

BUDGET ALLOCATION TASKFORCE
RECORD OF MEETING
Tuesday, April 8, 2008
3:00-4:30 p.m.
Oakdale Chamber of Commerce

Present: Judith Lanning, Connie Mical, Kathy Schultz, Teresa Scott (co-chair), Nancy Sill, Joan Smith (chair), Carrie Sampson (recorder)

Absent: Deborah Campbell, Rosanne Faughn, Adrienne Peek, Rich Rose, Jim Sahlman, Ken White

Ms. Scott asked if there were changes to the meeting notes of March 11, 2008. There were none. She thanked the Subcommittee, which was given the task of writing a draft recommendation for the Chancellor and District Council.

Revising the Draft Summary and Recommendations Document

The Taskforce discussed the document prepared by the Subcommittee of Adrienne Peek, Nancy Sill, Judith Lanning, and Kathy Schultz. Ms. Lanning stated that the Subcommittee met in her office. Ms. Schultz was unable to attend due to a conflict. They reviewed past minutes of the Taskforce meetings in order to create the summary. The Taskforce proceeded to review and edit the draft document. Ms. Schultz, who brought her laptop, made the appropriate changes when consensus was reached. The document was reviewed paragraph by paragraph with much discussion occurring over the bulleted lists of accomplishments and recommendations. The final document met with the approval of everyone present, and it was determined that Dr. Smith and Ms. Scott would present it along with the Budget Allocation Model Summary Sheet to the Chancellor's Cabinet and to District Council.

Some discussions included renaming the document "Summary and Recommendations." Language from the Accreditation Evaluation Report was added regarding better communication of budget issues since it is the expectation that this document will also serve as a response to the budget finding from the Accreditation Report. It was noted that the Taskforce did review at least two allocation models from other college districts, completed the State Chancellor's Office self-assumptions checklist for financial soundness, surveyed different constituent groups regarding the District Budget, and streamlined the Budget Allocation Model into a one-page summary. It was noted that each college district's allocation model is unique and that finding a different model that is compatible with our District's would be challenging. The Taskforce agreed that the Frequently Asked Questions, which were developed from the meeting discussions, would be an invaluable tool for continued communication. There was extensive conversation as to why MJC budgets 96% of their allocation to salary and benefits, leaving only a 4% operational budget. Dr. Smith stated that this would have been a conscious decision on the part of past MJC administrators. It is unclear at this point why those decisions were made, especially since it makes MJC vulnerable to reductions in force during hard budget times. Discussions by the Taskforce regarding redistributing the base allocation among the colleges and Central Services were deemed too risky during these challenging budget times. Further discussion of the District's reserve limit was felt to require risk analysis. Ms. Scott did mention that in her opinion 7% to 10% of the unrestricted budget could be considered an ideal reserve.

Dr. Smith and Ms. Scott thanked the Taskforce for all their hard work over the last several months, agreeing that the products created by this committee and their efforts at understanding college financial issues have been remarkable. Dr. Smith stated that once the Summary and Recommendations document has been reviewed by the Chancellor's Cabinet, she and Ms. Scott will email it to the various user groups along with the FAQs document and the link to the budget website.

The meeting was adjourned.