Revisiting Fiscal Leadership: Through The Lens Of Transparency And Participatory Governance

ACBO Conference

Presented by
Dr. Sonya Christian,
President
Dr. Anthony Culpepper,
Vice President, Finance and Administrative Services
Steven Holmes,
Academic Senate President

May 24, 2016
Topics of Discussion

President
- Engagement and Openness
- Building Accountability through Transparency in management and governance

Vice President, Finance and Administrative Services
- Fiscal Leadership: A Campus Initiative

Academic Senate President
- Participatory/Shared Governance
Distributed Leadership

Sonya Christian
President
Bakersfield College

sonya.christian@bakersfieldcollege.edu
bcpresidentblog.com
sonya.christian.96
@sonyachristian
**January 2013**

**New President**
Majority of senior level positions vacant
Issue with reserves
Student Success Data issues
Facilities Planning

**March 2014**

**New VP of Finance and Admin Services**
Issues with 50%
Issues with reserves

**August 2014**

**New Academic Senate President**
Issues with 50%
Issues with reserves
Lens of Interconnected Leadership
Lens of Distributed Leadership
Engagement and Openness

**How?**

**Hierarchical:**
Sequential planning and implementation; summative evaluation and improve the next time

**Agile:**
Adaptive planning, evolutionary development, early delivery, continuous improvement, rapid and flexible response to change.

**Who?**

**Management:**
Executive Team
President’s Cabinet
Administrative Council

**Governance:**
12 campus-wide committees
College Council
Budget Committee
Value of Distributed Leadership

Joint ownership of direction

Enrollment management – growth and productivity

Peer Accountability

By making information visible the accountability shifts to all rather than the “mother may I” phenomenon.

Adaptive planning, evolutionary development, early delivery, continuous improvement, rapid and flexible response to change.
Examples of:
Joint Ownership, Peer Accountability, Adaptive Planning, Early Delivery

<table>
<thead>
<tr>
<th>Management work is visible</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management workplans</td>
</tr>
<tr>
<td><a href="https://www.bakersfieldcollege.edu/president/administrative">https://www.bakersfieldcollege.edu/president/administrative</a></td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Renegade Scorecard</th>
</tr>
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<tbody>
<tr>
<td>Student Achievement, Student Learning, Institutional Effectiveness</td>
</tr>
<tr>
<td><a href="https://www.bakersfieldcollege.edu/scorecard">https://www.bakersfieldcollege.edu/scorecard</a></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Closing the Loop</th>
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</thead>
<tbody>
<tr>
<td>Student Achievement, Student Learning, Institutional Effectiveness</td>
</tr>
<tr>
<td><a href="https://www.bakersfieldcollege.edu/scorecard/effectiveness">https://www.bakersfieldcollege.edu/scorecard/effectiveness</a></td>
</tr>
</tbody>
</table>
Fiscal Leadership

Anthony Culpepper
Vice President,
Finance and Administrative Services
Bakersfield College
Who Moved "our" Cheese

Economic Business Modeling:
• Environmental Scan (Student Opportunities)
• Program and Curriculum Development (BC baccalaureate)
• Strategic Enrollment (Cross Functional Committee)

Institutional Plans:
• Educational Master Plans
• Technology Plan
• Facilities Plan
• Comprehensive Budget Plan
Fiscal Leadership: A Campus Initiative

Increasing budget literacy across a campus

- Leveraging budget workshops
- Quasi zero based budgeting methodology
- Dispelling myths by disclosing facts
Fiscal Leadership: A Campus Initiative

Transparency of fiscal challenges
• Engaging a multi-college district phenomena; big “I” and little “you’s”
Fiscal Leadership: A Campus Initiative

Strategic Alignment of General Unrestricted, Categorical, Grant, and other Restricted Programs

- Maximizing, Controlling, Managing, and Monitoring resources
- Impact of compliance and regulatory standards
  - Fifty Percent Law
  - Enrollment Management (FTES)
  - Faculty Obligation Number (FON)
## Adopted Budget Longitudinal Analysis

