

District Budget Study Group

Meeting Minutes November 6, 2009

Place: Chabot College, Room 200, 25555 Hesperian Blvd, Hayward, California

Attending: Bob D'Elena
Bob Kratochvil
Celia Barberena
Dave Fouquet
George Railey
Heidi Ulrech
Jason Morris
Judy Hutchinson
Lorenzo Legaspi
Melinda Matsuda
Ming-Lun Ho
Natasha Lang
Patti Pizzi-Munoz
Pedro RuizDe Castilla
Rajeev Chopra
Sarah Thompson
Tim Nelson

Not Attending: Cathy Gould
DeRionne Pollard
Joel Kinnamon
Kari McAllister
Laurel Jones
Mark Smythe
Mike Absher
Pamela Luster
Rachel Ugale
Rachel Azimini
Yulian Ligioso

Non Member: Timothy Dave
Pushpa Swamy

The meeting was called to order at 12:30 p.m. by Lorenzo Legaspi, Vice Chancellor, Business Services.

Minutes of the meeting of October 9, 2009

The minutes of the meeting of October 9, 2009 were approved as distributed.

Accreditation team comments

Lorenzo Legaspi mentioned the accreditation team exit interviews at both campuses. The team's report will be finalized in February. The direction from the team was that there was an urgent need for this group to do some work. He opened it up to the group to note the work of the DBSG.

George Railey reported for Chabot College:

- 1) The work that was started on the budget split format is to be completed prior to next year's budget, although there was no definition of any timeline.

Ming-Lun Ho followed up that he heard the team asked us to look at budget data for last 3 years and how it impacts the future budget.

Sarah Thompson reported for Las Positas College:

- 1) To delineate clear functions between roles at the District and the College in creating more effective processes thereby avoiding duplication.
- 2) To evaluate the resource allocation process both at the College and at the District.
The recommendations were not time sensitive.

Lorenzo said that his understanding of Chabot's recommendation was that the accreditation team suggested the District develop a multi-year budget projection.

Celia Barberena commented that since people heard differently, it would be prudent to look at the report in February. The report will be submitted to the Presidents, and depending on the confidentiality, she would like to share it with some of the leadership. However, that should not delay any progress that was made on prior recommendations. The DBSG looking at the budget would be a new recommendation. It is important to look at something that has been said to this college years ago by the Accreditation.

Allocation Model

Sarah Thompson stated that it was apparent some parts of the Allocation model process are not working, and accreditation is essentially our motivator to do them more quickly. The revision of budget planning process requires past budget analysis that will reveal if our current allocation model is adequate. She did not think that a concrete written directive was necessary.

Celia Barberena responded that she does not want this group to delay the work that was started, but the recommendations would be different for each college. For example, on the issue of planning and budgeting, Chabot has met the prior requirements that were set six years ago. She thanked Tim Dave and the people in planning and budgeting for their accomplishment.

Lorenzo Legaspi agreed that the work should not be delayed. He added that the group needs to agree on a clear direction in analyzing the three year budget data and its effectiveness so it can help us formulate the 2010-11 budget.

Productivity Levels

Bob-D'Elena said that he is working with Bob Krotchvil at Las Positas College to develop a test model on the budget data analysis. Based on the test, the model will be presented to this committee with a recommendation that Chabot College and the District do likewise.

Budget Development Calendar

Lorenzo Legaspi commented that the timelines from the budget calendar can be used as guidelines to establish a timeframe for the DBSG work. He said that the tentative budget is submitted to Board in June and, by law, the adoption budget has to be provided to the State on September 15th. Therefore, realistic timelines have to be created in order to complete the three year budget analysis and recommend changes to the allocation model in order to meet the District deadlines.

Dave Fouquet requested that the District provide:

- 1) past three years' budget data for each site
- 2) data to include budget versus actual starting at 100 level
- 3) provide the committee an overview of the allocation model and how the formulas work
- 4) discuss the savings from SERP, in particular, the disproportionate impact at the different Centers.

