

Procedures for Resource Allocation Model

Step 1: Establish the base funding for each of the four entities (Columbia, Modesto, Central Services and Institutional Costs). This is the prior year allocation less any one-time allocations included in the prior year.

Step 2: Compare the percentage split between the two colleges to the funding split based on 3-year averages of the metrics and the SCFF values for those metrics. Allocate an amount equal to the difference between the Step 1 amount and the amount the college would receive if the percentage derived were used (positive amounts only). Depending on the total difference, this allocation may have to bring the funding to parity over a period of several years. Note that the college that is “over funded” does not lose any funding.

Step 3: Get budget estimates from the Fiscal Office for each institutional cost. Add any changes (increases or decreases) to the institutional costs for the upcoming budget year. Savings from institutional costs revert to fund balance at the end of the year, or if substantial, may be allocated out by the same process described in Step 8.

Step 4: Look at the SCFF and determine any growth achieved in the prior year. Allocate that to the two colleges and to Central Services based on the SCFF percentages for the colleges and percentage that Central Services is in Step 1.

Step 5: Allocate the amount budgeted for non-resident tuition, baccalaureate tuition and full-time faculty state funding to the colleges based on their revenue budgets.

Step 6: Allocate compensation costs that have changed from the previous year. This includes movement on column and step, longevity increases, changes to employer rates for PERS/STRS/Workers Comp, changes to medical benefits and any negotiated increases to total compensation. An estimate will be made for the increases to PT faculty and overload costs, which will be trued up at the end of the year. If negotiations are not complete, allocated an estimate based on the negotiations formula to institutional costs (to be spread to the sites once negotiations are completed.)

Step 7: Add any amounts that have been approved by Cabinet. This includes the amounts to be transferred for TCOs, augmentations for new positions, and any new initiatives from the Chancellor of the Chancellor’s cabinet.

Step 8: Compare the totals of Steps 1 through 7 to the ongoing revenue available. If there is budget remaining, divide it between the sites according to their percentages identified in Step 1. If there is a shortfall, first revisit the one-time allocations in Step 7 and consider possible reductions. If a shortfall still exists, that is also divided between the sites according to their percentages identified in Step 1.

Step 9: Add the one-time allocations for prior year carryforwards, encumbrances and any one-time funds received that are passed on to the sites. Ending balances from institutional needs shall not carryforward, but will be used first to address the need to augment the Fund 11 ending balance. Individual site ending balances shall not be counted as part of the Fund 11 ending balance when calculating the percentage of expenses specified in Board Policy 6305.