SURVEYS CONCERNING THE DISTRICT BUDGET ALLOCATION PROCESS
March 1, 2013

BACKGROUND

A new direction in the Riverside Community College District (RCCD) budget allocation process began in the 2007-08 fiscal year. At that time, the Chancellor convened a task force (Budget Allocation Model Task Force)--composed of faculty, staff, and management representatives from the several internal District constituencies--to develop a budget allocation model for the emergent three-college district. That group produced a budget allocation model which, though not considered final, was implemented in FY 2008-09. In addition to providing a new way to allocate resources in a three-college district, this allocation model addressed District Recommendation 2 made by the 2007 Evaluation Team: “The teams recommend that the district and college/campuses develop, implement, and assess a resource allocation model that

- Is open, transparent, and inclusive; (Standards IB and IVB.3c)
- Is widely disseminated and reviewed periodically for effectiveness; (Standards IIID.2b and IIID.3)
- Is linked to the strategic plans at the district, college, and campus levels (Standards IA.1, IIID.1 a-d, and IVB.3c; Eligibility Requirement 19).”

In fact, the 2009 Follow-up Visiting Team acknowledged that the “District with Norco, Moreno Valley, and Riverside City participation has implemented this recommendation.” Since its implementation, the District has continued to use this allocation model in each budget planning process to allocate resources—even during the years of unprecedented reductions in state allocations.

On 26 February 2009, the Task Force was revised in terms of name and composition. It became the “District Budget Advisory Council” (DBAC), and the membership was significantly expanded. In an effort to improve the budget allocation process that, as noted above was never considered a final product, DBAC has consistently discussed, since 2010, the matter of assessing the District’s budget allocation process, including the budget allocation model itself.

This assessment process has been considered an imperative, first of all because it is a critically important thing to do. Each community college district must find its own way to allocate resources based on factors such as history, traditions, culture, and organizational structure. Districts also often revise their processes based on experience, changes in external funding, and the like. Thus, to maintain the currency and relevance of the process, the model must be continuously evaluated in the context of both internal and external factors. Second, assessment is an essential component of the standards developed by the Accrediting Commission for Community and Junior Colleges (ACCJC) of the Western Association of Schools and Colleges (WASC). ACCJC specifically speaks to this matter in Standard III.D. (Financial Resources).
To this end, DBAC created and distributed a survey (the District Budget Allocation Survey) in 2011. DBAC then had some experience under its proverbial belt, and the District had officially become a multi-college district with three separately accredited colleges. It therefore seemed an appropriate time to begin the assessment effort. However, the results of that survey, while helpful, were considered insufficient due to an inadequate response. DBAC then decided that the survey, with modest revisions, should be reissued in 2012. This time a more significant effort would be undertaken to increase the response rate. This effort in April/May 2012 was successful with an increase of 67% in the overall number of responses. DBAC then reviewed the responses to the second survey and compared same to those received from the first.

FINDINGS

The major focus here will be on the responses to the second survey. There are three reasons for this approach. They are as follows:

1. The responses to the second survey reflected an additional year of experience with the District budget allocation process;
2. The language of the second survey was considered an improvement over the first, as it was based on insights gained by DBAC in reviewing responses to the latter; and
3. The response rate, as noted above, was markedly better in the second survey. However, it should be noted that there will be references herein to the initial survey when and where appropriate.

RESPONSE RATE OVERVIEW

It should be noted, here, that DBAC distributed the survey in a purposeful manner. DBAC considered it important that the survey be sent to those with a reasonable possibility that they would have, or perhaps should have, some familiarity with the District budget allocation process. The new survey improved the number of responses in all categories. There was an increase of 59% in the number of both managers and staff who responded, and twice as many faculty members. Four students also responded, an increase of one over the number in the first survey. Other observations regarding the second survey respondents include the following results:

- 54 managers responded, 46.2% of the total (down from 48.6% in the initial survey);
- 32 faculty responded, 27.4% of the total (up from 22.8%);
- 27 staff responded, 23.0% of the total (down from 24.3%);
- 4 students responded, 3.4% of the total (down from 4.3%);

In terms of the location, 21.4% of the respondents were from the District office, 17.9% were from Moreno Valley College, 21.4% were from Norco College, and 39.3% were from Riverside City College.