<table>
<thead>
<tr>
<th>Fiscal Period</th>
<th>Total Budget</th>
<th>Projected Reserves</th>
<th>Adopted Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010-11</td>
<td>68,750,003</td>
<td>2,647,045</td>
<td>66,102,958</td>
</tr>
<tr>
<td>2011-12</td>
<td>70,859,028</td>
<td>3,775,641</td>
<td>67,083,387</td>
</tr>
<tr>
<td>2012-13</td>
<td>62,470,997</td>
<td>0</td>
<td>62,470,997</td>
</tr>
<tr>
<td>2013-14</td>
<td>68,122,615</td>
<td>1,957,271</td>
<td>66,165,344</td>
</tr>
<tr>
<td>2014-15</td>
<td>74,983,088</td>
<td>4,108,342</td>
<td>70,874,746</td>
</tr>
<tr>
<td>2015-16</td>
<td>83,600,477</td>
<td>5,849,905</td>
<td>77,750,572</td>
</tr>
</tbody>
</table>

| Growth%       | 3%           | 43%                | 1%             |
| Growth%       | -12%         | -100%              | -7%            |
| Growth%       | 9%           | 0%                 | 6%             |
| Growth%       | 0.10         | 1.10               | 0.07           |
| Growth%       | 11%          | 42%                | 10%            |
### FTES

#### FTES 5 Years Projection

<table>
<thead>
<tr>
<th>Year</th>
<th>2015-16 DGO</th>
<th>2016-17 DGO</th>
<th>2017-18 DGO</th>
<th>2018-19 DGO</th>
<th>2019-20 DGO</th>
<th>Total Additional FTES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projected Funded FTES</td>
<td>14,475</td>
<td>14,909</td>
<td>15,058</td>
<td>15,209</td>
<td>15,361</td>
<td></td>
</tr>
<tr>
<td>Additional FTES</td>
<td>798</td>
<td>434</td>
<td>149</td>
<td>151</td>
<td>152</td>
<td>1,684</td>
</tr>
<tr>
<td>Growth %</td>
<td>5.8%</td>
<td>3.0%</td>
<td>1.0%</td>
<td>1.0%</td>
<td>1.0%</td>
<td></td>
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</tbody>
</table>

#### Previous FTES 5 Years Trend

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Funded FTES</td>
<td>13,158</td>
<td>12,152</td>
<td>12,187</td>
<td>12,762</td>
<td>13,677</td>
<td></td>
</tr>
<tr>
<td>Additional FTES</td>
<td>(436)</td>
<td>(1,006)</td>
<td>35</td>
<td>575</td>
<td>915</td>
<td>83</td>
</tr>
<tr>
<td>Growth %</td>
<td>3.4%</td>
<td>(7.6)%</td>
<td>0.3%</td>
<td>4.7%</td>
<td>7.2%</td>
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</table>
# Historical Analysis of BC's 50% Ratio**

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>64.23%</td>
<td>66.06%</td>
<td>66.74%</td>
<td>63.66%</td>
<td>61.68%</td>
<td>64.92%</td>
<td>64.24%</td>
</tr>
</tbody>
</table>

**Ratios are before the District Office Chargeback
## Reserve Overview

### Bakersfield College
#### Historical Reserve Overview

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Balance</td>
<td>5,467,446</td>
<td>6,834,136</td>
<td>5,511,610</td>
<td>4,080,683</td>
<td>4,542,782</td>
<td>4,500,000</td>
<td>5,170,000</td>
<td>5,849,905</td>
</tr>
<tr>
<td>Activity (+/-)</td>
<td>1,366,690</td>
<td>(1,322,526)</td>
<td>(1,430,927)</td>
<td>462,099</td>
<td>(42,782)</td>
<td>670,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ending Balance</td>
<td>6,834,136</td>
<td>5,511,610</td>
<td>4,080,683</td>
<td>4,542,782</td>
<td>4,500,000</td>
<td>5,170,000</td>
<td>5,170,000</td>
<td>5,849,905</td>
</tr>
<tr>
<td>Pct. Inc.</td>
<td>25%</td>
<td>19%</td>
<td>26%</td>
<td>11%</td>
<td>1%</td>
<td>15%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2015-16 Projections
# Proposed Tentative Budgets

