

## Goodrich, Kelly

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**From:** Strong, Michael W  
**Sent:** Friday, April 10, 2020 1:34 PM  
**To:** Strong, Lawrence P  
**Cc:** Crow, Kathryn E.; Ramirez, Stephen J.; Sullivan, Daniel A.; Palkki, Kevin A.; Colvey, Kirsten S.; Gimple, Tina M.; Rabago, Ralph J.; Wurtz, Keith A.; Rippy, Scott R.; Spencer, Delmy G.; Goodrich, Kelly  
**Subject:** CHC Budget Committee Feedback on Draft 2020-21 Resource Allocation Model

Larry,

We appreciate the District Budget Committee's request for feedback on the proposed 2020-21 RAM. The CHC Budget Committee held a special meeting on 3/31 to discuss this. This email is to communicate their feedback for consideration by the DBC in the meeting on 4/16.

While the proposed RAM does convert the SB361 FTES based model to the Vision for Student Success model, it does not address inequities in the district allocation process.

The proposed model will not work for CHC to be self-sustaining. The proposed model ignores the economy of scale issues that were problematic with the prior RAM and causes CHC to rely on District reserves to perpetually fund CHC. The RAM also raises the question of CHC's compliance with Accreditation Standard III.D.1, "Financial resources are sufficient to support and sustain student learning programs and services and improve institutional effectiveness. The distribution of resources supports the development, maintenance, allocation and reallocation, and enhancement of programs and services. The institution plans and manages its financial affairs with integrity and in a manner that ensures financial stability."

Fixed costs and/or a small college allocation should be considered as part of the RAM to offset the economy of scale issues at CHC. The CHC Budget Committee recommends the DBC commission a fixed cost study by determining what the fixed costs are then cost them out based upon actual expenses for each site. Following this discussion, the RAM can then address the allocation needs across the District.

Please let me know if you'd like to discuss further prior to the DBC meeting on 4/16.

Kind Regards,



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