Institutional Strategic Planning Council (ISPC)
April 22, 2015
1:00-3:00 (ST 107)

Attendees:

- **Attendees:**

  Ruth Leal (Staff-Instructional Production Specialist*ISPC Chair*)
  Melissa Bader (Faculty Rep to District EMTF *ISPC Chair*)
  Diane Dieckmeyer (VP Academic Affairs*ISPC Chair*)

  Beth Gomez (VP Business Services)
  Barbara Moore (Transfer Faculty)
  Natalie Aceves (Staff-Educational Advisor)
  Peggy Campo (Academic Senate President)
  David Mills (Basic Skills Faculty)
  Jason Parks (Chair of Chairs – APC)
  Diann Thursby (Staff-Grants Administrative Specialist)
  Greg Aycock (Dean of Institutional Effectiveness)
  Jim Thomas (CTE Faculty)
  Celia Brockenbrough (Library Faculty)
  Deborah Tompsett-Makin (At-Large)
  Ruth Jones-Santos (Staff-Administrative Assistant II)
  Mark DeAsis (Dean of Admissions and Records)
  Damon Nance (Dean, Technology and Learning Resources)
  Koji Uesugi (Dean, Student Services)
  Ana Molina (Staff-Administrative Assistant II)
  John Coverdale (CTE & Grants Advisory Rep)
  Collin Pacillo (ASNC-President)
  Ruth Smith (Recorder)

- **Absentees:**

  Carol Farrar, (Dean of Instruction)
  Vanessa Acosta (Staff-Admissions and Records)
  Emile Bradshaw (Tutorial Services Technician)
  Monica Green (VP Student Services)
  Andres Elizalde, Associate Professor, English

- **Guests:** Paul Parnell, Eric Betancourt, Arend Flick

Approval of Minutes:
Approval of Minutes for April 1, 2015.

> **Motion by David Mills, second by Jason Parks to approve the minutes from the April 1, 2015 meeting. Motion approved with one abstention.**

****Melissa introduced the new ASNC President – Collin Pacillo**

I. Information Items:

A. Recommendation 1 Follow-up Discussion (continued) – (Diane Dieckmeyer)

- Dr. Dieckmeyer reminded everyone that the Strategic Planning Timeline is available on our website. You can see all the items that the college is responsible for and when we are required to do them.

- **Today's discussion will focus on item #7 - Annual Open Dialogue Session:**

    - Reviewed the minutes from last year's dialogue session. Suggestion that items discussed at open dialogue need to be better identified when addressed during a regular ISPC meeting. Items discussed could be used as feedback into the ISPC meetings for the next year.
    - When discussed at COTW this time could be used to direct the items to the appropriate committee for discussion.
    - Discussed the value of having a separate meeting for dialogue or including it as part of the COTW meeting. Comment that all items are already being discussed in other venues.
    - Discussed the dialogue session as an evaluation mechanism and whether it is valuable enough to be one of the eight evaluation procedures.
    - Concern that the dialogue session should be housed somewhere in order to be available as evidence. Suggestion that the session would be listed on the Strategic Planning Timeline, included as part of Goal #6 (Demonstrate Effective Planning Processes) and the session would be part of the COTW.
    - Suggestion to stop the separate dialogue meetings and have them become a part of the COTW where it is open to everyone and you can share any comments. There are always a good number of staff, faculty, and administration at that meeting. Suggestion to use comment cards for people that are not comfortable speaking to a large group.
    - Concerned about stopping the open forum/open voice.
    - Need to try to "fix" the current process before completely stopping the dialogue sessions.

- **Recap/Summary:**

    - Dialogue session is not contributing to the evaluation process, need to remove it from the list, but not delete the democratic process of participation from everyone.
    - The dialogue session does not have any value as a driving force for resources or the college future.

Motion by David Mills, second by Peggy Campo to strike the Open Dialogue Session from list of evaluative tools. Retain the idea of the Open Dialogue Session and fold it into the COTW. The issue of how the Open Dialogue Sessions will be handled for next year (15/16) will be brought back to the ISPC for further discussion. Motion approved with one abstention.

B. Budget Report/Update – BAM Entity Budget Alignment Proposal - (Beth Gomez)

- DBAC (District Budget Advisory Council) At the last DBAC meeting a motion was approved that gives some movement in the budget allocation model. In the beginning, all three colleges were getting the same funding percentage. Now, for this year, the DBAC is recognizing that the colleges are still not aligned. Even with this year's analysis Norco is still being underfunded. Spending will be tracked for 15/16 and Norco will continue to advocate for additional funding.
- District services are being looked at for realigning. The Chancellor's Cabinet has decided to decentralize the Information Services area and move them to the individual colleges. Norco will receive a manager through this process. The change will occur on July 1.
- The budget numbers will be different after the May revise. Beth will give another update after May.
- Beth will present a full detailed budget review for ISPC after May revise.