THE SURVEY STATEMENTS

The District Budget Allocation Survey consisted of a series of 31 statements. Respondents could reply by noting either Agree, Disagree, NA/Unaware, or No Response. Responses were summarized by respondent group (i.e., management, faculty, staff and students) by place of employment, or entity (i.e., District Office, Moreno Valley College, Norco College, and
Riverside City College). Respondent data were compiled for both the 2011 and 2012 surveys. Additionally, open-ended responses to the question “How can the BAM be improved” were also reported for each survey. The summary which follows looks first at the “NA/Unaware” and “No Responses” categories, as the numbers in each instance were significant (nearly half of all respondents).

NA/UNAWARE/NO RESPONSE

As regards those indicating “NA/Unaware” (NA/U) or “No Response” (NR), the following observations are drawn from the data:

- Taken together, NA/U and N/R responses to survey statements for 2012 ranged from 38.5%-64.1% of all respondents, as compared to a range of 37.1%-52.9% in 2011. On average, 50.4% of respondents reported “NA/U” or “N/R” in 2012, as compared to 44.3% in 2011. Clearly, DBAC needs to explore why so many responded as they did in these categories, especially since the survey population consisted of those who should have had some familiarity with the District budget allocation process.

- The number of N/R responses was quite consistent, with 29.9% of respondents so indicating for statements 1-11 and 41.0% for statements 12-31. Again, these fairly large numbers demand further scrutiny as suggested above.

- Substantial variability in the NA/U responses exists across the survey statements. The number of responses ranged from 6-28. The mode was 3, with that number of responses for only six of the 31 statements.

- An interesting and decided shift in the N/R category between statements 1-11 and 12-31 occurred in both surveys. For example, in 2012 thirty-five (35) respondents indicated N/R for statements 1-11 whereas 48 or 49, depending on the statements, reported N/R for statements 12-31. However, this result perhaps should not be surprising. Statements 1-11 speak more to the District budget allocation process, while 12-31 speak to various attributes of the budget allocation model itself. Should this be a matter of concern? It would seem rather intuitive that faculty, staff, management, and student respondents would have more familiarity with the process than with the various components of the model. What is also interesting is why some 14 individuals shifted from other categories to N/R when it came to the model. Why didn’t they choose NA/U? And it would appear that in 2012, some 35 individuals simply may not have participated in the survey. Thus, some additional thought should be directed to this matter.

AGREE/DISAGREE

As regards 2012 Agree/Disagree responses, 21 statements exist where the majority “agreed”; 9 where the majority “disagreed”; and one where there was a tie. In the 2011 survey, the corresponding numbers were 28, 3 and 0, respectively. This would seem a fairly significant shift, but it is speculative as to why it occurred. Nonetheless, this shift should be kept in mind, especially in light of the budget reductions experienced by the District. Also, the responses by employee category, particularly the difference in responses between administration and faculty, and the responses by location, especially those between District administration and the colleges, demonstrate a significant disparity in perspective about the budget allocation process.
Other interesting shifts and different perspectives include the following:

- To the statement “I believe the district BAM will change as needed to meet strategic goals and economic realities,” there was a shift from narrow disagreement (16A/18D) in 2011 to narrow agreement in 2012 (22A/19D). While perhaps not seemingly a large shift, one could say that moving from a 47.1% positive score to 55.0% is a nice move in the right direction. One might even say it suggests improved confidence in the belief that needed changes will be forthcoming. However, a clear majority of the faculty (19D/A11 in total and 11D/8A for 2012) does not have that confidence, and at Riverside City College, a clear majority of the administration, faculty, and staff do not think a change will occur (19D/9A). This disparity signals some concern.

- Another interesting shift involved the statement “The District BAM provides a sense of stability and financial predictability.” The same number of respondents (28) marked “Agree” to this statement in each survey. However, the number of “Disagree” responses increased from 11 to 28, a major shift in a negative direction. Again, the majority of negative responses came from faculty. Of the 28 negative response, 17 came from faculty, and again, Riverside City College administration and faculty had a significantly different perspective (the total 2011 and 2012 response 20D/12A). Interestingly, there were only two other instances where there were the same number of “Agree” responses in both 2011 and 2012, and in each case the data showed a significant negative movement. Those statements were as follows:
  1. “The district BAM provides for multi-year planning.” 22 respondents marked “Agree” in each year, while the numbers of “Disagree” responses increased from 14 to 28. However, administration and faculty have radically different perspectives. Twelve (12) administrators agreed, but 18 of the 28 negative responses came from faculty. Also, Riverside City College accounted for 14 of the 28 negative responses. An interesting comparison, here, is that another statement, “The district budget allocation process supports long-range planning,” was viewed positively in each year (29A/11D in 2011 and 39A/28D in 2012), though there clearly was a move towards “Disagree” in the latter. However, again the disparity between administration and faculty exists. Of the 39 positive statements, 25 (12 district) were managers, and only 5 faculty agreed. Of the 28 negative statements, 18 were faculty, and only 8 were management. Again, Riverside City College accounted for 17 of the negative statements. And the statement “The district BAM effectively supports the district/college mission goals,” with responses at 27A/13D for 2011 and 37A/23D for 2012, was interesting in that the agreement rate exceeded 60% in each year. Yet management and faculty again have disparate responses. Of the total responses, more management agreed 33A/15D than faculty 19D/15A. Staff had the greatest number of positive responses with 14A/2D. One could also consider, here, the statements “The district allocation process is based on institutional planning documents” (2011: 29A/10D; 2012: 25A/29D) and “The district BAM supports strategic planning” (2011: 18A/22D; 2012: 27A/34D). Again the differences in
management and faculty are significant (2011: management 11A/10D; faculty 5A/5D; but 2012 management 13A (7 from district)/13D; faculty 8A/14D.

