

# Modesto Junior College Resource Allocation Council December 6, 2019

Members	Representing	Present	Absent
<b>Sarah Schrader</b> , Interim Vice President of College & Administrative Services	Chair	√	
<b>Jenni Abbott</b> , Dean, Institutional Effectiveness	Dean, Institutional Effectiveness		√
<b>Kevin Alavezos</b> , Professor, Office Administration	Academic Senate Appointee	√	
<b>Flerida Arias</b> , Interim Vice President of Student Services	Vice President of Student Services	√	
<b>Patrick Bettencourt</b> , Dean	Dean Rep	√	
<b>Raymond Gonzales</b> , Student	ASMJC Student Senate	√	
<b>Maria Hernandez</b> , Student	ASMJC Student Senate		√
<b>James Houpis</b> , President	President	√	
<b>Cece Hudelson</b> , Professor, Geography	Academic Senate Appointee	√	
<b>Lisa Husman</b> , Executive Secretary	Recorder	√	
<b>Michael Leamy</b> , Academic Senate Appointee	Academic Senate Appointee	√	
<b>Donna Louie</b> , YFA	YFA Rep		√
<b>Mike Morales</b> , Professor, Ag & Environmental Science	YFA Rep		√
<b>Parul Parikh</b> , Accounting Analyst	CSEA Appointee	√	
<b>Elaine Schuber</b> , Administrative Secretary	CSEA Appointee	√	
<b>Nancy Sill</b> , Dean	Dean Rep		√
<b>Judy Wagner</b> , Administrative Secretary	Classified Staff Advisory Council		√
<b>Jennifer Zellet</b> , Vice President of Instruction	Vice President of Instruction	√	

<b>Vacant position</b>
Academic Senate Appointee

**I. Call to Order**

Sarah Schrader called the meeting to order at 10:06am.

**Action Items**

**II. Review and Approval of Minutes – 11/15/19**

**Action Item:**

The meeting started without a quorum. Approval of the minutes for 11/15/2019 will be brought back to our next meeting.

**Informational Items**

**III. DFAC Report Out/Update**

DFAC meeting took place yesterday. The agenda included review of the values which include the characteristics, behavioral and data which we talked about in previous RAC meetings. We reviewed what RAC came up with as a group and what had been included by DFAC. Sarah lined up the two Councils values on a comparison sheet. She made notes of what seemed to be missing. Sarah reviewed all of the bullet points which will be updated on the comparison sheet.

Highlights of the comparisons included:

- How we teach and what we teach
- Promotes a students' first culture...DFAC's bullet points may be combined as 1 instead of 2
- Academic technology and Professional development are included as new agreed upon items in the RAM
- Continuous evaluation of fixed and agreed upon costs...DFAC did not have anything.
- The model being perceived as fair. We wanted to reword as strategic.
- Simple...was reworded to be clear.
- Timeliness is included.
- Promotes sensible use of public funding – savings stay with the college. DFAC's wording included promote a sensible use of public funding – no "spend it or you lose it". This does not guarantee the savings stay at the college. There was a conversation about that. This led to savings stay at the sites not just the colleges. This is an ongoing conversation.  
There was conversation regarding the 17% fund balance and what should count toward that. This will come back on the agenda until it is finalized.
- Encourage a culture of grant-seeking to enhance resources for sustainable projects...
- Encourages innovative applications
- Colleges are incentivized to achieve the desired student success outcomes with a particular focus on student equity. None of the three stated bullet points had any notes from DFAC. We tried to wordsmith some sort of fiscal incentive to create a culture stating the colleges would keep a portion or all of the in-directs.
- Vision and strategic planning should guide our fiscal sustainability. We asked for clarity on whose mission and goals? We should have overarching goals between the colleges and district.
- We had questions regarding minimize internal conflict between colleges and with district office. We have asked this be reworded into a more positive statement.
- Reward efficient use of funds. We are requesting a definition of efficient and clarification of the reward. This was removed.
- Includes effects of Starfish and Guided Pathways. We need additional information to understand what this is referring to and what effects. This was removed.

Once DFAC has it done we can do another comparison. For the data driven section we struck out behaviors. Behaviors are not really measurable. The updated sheet will be posted to the RAC website.

Sarah reviewed the Resource Allocation Model for 2020/2021 document. In this, we covered institutional costs which are costs that come off the top. These include all of our Information Technology contract encompassing Colleague/Elucian products and how we operate. The district team took the budget and added a portion for inflation which is how they came up with the 2020/2021 budget.

IT TCO and Facilities TCO landed in institutional costs (off the top) before allocations to the colleges. The question is do we want the TCO's to come off the top or do we want them moved into one-time line items that we agree upon and talk about yearly. We reviewed insurances that can be evaluated on a regular basis. Legal fees and

OPEB were discussed. Retiree liability was taken off this year to balance the budget. Staff development was discussed to determine if it should come off the top. These funds are in addition to PEP funds. If these came off the top, we would want those transferred to the institution.

Utilities coming off the top were also discussed. Any savings would go into the fund balance. In the event that the utilities were over encumbered, there is no place to see savings. If the utilities budget came to the colleges and we go over budget, we then would need to cover the overage.

If the district wants additional funds for line items like utilities, we need to see the actuals. Sarah advised she can provide utility spending data for the last 10 years.

