

**Budget Council**  
**September 4, 2024**

**Participants:**

Lori Peterson, Morgan Sandvick, Lori Loseth, Rachel Warren, Mike Stocke, David Johnson, Magdalena Moulton, Tyler Cox, Kt Peterson, Mike Boogaard, Chad Miltenberger, Luke Fidge, Chad Hickox (not present: Patrick Sisneros, Stephanie Groom)

**Agenda:**

1. Allocation Model Review Committee
2. Preview Fall Conference
3. Budget Process Survey

**Meeting summary:**

1. **Fall Conference Presentation:** We plan to present key takeaways from the FY25 Budget Planning during the fall conference. This will include highlights of our achievements, areas for improvement, and an outline of our FY26 planning timeline.
2. **Website Update:** We are working on adding budget and planning information to the website for better transparency.
3. **Budget Process Survey:** We intend to distribute a survey to gather feedback on our budget process.
4. **Allocation Model Review:** Over the past year, a group was assembled to discuss the five elements of the allocation model. At the July WAC meeting, all the presidents reviewed the recommendations. Allocation subcommittees will evaluate these recommendations, keeping in mind that including actual dollar amounts could bias the survey results.
5. **Minimum Operating Allocation (MOA):** The MOA represents the minimum operating allocation each college receives. Currently, this allocation has not increased. The recommendation is to raise the MOA by \$3.7 million to meet certain requirements.
6. **District Enrollment Allocation (DEAB):** DEAB, a core revenue source based on enrollment, is proposed to be allocated with a 50% FTE and 50% headcount split. They are suggesting using a true 4-year rolling average for distribution and eliminating the enrollment target. We have consistently fallen short of the DEAB enrollment target. We are currently at only 50% of the state-funded FTE, just shy of 1500.
7. **High-Demand Programs:** Programs such as BAS and STEM, which are in high demand, can generate up to 1.3 FTEs per each FTE of a standard program due to their higher costs.
8. **International Students and Corporate/Continuing Education:** Previously, we could count up to 2% international students towards our FTE targets. Since they are working towards eliminating FTE targets, this approach is no longer applicable. Therefore, the recommendation is to exclude international students and corporate/continuing education enrollments from the allocation model.
9. **Student Achievement Initiative:** This initiative is performance-based. It is recommended to maintain the performance-based funding portion of the allocation model at 5%.

10. **Weighted Priority Enrollment:** It is recommended to exclude BAS and STEM programs from weighted enrollment. Basic education for adults and skills gap programs should remain at their current proportions. We could potentially use some of these funds to cover the increased MOA and replace a portion of BAS and STEM funding with resources for accessibility services (Disability Services) based on headcount. Students counted in multiple categories should be weighted in each relevant category.
11. **Skills Gap List:** Recommendations #6 and #7 involve updating the skills gap list.
12. **Tentative Recommendations:**
  - **Provisos vs. Earmarks:** It is important to distinguish between provisos and earmarks. Earmarks are within the control of the system, while provisos are determined by the legislature.
  - Continue to protect M&O and compensation in Safe Harbor.
  - Convene a larger, inclusive working group to explore SBCTC earmarks.
13. **Survey Deadline:** The survey is due by September 6th.
14. **Final Recommendations:** They anticipate final recommendations by late fall, with a possibility of implementation starting July 1, 2025.
15. **Standardized Training for New Budget Managers:** We are considering developing standardized training for new budget managers. Could we use Canvas for this purpose?

**Next meeting: Wednesday, October 2nd 2:00pm-3:00pm**