2. There were 22 “Agrees” in each year for the statement “The district BAM takes into consideration the impact of base budget adjustments such as the COLA, step/grade increases, utility cost increases and other fixed cost increases.” Here we see a shift towards disagree, from 17 in 2011 to 32 in 2012. In 2012, management was split 11A/11D, but faculty clearly disagreed 18D/5A. Again, Riverside City College’s perspective clearly differs from the other colleges and the district. In 2012, only 4A and 17D. Also, the statement “The district BAM takes into consideration operating costs for new facilities,” with responses 23A/15D in 2011 and 27A/21D in 2012, we see a modest shift towards disagree…but here, the number of agrees increase year-over-year and outnumber the disagrees in each year, except among faculty. In total, management and staff overwhelmingly agree (management 25A/16D, staff 11A/5D, faculty 12A/15D). Riverside City College employees again have a different perspective with 13A/15D.

POSITIVES-TO-NEGATIVES

Following are statements where “Agrees” exceeded “Disagrees” in 2011, but where the situation was reversed in 2012. Also noted are the numbers of Agree and Disagree responses for each statement.

- “The district budget allocation process has been student centered” (2011: 25A/12D; 2012: 28A/37D). This shift is significant, but it should be noted that one must consider to what extent an allocation model, established for broad allocation purposes, can be student centered. If that is not particularly doable, then perhaps this is a perceptual problem needing a communications solution. However, the disparity between management and faculty in the 2012 results is even more significant. In 2012, management still agreed (20A/9D), but faculty overwhelmingly disagreed (4A/22D). Again, Riverside City College is the pivotal factor (5A/23D).

- “The district budget allocation process has encouraged participation and input from the lowest applicable level/the office where the money is actually spent” (2011:21A/20D; 2012: 30A/38D). This response is interesting, as there was a similar statement that was also included in the survey, “The district budget allocation process has encouraged input from all levels of the college district community including students.” Here, in 2011, there were 24 “Agrees” and 16 “Disagrees.” In 2012, the difference was less, but those agreeing still outnumbered those who disagreed 32-29, except among faculty (6A/19D) and at Riverside City College (13A/29D).

- “I believe the district-wide budget allocation processes are data driven” (2011: 22A/19D; 2012: 27A/34D). In considering this matter, one must think about the meaning of the term “data driven” and how it might have been interpreted by respondents. Faculty again overwhelmingly disagree in 2012 (3A/22D), and the Riverside City College respondents also disagree (5A/21D). Interestingly, the district management and staff clearly agree (9A/2D).
“During discussion of how the district budget allocation process might be made, I was made aware of both the short and long-term impacts of various budgetary decisions.” (2011: 27A/17D; 2012: 38A/30D). In 2012, the faculty were more evenly split (12A/14D). The colleges, too, were divided. The district management and staff tended to agree (9A/3D). This disparity between district and college responses warrants discussion.

“During the past year my college had significant responsibility for its own budget processes (if you are a district employee please select N/A).” (2011:34A/4D; 2012: 38A/25D). There was a significant shift towards Disagree; however, 60% still said Agree in 2012. The disparity occurs at Riverside City College 10A/18D and among the faculty at Riverside 8A/11D. In 2011, no negative responses existed. The other two colleges and the district were essentially positive.

“I am aware of major regulatory and legal constraints that impact our budget.” (2011: 36A/6D; 2012: 62A/10D). It should be noted that this statement merely gets at awareness. Just how familiar respondents are with these constraints was beyond the scope of the survey. Nevertheless, all constituents and all entities were more positive than negative.