## Bakersfield College

### Proposed Tentative Budget

#### Revenue

<table>
<thead>
<tr>
<th></th>
<th>2015-16</th>
<th>% of Rev</th>
<th>2016-17</th>
<th>% of Rev</th>
<th>% Variance 2015-16 vs. 2016-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16/17 Tentative Budget Allocation</td>
<td>71,256,210.00</td>
<td>12%</td>
<td>79,611,229.00</td>
<td>12%</td>
<td></td>
</tr>
<tr>
<td>College Scheduled Maintenance</td>
<td>1,852,408.65</td>
<td>26%</td>
<td>1,363,225.65</td>
<td>26%</td>
<td></td>
</tr>
<tr>
<td>Local Revenue</td>
<td>1,300,000.00</td>
<td>16%</td>
<td>1,510,502.22</td>
<td>16%</td>
<td></td>
</tr>
<tr>
<td>15/16 Projected Carryover</td>
<td>4,500,000.00</td>
<td>15%</td>
<td>5,170,000.00</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>15/16 Growth Allocation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>78,908,618.65</strong></td>
<td></td>
<td><strong>87,654,956.87</strong></td>
<td></td>
<td><strong>11%</strong></td>
</tr>
</tbody>
</table>
# Proposed Tentative Budget

*Bakersfield College*

## Proposed Tentative Budget

### Expenses

<table>
<thead>
<tr>
<th></th>
<th>2015-16</th>
<th>% of Rev</th>
<th>2016-17</th>
<th>% of Rev</th>
<th>% Variance 2015-16 vs. 2016-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16/17 Permanent Labor</td>
<td>44,512,676.30</td>
<td>56%</td>
<td>49,841,357.77</td>
<td>57%</td>
<td>12%</td>
</tr>
<tr>
<td>Adjusted Budget Requests</td>
<td>27,111,551.67</td>
<td>34%</td>
<td>30,447,504.79</td>
<td>35%</td>
<td>12%</td>
</tr>
<tr>
<td>Adjunct/Overload</td>
<td>5,396,995.00</td>
<td>7%</td>
<td>5,813,175.00</td>
<td>7%</td>
<td>8%</td>
</tr>
<tr>
<td>Adjunct benefits</td>
<td>734,987.03</td>
<td>1%</td>
<td>989,693.66</td>
<td>1%</td>
<td>35%</td>
</tr>
<tr>
<td>One-time Expenses using MCP</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>College Scheduled Maintenance</td>
<td>1,852,408.65</td>
<td>2%</td>
<td>1,363,225.65</td>
<td>2%</td>
<td>-26%</td>
</tr>
<tr>
<td>Estimated Breakage</td>
<td>-700,000.00</td>
<td>-1%</td>
<td>-800,000.00</td>
<td>-1%</td>
<td>14%</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>78,908,618.65</td>
<td></td>
<td>87,654,956.87</td>
<td></td>
<td>11%</td>
</tr>
</tbody>
</table>
Participatory/Shared Governance

Steven Holmes
President,
Academic Senate
Bakersfield College
Governance

A function of structure and of how people act within that structure.

- Academic Senate Leadership
  - Strategic Academic Initiatives
  - Participatory vs. Shared Governance
The bureaucratic model describes a traditional, rule bound, hierarchical power structure similar to K-12. Authority is delegated from the top down with the faculty, staff and students each occupying respectively lower levels of the pyramid.
The Political Model

The political model proposes a perpetual state of conflict between constituencies -- trustees, administrators, faculty, staff and students -- each with competing interests.
The Collegial Model

The collegial model proposes a community of scholars, with consensual decision making processes involving all constituencies affected by the decisions.
Building the Collegial Model in California Community Colleges

- California Code of Regulations, Title 5 - Education
California Education Code 70901 and 70902

Board of Governors shall establish “minimum standards” and local governing boards shall “establish procedures not inconsistent” with those standards to ensure the following:

• Faculty, staff and students the right to participate effectively in district and college governance;

• the opportunity to express their opinions at the campus level and to ensure that these opinions are given every reasonable consideration; and

• The right of academic senates to assume primary responsibility for making recommendations in the areas of curriculum and academic standards
The academic senate’s, “primary function, as the representative of the faculty, is to make recommendations to the administration of a college and to the governing board of a district with respect to academic and professional matters.”
California Code of Regulation: Title 5 CCR § 53200

