals taking the lead as indicated:

Vicki Morrow: *Policy and Procedures*;

Phil Wagner and Adolph Oliver: the section of the policy concerning reserves;

Bob Curry: spreadsheet.

May 3 Board action item.

cc: District Budget Study Group
Administrative Staff

RC:SC:vm
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