C. Institutional Effectiveness Partnership Initiative (IEPI) Goals and Indicator Report - (Greg Aycock)

- Initiative has three parts. State Chancellor's office is putting forward a framework of indicators that all colleges will be required to report on. However, for this year we only need to report on five of the 18 indicators and some of the five indicators will be answered by the District. (see attached)
- There are 18 total indicators that will eventually need to have input. Input covers a 6 year period. Some areas will not be able to be completed since Norco College does not have six years of data available.

D. District Strategic Planning Committee (DSPC) Report

- Majority of the meeting time was used to discuss the BAM Entity Budget Alignment from the DBAC that was approved.
- Enrollment Management Committee will be meeting again to look at target FTES and ranges.
- Discussed District Strategic Planning Committee management and process. Working on clarifying the mission of District Strategic Planning and its relationship with the other colleges.
- Moreno Valley strategic planning process was received and sent to the Chancellor's Office.
- Discussed participatory governance and shared governance.

E. Standing Committee Reports

➢ **<u>Legacy Committee (see attached)</u>**

- The committee shared their new mission statement.
- There will be a diversity event on April 30 called Day of Inclusiveness from 11:00-2:00 on the student services walkway. Please plan to attend.
- The strategic goals and objects that apply to the committee were shared.

- The future plans of the committee were indicated.
- The Legacy Committee asked the ISPC for help filling the vacant faculty co-chair position and they would like to have help with funding.
- There was discussion about possible funding utilizing college equity funds. Julie Mendez is working to see if this is a possibility.
- The committee discussed funding received from ASNC for various Legacy events.

➢ **Technology Committee (see attached)**

- The committee reaffirmed their Statement of Purpose to make sure that it is aligned with the college.
- Currently working on Goal #5 – working with the Professional Development Committee by presenting Lynda.com workshops. Also holding face-to-face faculty workshops for blackboard and how to make a welcome video.
- The committee has completed the Norco technology plan and they have collaborated with ITSC on the District Technology Plan.
- Norco College is represented on ITSC by both Technology Committee co-chairs. They are making sure that Norco's voice is being heard.
- The Technology Committee meets on the 3rd Thursday of each month during college hour.

II. Open Hearing

- Dr. Parnell thanked everyone on the ISPC for their preparation and hard work on this and other committees.
- A concern was shared that Legacy is being partially funded by ASNC. The administration is in the process of addressing funding for Legacy.

Adjourned – 3:08 pm

Riverside Community College District
District Budget Advisory Council
Budget Allocation Model
Entity Budget Alignment Proposal
January 23, 2015

Background

The current construct of the Budget Allocation Model is based on a FTES model and reflects, for the most part, how resources are allocated from the State. The State model does not differentiate, and makes no provision for, high cost programs versus any other program offered at a college/district. In other words, there is one credit FTES rate applied against all earned credit FTES, regardless of the cost to produce the FTES. The same is true for the current BAM. The previous model "worked" for the Riverside Community College District until we became three colleges since all resources generated (apportionment, lottery, non-resident fees, etc., etc.) were used to pay all expenditures at all three colleges and the District, irrespective of where the resources were generated. To reflect a three college environment, a new Budget Allocation Model was developed. The first attempt in FY 2008-2009 was essentially an expenditure based incremental growth model. This model did not allocate resources based on decisions made by the colleges, but rather, it reflected collective districtwide decision-making (positions, COLA, step and column, utilities, new facilities, growth, etc.) with some slight modifications for any remaining funds.

As we matured in a three college environment, a need was expressed to allocate resources to the colleges to provide more budget autonomy. Thus, the current credit FTES based model was developed and was implemented (albeit with the substantial issue of entity budget alignment still left unresolved) in FY 2013-14. The BAM calculates a "one size fits all" rate that is applied to the FTES generated by each college (similar to the state model). Inequities between the revenues generated by each college versus the expenditures incurred by each college emerged. This basic stumbling block issue has remained since implementation (and actually has been the same unresolved issue since implementation of the first BAM in FY 2008-2009), despite the numerous discussions and analytical attempts that have been made to resolve it.

Countless decisions have been made over the years relative to the instructional programs started and conducted at each college, staffing levels, service levels, etc. In addition, each college is unique as it relates to the age of its workforce; the mix of benefits selected by staff; the age of its facilities; its geographic footprint; use of facilities by the community, etc., etc.

These are our "realities" and, practically speaking, they aren't going to change. For the most part, we aren't going to realign programs between colleges; reassign staff between colleges; cancel or eliminate programs; or create the perfect mix of high volume, low cost FTES producing programs to support the low volume, high cost FTES producing programs...at least not in the short term.

A number of BAM Principles (see attached) have not been implemented because the basic entity budget alignment issue has not been resolved. A collective decision needs to be made on changes to the BAM to recognize our "realities" so that we have a starting point to move forward.

