Understanding BAM in 90 Sec

What is BAM?
BAM stands for Budget Allocation Model. BAM determines how to allocate funding from all sources to RCC, MVC, NC and the District.

Who developed BAM?
A district committee of faculty, classified staff and managers from each college and the district offices.

How long has BAM existed?
The first formal BAM started in FY 2008-09 in preparation for the Moreno Valley and Norco campuses seeking full college accreditation. It is a living model, evolving as changes occur in our multi-college district. A major revision to BAM occurred in FY 2013-14 when BAM became an FTES-based model.

What does BAM affect?
EVERYTHING. The BAM allocates money based on FTES. Funding is used by colleges and the district offices for personnel, equipment, professional growth, operations, etc.. Some expenditures are paid “off the top” before allocation—e.g., step/column increases.

BAM Principles (simplified)
1. Financial equilibrium is maintained by assuring that ongoing expenditures don’t exceed ongoing revenues and that required reserves are maintained.
2. Resource allocation is linked to District strategic planning.
3. Allocate resources equitably to the colleges and the District offices, while ensuring compliance with statutory and regulatory requirements.
4. Enrollment management decisions drive the allocation of operational resources.
5. BAM is simple, communicable and as easy to understand and administer as possible.
6. BAM is defined in measurable terms and the outcome is independently verifiable.
7. BAM is driven by verifiable data.

BAM Implementation
Many issues are being discussed. So far:

Consensus reached on the following:
- Budget plans will go to Executive Cabinet (or Chancellor and Presidents) and then to District Strategic Planning.
- A rate will be applied to each dollar of payroll for general liability insurance.
- Costs for personnel reclassifications, department reorganizations, and vacancy rehires will be the responsibility of the college or district office.
- Professional growth costs are the responsibility of the college or district office.
- Annual and Mid-year step and column increases will be budgeted “off the top” each year, before funds are allocated by the BAM.
- Allocation will continue to be by FTES.

Learn more about BAM: http://www.rccd.edu/administration/adminfinance/Pages/DBAC.aspx