Dr. Houppis stated he has been working with Judy Lanchester and a group that helps a variety of organizations to finance solar energy. They provide how much it would cost and how much it would save.

Sarah stated there are mandates coming down from the state regarding sustainability and we are not where we need to be. If we want to advocate for utilities coming to the college budget, we might need to determine if we allocate a certain percentage of our savings to sustainability projects and the rest we use to address needs at the college. Members need to go to their constituent groups regarding institutional costs and come back to a future meeting with a consensus so we can determine how to move forward with DFAC.

Sarah explained the Resource Allocation Model for 2020/2021 document prepared by the consultant includes columns for the following costs: Columbia, MJC, Central Services and Institutional costs. When you take into consideration, the Student-Centered Funding Formula, our FTES generation, student success and supplemental metrics, Columbia College is 14.4% and MJC is at 85.6%. We would be at a budget of \$64,430,520 which is an additional \$3,499,968 and Columbia would be budgeted at \$10,880,083. This model is showing us (MJC) that we should be getting more funding. We do not want to take from Columbia to make up this difference. We would like this difference from elsewhere but where do we get it from?

Sarah advised we have 3 major issues we need to discuss. One is MJC's funding. Based on memos the college has provided months ago and this model, the \$3.6 million keeps surfacing. The other two issues are our IT needs and Facilities needs. Another highlight from DFAC yesterday, there needs to be a budget development procedures document. This will give us the ability to manage our own budget.

#### **IV. Strategic Enrollment Management**

Jennifer Zellet explained we have been working differently since our President has helped us show the district how the college equates to FTES generation.

Approximately 5 years ago, a team of Deans went to the Enrollment Management Academy and an additional group went this past summer. We have been working in a model ties FTES generation to budgetary dollars combining FTES targets, the number of faculty needed and the cost depending on how efficient we are. The formula is:

$$\frac{\text{FTES}}{\text{FTEF}} = \text{Productivity (Efficiency)}$$

If we have any two of these three numbers, we can figure out this formula. Through this formula we can get a mile-high view. There was a concern by a faculty person that productivity was being tied to individual faculty members and that is not the case. We are reviewing divisions and the productivity by division. We are trying to come up with a way to incentivize divisions to be creative in their own way within the bounds of the contract. Faculty and Deans can talk about ways to become more productive in

the way they schedule and incentivize the divisions that become more productive. We took a 3-year average institutionally. The 3-year average is now skewed because a good portion of our classes are no longer 20 equated units but 15 equated units. For example, in Ag, what was 100% load last year, is now 116.66% load. In CTE areas, what was 100% load is now 117+% load. What we have done to maintain access for students, we have pushed based load into overload. As you know we had to ask the district for \$3.6 million just to keep last year's access. In pushing these loads into overload, we have to give these faculty members the 116 or 117% just to get 100% of their contract. This is the outcome of the contract. In order to give at least 100% of a contract to full time faculty, how much FTEF does it take in that particular area? The way we can decrease the amount of FTEF it takes, is to become more productive. We are trying to come up with ideas to make this happen. These are just examples of how we connect people to dollars. This is a starting point. We have been trying to strategically allocate our people allotment in places where we can up our productivity, meet needs and demands of our students.

We will be sending more staff to the Strategic Enrollment Management Academy.

Sarah and I have also talked about sending 2 members of RAC. If this is going to be the group that is going to help us with budgeting, RAC will really need to be able to help explain to your colleagues what is going on.

Jennifer stated this is going to be an ongoing discussion. We need to get our efficiencies up and choose carefully the sections that will fill based on past ICA's. This will help us be more strategic and save a lot of time.

#### **IV. SCFF (Student Centered Funding Formula) Metrics**

Sarah brought forward Exhibit C from the State Chancellor's Office as an informational item. She advised the Council can take a look at it and let us know if they would like it brought back as an agenda item.

#### **V. Computer Replacement Funding**

Due to time constraints, this agenda item will be brought back to our next meeting.

Sarah received an email with a list of almost 600 computers that need to be replaced because they are all on Windows 7 and they become a risk at the first of the year.

Sarah is asking CTC to document our procedures on prioritizing our computer replacements and to clearly identify what the computers are because the list I received came under question. Sarah will be getting an updated list and working with different funding sources to figure out where we can generate funding to cover some of the costs.

#### **VI. Check-Out**

We covered an update from DFAC of values, institutional costs and reviewed the model of the RAM. Sarah is asking that you take back the conversation about institutional costs to your constituents and figure out if we are ok with where they are.

We spoke about strategic enrollment management and how we are scheduling.

We will be bringing back the computer replacement funding item.

Patrick asked that we bring back the SCFF item as well.

For our January 17 meeting, Sarah will be out of the office. There is a DFAC meeting December 19 and January 16. If we are unable to meet, Sarah would like your constituent feedback on institutional costs so she can come back with this information. Sarah suggested the Council send feedback before the DFAC meeting on February 6. Sarah cancelled the January 17 meeting but requested feedback on institutional costs

by January 27. (After the holiday break, she advised the January 17 meeting will be put back on the calendar and Jennifer Zellet will chair the meeting.

Meeting adjourned at 12:10p.m.

**Next meeting:** January 17, 2020, 10:00am – 12:00pm, Morris Bldg., Conference Room A.