“The district allocation process provides for funding district/college improvements.” (2011:32A/11D; 42A/23D). These results seem at odds with frequent statements in various forums that the BAM does not so provide. One related note, to the statement “The district BAM supports operational planning,” respondents agreed 20-15 in 2011 and 31-26 in 2012. Again, of the 26 negative responses, 13 came from Riverside Faculty. Also, Riverside City College’s perspective is significantly different 7A/16D.

“The district BAM has been broadly communicated.” (2011: 33A/8D; 37A/19D). Broad agreement with this statement is interesting given the large percentages of NA/Unaware and No Responses. Additionally, the same could be said for the statement: “The district budget allocation process has been collegial.” (2011: 29A/12D; 2012: 41A/26D), and “The district BAM is regularly evaluated and assessed.” (2011: 21A/14D; 2012: 31A/27D). However, management and faculty have very different perspectives in 2012 on collegiality—management 25A/7, faculty 7A/18D. Again, Riverside City has a different view (9A/19D). On the issue of the BAM’s being broadly communicated, management and faculty clearly disagree in 2012 (management 21A-14 from district offices/5D, faculty 7A/13D). On the issue of assessment, management and faculty again have different views in 2012 (management 15A/10D, faculty 7A/16D)

“The district BAM is easy to understand.” (2011: 27A/16D; 2012: 33A/30D). Opinion seems more evenly split in 2012 among all constituents and district entities. Also, the number of NA/U/NR responses doubled from 2011 to 2012.

The district BAM allows the college/district to respond to immediate crisis.” (2011: 29A/11D; 35A/22D). In 2012, management (17A/7D) and faculty (8A/14D) again have different perspectives, and Riverside City College’s view differs from other district entities (9A/14D—11 of the disagrees are faculty).

“The district BAM promotes efficiency and rational decision-making.” (2011: 20A/31D; 2012: 22A/20D). Management (10A/7D) and faculty (7A/11D) have disparate views.

“The district BAM allows for financial stability in times of state budget difficulties.” (2011: 27A/9D; 2012: 41A/12D). The overall results here are fascinating given frequent
criticisms of the BAM to the contrary. Even the constituencies and district entities have similar results.

- “The district BAM insures a contingency reserve of at least 5% of total available funds.” (2011: 32A/6D; 2012: 31A/26D). The responses here are also fascinating, given that the District has deployed a budget strategy in the past two years to reduce reserve below 5%.
- “My entity (district/college) has received its fair share of the operating budget.” (2011: 37A/1D; 2012: 40A/12D). The responses here need to be weighed against others where there are large numbers of “Disagrees” relative to various aspects of the BAM. This comment is made in that if fairness is a value, then in the end perhaps the BAM is more or less on track. In general, management, faculty, and staff have similar responses.
- “The district BAM takes into consideration funding for new positions for program growth.” (2011: 29A/11D; 30A; 23D). Responses for this statement obviously should be considered along with others concerning planning and cost increases. However, in 2012 management (15A/8D) and faculty (9A/12D) have different views.
- “The district BAM encourages enrollment efficiencies through incentives.” (2011: 29A/5D; 2012: 46A/5D). Clearly, there is a very strong sentiment towards “Agree” in the responses. It is the strength of this response that was striking, especially that all constituencies have similar responses.
- “The district BAM provides for long-range liabilities and obligations.” (2011: 26A/12D; 27A/30D). This shift, and the apparent current perception, would seem to warrant further discussion, as long-range liabilities and obligations are neither broadly nor frequently discussed across the District. However, in 2012 management (14A/11D) and faculty (5A/17D) differ significantly.

RESPONSES RELATED TO PLANNING

Because accreditation standards emphasize the relationship between planning and resource allocation, the survey offers some insight into how the various groups and entities perceive this relationship. Several of the responses have been reviewed above, but they have not been grouped under the rubric of planning itself. The following are responses from 2012:

“The district BAM supports strategic planning.”
- Management 13A/13D, Faculty 8A/14D, Staff 6A/7D, no student response.
- District 11A/2D, MV 5A/3D, Nor 5A/11D, Riv 6A/18D

“The district BAM supports operational planning.”
- Management 15A/8D, Faculty 5A/18D, Staff 11A/0D, one student NA
- District 14A/0D, MV 5A/3D, Nor 5A/7D, Riv 7A/16D

