



# Peralta Community College District

## Budget Allocation Model Task Force

### Minutes – November 19, 2015

**Members In Attendance:** Abuyen, Adrien; Benvenuti, MaryBeth; **Brice**, Tim; **Little**, Ron; **Madlock**, Calvin; **Rivas**, Mario; **Smith**, Cleavon.

- I. Meeting convened at 9:38 am.
- II. Review of Minutes of November 3, 2015 Task Force meeting.  
**Approved** with no edits.
- III. **Review of Full Time Faculty(FTF) costs.** Task Force(TF) reviewed a five-year history of FTF costs by college. Average cost per fte by college indicates that colleges with more senior faculty are penalized by the BAM. In terms of a comparative index, Laney would serve as the base of 1.0 as it has the lowest per FTF average expense at \$126,943. COA at \$132,714= 1.05; Merritt & BCC would be 1.1 based on averages of \$139,077 and \$138,539 respectively. This approach could be used—in terms of allocations—to adjust for seniority/pay levels at colleges.  
TF discussed the fact that an index analysis would have to be conducted each year since the numbers will constantly change based upon new faculty salaries. And, what about benefits? – Benefits are fixed like medical costs but vary college to college.  
  
2 OPTIONS proposed and discussed:
  1. Take FTF salaries and benefits ‘off the top’ and do not include them in the college allocations;
  2. Budget all FTF compensation costs at a district wide average knowing the +/- at each college will be offset district wide.

TF discussed the difference between being *equitable* and being *equal* in resource allocations. For example, what if COA-- based on what we’re finding thru equity plan data-- needs two more faculty than the allocation? TF agreed that the goal was to be ‘fair’ in the BAM. If additional faculty were necessary, there could be some local FON that would drive each college towards its goal.

**Recommendation #1: Remove all Full Time Faculty salary and benefits costs from the per college allocation. FTF expense would be accounted for “above the line,” thereby reducing the “Available Revenue” in the model.** There was consensus by the TF to support this recommendation.

IV. TF next discussed Adjunct Salary costs and classified staff costs and respective allocations. There seems to be some costs that are not being budgeted in 1351 object code (adjunct / part time instruction) that colleges must cover with other funds. TF agreed that we need to identify these.  
Classified staff offers a bit more flexibility at the colleges so we wouldn't take them off the top. But, is the allocation fair? TF needs to look at the size and operations at each college to determine if we have enough classified staffing allocation to take care of the business of the college.

V. TF next reviewed Fixed Costs: 2014-15 Actuals; 2015-16 Budget; 2015-16 YTD Actuals. These represent utility and other fixed costs. Utility 'savings' are funds that the campuses get to keep. Benefit to the college is that they can move this money around and use as needed including to cover amounts that are not budgeted. Are we sabotaging our attempt to create a clean model?

2 OPTIONS:

1. Centralize the fixed cost budgets; or
2. Keep them decentralized and use prior year actuals + COLA, as appropriate, to allocate.

TF drilled down into the specifics of the charges and learned that BCC pays for its own security in this budget in addition to paying a pro rata share of security costs at other campuses given the District Office Service Center Budgets subtracted above the line.

**Recommendation #2: Keep the allocation of fixed costs decentralized and base allocation on prior year actuals. Remove the cost of BCC's security (Securitas) currently being budgeted/ allocated under fixed costs and add to the District Office Service Center deduction to be fair. Then, all security costs are shared by all campuses.** There was consensus by the TF to support this recommendation.

TF discussed the costs associated with leasing the Annex and paying for the parking structure which are also included in BCC's fixed costs. Where do the parking fees go? Discussion on these will be tabled until a future meeting.

VI. TF discussed items to review at its next meeting. Productivity levels as they relate to adjunct allocation and budget needs to be better understood. Also, revisit what adjunct related costs are not being budgeted.

VII. **NEXT MEETING:** Tuesday, December 1, 9:30 to 11am  
*Note: December 1 meeting was postponed to Wednesday, December 9, 3 to 4:30pm.*

VIII. Adjourned at 10:58 am