In consultation with Chancellor Burke, he indicated that we know what it costs to produce FTES, by college, and we know how much FTES we produce, by college. The unknown is the rate per FTES, which can be derived by a simple equation of FTES Rate = Cost to Produce FTES / FTES. These discussions centered around discipline costs; however, the same principles can be applied on an aggregate basis. He asked the Vice Chancellor of Business and Financial Services to develop a methodology to revise the Budget Allocation Model to reflect this basic premise and then meet with him and the three college Presidents to discuss the conceptual framework.

The results of those meetings was support for the concept and a recommendation for DBAC to consider realignment of the Budget Allocation Model using a historical average of expenditures per credit FTES and application of the resulting ratios to the BAM "Total Funding Rate Per Target Credit FTES" beginning with FY 2015-16.

The following assumptions/observations were noted and are listed here for DBAC's consideration:

- Historical Expenditures per FTES using a six (6) year average to smooth-out year-over-year anomalies (increases/decreases) (see attached)
  - Goal would be to have a ten (10) year rolling average
  - Arguments can be made about efficiencies and inefficiencies at the program level, in administration, etc., etc., and what impact this may or may not have on the model; however, a multi-year average can smooth out year-to-year anomalies.
  - Note – Application of the ratios results in a remainder that has been allocated on an FTES percentage basis in order to balance the example
- Takes into consideration our realities...the hundreds of decisions made regarding program placement at each college, staffing, program cost, high cost and low cost programs, cost effective/ineffective delivery of instruction, effective/ineffective budget oversight/decision-making, staff seniority, etc.
- Uses only fiscal year actual costs incurred
- Total expenditures per FTES takes into consideration <u>ALL</u> costs (support, administration, instruction, facilities) to produce the FTES.
- Historical expenditure information was used starting with FY 2008-09 since this is when three college status started.
- Adheres to the following BAM Principles:
  - #3 – Equitable Allocation of Resources
  - #4 – Enrollment Management Decisions Drive the Allocation of Resources
  - #5 – Simple, Readily Communicable and Understood, and as Easy to Administer as Possible
  - #6 – Defined in Measurable Terms to Maintain Objectivity and Predictability and the Outcome is Independently Verifiable
  - #7 – Driven by Verifiable Data
- Results in a revision to the Budget Allocation Model itself, not a realignment or reduction of resources
- Provides a starting point, or baseline, to begin moving forward on other BAM revision items as well as a basis for closing the remaining gap in future years

Next Steps

DBAC is to review the information distributed at the January 23, 2015 meeting and be prepared to discuss at the February 2015 DBAC meeting. The goal is to reach consensus and to make a recommendation to DSPC.

BUDGET ALLOCATION MODEL

BAM Principles

1. Equilibrium in the operating budget structural balance is maintained through assurance that ongoing expenditures do not exceed ongoing revenues and that compliance with State and District reserve requirements is maintained.
2. The BAM recognizes that resource allocation is linked to District-wide strategic planning.
3. The BAM provides for the equitable allocation of available resources to the three (3) colleges and the District Office, while ensuring compliance with statutory and regulatory requirements.
4. Enrollment management decisions drive the allocation of operational resources.
5. The BAM is simple, readily communicable and understood, and as easy to administer as possible.
6. The BAM is defined in measurable terms to maintain objectivity and predictability and so that the outcome is independently verifiable.
7. The BAM is driven by verifiable data.

Policy/Organizational Considerations

1. Defining the roles of the District vis-à-vis the District's four major entities in the budget development and execution processes.
2. Defining the way in which compliance with statutory, regulatory and policy requirements shall be assured (e.g. FON, 50% Law, categorical match).
3. Defining self-insurance funding.
4. Defining DSPS services and funding levels.

BAM Revision Components

1. RCCD's BAM will mirror the State funding model for the California Community Colleges for the basic allocation, full-time-equivalent student (FTES) apportionment, one-time funding, and one-time funding on an annual basis (e.g. Prop 30). The model will comply with budget-related statutory and regulatory requirements (e.g. 50% Law, FON, etc.).
2. The minimum 5% required level of District reserves and funding for the district office will be the first allocations of the District's "Total Available Funds" in the Unrestricted General Fund.
3. In recognition that it may be necessary to transition over time to a point whereby each of the colleges achieve equilibrium between allocated revenues and the expenditures needed to support instructional service levels to students, a separate allocation may be provided.
4. Non-State apportionment, one-time funds, ongoing funds and entrepreneurial revenues (e.g. Norco College Trading Post, Riverside City College Splash, Nonresident tuition, indirect cost reimbursements, lease/rental income, etc.) that are specific to a particular entity will be retained by the respective college that generates the revenue.
5. Revenue sources that are not specifically identifiable to a particular entity will be allocated based on the same methodology used to allocate apportionment revenues unless otherwise specified by the funding source.
6. A minimum of 1% of total available funds will be allocated for contingency at the entity level.