“The district allocation process is based on institutional planning documents.”
- Management 14A/9D, Faculty 6A/18D, Staff 5A/2D, one student NA
- District 9A/1D, MV 5A/4D, Nor 4A/8D, Riv 7A/16D

“The district budget allocation process supports long-range planning.”
- Management 25A/8D, Faculty 5A/18D, Staff 9A/2D, one student NA
- District 12A/1D, MV 9A/3D, Nor 8A/7D, Riv 10A/17D

“The district BAM provides for multi-year planning.”
- Management 12A/8D, Faculty 6A/18D, Staff 4A/2D, one student NA
District 7A/1D, MV 4A/4D, Nor 6A/6D, Riv 5A/17D

The responses demonstrate, as they have above, that management and faculty have very different perspectives on the budget allocation process. Also, the responses show that the colleges and the district have slightly different views and that Riverside City College, the largest entity in the district, has a radically different perspective on the process. For each of the questions, the total responses for 2012 were as follows:

Strategic Planning 27A/34D, Operational Planning 31A/26D, Based on Planning Documents 25A/29D, Long-Range Planning 39A/28D, Multi-Year Planning 22A/28D.

The total numbers indicate a mixed response on whether the budget allocation process is linked to institutional planning.

COMMENTS TO OPEN-ENDED QUESTIONS

- Of the 45 responses in the survey, 20 of the respondents indicated that transparency and communication are critical issues.
- Three respondents indicated a problem with planning.
- Three respondents do not understand the process.
- Nine respondents offered suggestions for revisions.

CONCLUSIONS AND RECOMMENDATIONS

Even though the District Budget Allocation Model (BAM) has been used since 2008-09 to allocate resources in the District as part of the District budgeting process and even though the Model, along with the principles guiding it, is available to all constituencies and to the public, very different perspectives exist within the District. The responses to the survey indicate that management and staff tend to agree on most issues related to the BAM, but that the faculty has very disparate views. Also, Riverside City College views the process much more negatively than the other District entities, perhaps because the college constituencies believe that Riverside City College has been more impacted than the other entities. Nevertheless, the District has used the current allocation process for five straight years, and the reasons for the differing perspectives demand an institutional dialogue. Clearly, communication among various constituencies and entities needs to be improved.

The BAM is, in principle, an objective process that allocates resources in a transparent and equitable manner. If this principle is true, then the various constituencies should have a more common perspective of the process. For some reason, management and faculty view the process very differently. Is the issue solely one of communication? Is the issue one of conflicting interests? Is the issue one of equity? Is the issue one of college control of its budget?

Also, the survey demonstrates that the relationship between strategic planning processes and the allocation of resources needs to be addressed.
Clearly, these questions and conclusions need to be deliberated by DBAC. To facilitate that discussion, the following recommendations are made:

1. DBAC should develop a communications strategy. Such a strategy could include such initiatives as the development of a DBAC website wherein agendas and minutes would be posted, BAM components would be identified and defined, etcetera. Also, perhaps a DBAC “Budget” newsletter could be issued on a periodic basis. Additionally, communications with other District/College groups (e.g., DSPC, Executive Cabinet, ITSC) should be reviewed in terms of needed frequency and content.

2. Each District entity (i.e., the three Colleges and the District Office) should assign an existing strategic planning committee to review its responses vis-à-vis this paper and report its review findings to the entity and DBAC.

3. DBAC should define the role of its members and articulate same in writing. It should also review its composition, address whether term length should be addressed, develop an orientation program for new members regarding their roles and responsibilities and create a glossary of terms. DBAC needs to define its charge.

4. Each district entity should develop a communications plan relative to the district and entity budget development processes, and in so doing, it should define expectations for its representatives on DBAC.

5. A BAM-specific survey should be conducted. It should be broad-based/open-ended in nature, especially given the apparent lack of familiarity with the BAM on the part of those supposedly “in the know.” In so doing, DBAC should discuss expectations regarding “familiarity.” What level of familiarity should various positions/groups be expected to have with the budget development process and with the model itself? This consideration would help DBAC manage expectations as well as design appropriate communications mechanisms. Also, in addition to, or rather than, a survey, DBAC might consider the use of focus groups so that one can get into the thinking behind a response. We suggest this, as given the responses to the various statements in this survey and the open-ended comments that were made, it was difficult in many instances to determine why something was being said or why it was being perceived in a certain way. Additional background information would have been helpful.

To conclude, there is much food for thought in the survey. We would encourage DBAC to carefully consider the results as it charts the way for the District so that the course traveled will be considered transparent, equitable, consistent, and fair.