Lorenzo suggested formation of small group to do the above, and present its findings to the larger DBSG group. He then explained to the group the different levels of the budget categories:

1000 to 2000- salaries
3000 – Benefits
4000 – Supplies
5000 – Services
6000 – Capital Outlay

In each of these categories, there are subcategories. For example:

1100 – full-time teachers
1200 – full-time academic employees who are not teachers
1300 – part-time teachers
1400 – part-time non teachers

Board Policy 3110

Bob D'Elena reiterated Dave's statement to look at past years budget trends to help develop the next budget. Specifically, he suggested looking at current allocation model to determine if it is functioning properly and to revise the Board policy accordingly.

Lorenzo Legaspi asked the group for a consensus on the points that were made by Dave Fouquet.

Ming-Lun Ho spoke for the group and stated that they have a consensus on all points.

Rajeev Chopra expressed concern on the timeline to accomplish the project for the 10-11 budget.

Sarah Thompson said that a more realistic timeline for this project would be for the 2011-12 budget.

Bob Kratochvil cited Dr. Barberena's e-mail that stated she would like input from the people at the college on the Board Policy revision, and said that there may not be adequate time to do this.

Dr. Barberena concurred.

Dave Fouquet stated that if this project is not completed before the 10-11 budget, does that mean that this committee would not advocate its right to impact on the 10-11 budget? He further said that it is a very positive thing that this committee is on the verge of being more functional than it has ever been since he has been with the District.

Lorenzo Legaspi responded that if time is an issue, then the 2010-11 budget will be processed as before.

Ming-Lun Ho said that his top priorities would be getting the last three years budget data and obtaining clarification from AB1725 about the original 14% allocation.

Pedro RuizDe Castilla asked if there was something in writing about the allocation model and the basis on which it was originally developed.

Dave Fouquet responded that all the information has been provided to him by Jim Mathews who was a faculty chair in DBSG at that time. Jim had said that the 14.2% came from AB1725 and that it should include administrative expenses for college presidents, vice presidents of fiscal services and their offices, and IT tech support at the campuses.

Bob D'Elena stressed the need to prioritize issues relating to the upcoming budget. He suggested having sub-committees to do parallel process and report the findings to this group.

Sarah Thompson agreed with Bob's suggestion of creating subcommittees, but that the timeline should emerge out of the subcommittees.

Lorenzo Legaspi summarized the group's discussion, as follows:

- 1) the three year budget data analysis
- 2) the allocation model, the nuts and bolts of it.
- 3) the changes since the allocation model was put together and how those changes may impact our decisions in the future
- 4) the Board Policy as the foundation for our work.
- 5) form three subcommittees:
 - a. Three year budget data analysis
 - b. Allocation model, the nuts and bolts
 - c. Board Policy

The group agreed to form the subcommittees at this meeting by raise of hands and team leaders were selected.

Pushpa Swamy is to email this list to all the DBSG members, including non-attendees who might be interested to join the sub-committees. The final sub-committee member list is to be compiled by Pushpa Swamy, and e-mailed to the group.

The group agreed that the subcommittees will bring the progress reports to the next meeting.

Other

Sarah Thompson talked about the email she received on the hiring committee for the position of Manager Employment Diversity and Employee Relations. She expressed concern that this hiring is coming at a time when we are seriously cutting back services to students. She questioned if the job duties of this position can be absorbed by other positions or could be done by a part time administrator. She went on to say that during the recent budget cuts, most of the part-time college positions have been eliminated, whereas the district positions are primarily full-time, and therefore unaffected.

Lorenzo Legaspi acknowledged Sarah's point, but said that we need to be sensitive to positions and why they are filled. He said that the Colleges and the District go through their prioritization process and assess their needs based on many variables.

Sarah asked if it is possible to move towards a model of having more part time administrators as there are a number of part time hourly support staff and adjunct faculty.

Dave Fouquet responded to Lorenzo that he understood the positions do go through the analysis of need

versus available resources, but he said that this committee is an important place for such discussions because the campus budgets impact those deliberations.

The meeting was adjourned at 1:55 p.m.

Next meeting is scheduled for December 11, 2009.