

## Resource Allocation Model – Take Four

August 27, 2014

The purposes for changing our resource allocation model are varied:

- To change to a model based on addressing community needs measured in other ways and not just by state-defined FTES,
- To allocate additional funds to Cañada to address its underlying personnel infrastructure needs,
- To maintain a steady source of funding for CSM and prevent further funding decline, and
- To allow the colleges to continue to serve their communities in innovative ways.

Chancellor's Cabinet and the cabinets of each of the colleges have discussed various solutions over the summer. The current proposal addresses all of the concerns with the current allocation model by:

- Adding \$1.3M to Cañada in Step 1, and
- Eliminating the "growth" penalty in Step 4 for all colleges which particularly benefits CSM.
- Adding funds in the Demonstrated Need section in Step 6 for innovation and addressing the college and district plans.

This gives Cañada a permanent boost in its allocation hopefully in a time when additional revenue is significant and can absorb this increase. Eliminating the "growth" penalty addresses the downward spiral that this step in the current allocation model has caused CSM.

The need for funds for innovation is addressed by setting aside funds to be allocated in the Demonstrated Need section in Step 6. These funds would be allocated by the colleges for projects that meet the goals identified in the college and district strategic and educational master plans. These funds will be allocated using procedures such as have been developed for Skyline's President's Innovation Fund or CSM's Initiative Grants. Each project would be evaluated and the program could be adjusted, eliminated or rolled into the college's site allocation as an ongoing part of their site allocation. Those programs not deemed successful would be terminated and the funds would become available for new allocations. This would allow the colleges to explore and innovate, yet have the funds to institutionalize programs that meet our community needs. These funds would also be available to the District Office or Facilities to meet new or challenging needs there. Chancellor's Cabinet would approve the amount and distribution of the funds in this step. As we currently do for Measure G, each of the sites would prepare a brief report on the projects to be included in the succeeding year's budget. As in the past, the District Committee on Budget and Finance will review the allocation model annually, and we can expect any new model to have tweaks in the future!