Academic and professional matters means the following policy development and implementation matters:

(1) curriculum, including establishing prerequisites and placing courses within disciplines;
(2) degree and certificate requirements;
(3) grading policies;
(4) educational program development;
(5) standards or policies regarding student preparation and success;
(6) district and college governance structures, as related to faculty roles;
(7) faculty roles and involvement in accreditation processes, including self-study and annual reports;
(8) policies for faculty professional development activities;
(9) processes for program review;
(10) processes for institutional planning and budget development; and
(11) other academic and professional matters as are mutually agreed upon between the governing board and the academic senate.
In order that the faculty may have a formal and effective procedure for participating in the formation and implementation of district policies on academic and professional matters, an academic senate may be established at the college and/or district level.
California Code of Regulation: Title 5 CCR § 53203

The governing board of a community college district shall adopt policies for appropriate **delegation of authority and responsibility** to its college and/or district academic senate.

Among other matters, said policies, at a minimum, shall provide that the governing board or its designees will consult collegially with the academic senate when adopting policies and procedures on academic and professional matters.

This requirement to consult collegially shall not limit other rights and responsibilities of the academic senate which are specifically provided in statute or other Board of Governors regulations.
What is Shared (Participatory) Governance?
Shared (Participatory) Governance

Shared governance is a social system of self government wherein decision-making responsibility is shared among those affected by the decisions. At the community college level, shared governance means that responsibility for institutional decisions is shared among governing boards, district administrators, faculty, with joint recognition and respect for the participation of staff and students.
What is the Role of Shared (Participatory) Governance?
The Role of Shared (Participatory) Governance “is NOT”

to look out for the “best” interest of a constituency group, but of the institution and its mission. Everyone’s role in participatory governance is to strive for what is best for the students, institution, and its mission - not what is in the "best" interest of individual groups.
The Role of Shared (Participatory) Governance “IS”

a model endorsing a spirit of collegiality among all groups concerned with providing quality education.
What is the Purpose of Shared (Participatory) Governance?
The Purpose of Shared (Participatory) Governance is NOT

however, just the sharing of information; it demands from those who most frequently make the decisions (the Board of Trustees and the Administration) the belief that by giving all groups a valued and respected voice in decision making processes, the college will be governed more effectively.

Only as the Board and Administration demonstrate shared governance in its purest sense by opening up these processes and sharing them with a cross-section of all constituencies will any model of shared governance effectively function.
The Purpose of Shared (Participatory) Governance IS:

collegial in nature, recognizing the contributions and requirements of all members of the college in a group consensus process. This process fosters:

- a sense of empowerment for all constituencies groups
- an equal partnership among constituencies groups
- a vested interest in successful outcomes of institutional policy and implementation decisions by all groups
Shared (Participatory) Governance
Purpose IS

to direct all available physical and financial resources toward meaningful improvement and progress. Ideally, shared governance can create:

• a game plan that bridge lines of authority
• sharing resources to take advantage of unforeseen opportunities
• facilitating programs to even out the work load while maximizing system efficiency
• bringing to an institution a total quality management model that includes all employees in the successful operation and accountability of that institution.
District and College Planning and Budget
Participating effectively in district and college planning and budget is shared involvement in the decision making process.

• Academic and Professional Matter: No. 10 - processes for institutional planning and budget development

• Significance depends on the role the academic senate specifies in the process.
Shared Governance Committees and Leadership

- Committees: Planning, Evaluation, Allocation, Budget
- Leadership: Administration, Academic Senate President, Classified Staff President, Faculty/Staff Co-Chairs.
- Reassign Time
- Members: Good Representation vs. Balanced Representation
- Transparency
Shared Governance Committees – Membership
Good Representation

Budget Committee Composition:

Co-Chairs:  VP Finance and AS President
Members:   VP Instruction
           VP Student Services
           Instructional Deans (5)
           Faculty (5)
           Classified Staff (5)
           Student Government (1)

If the academic senate voice was restricted to its votes on this committee, the faculty’s concerns could easily be systematically ignored in favor of the opinions of those farther from the classroom.
Shared Governance Committees – Membership
Balanced Representation

Budget Committee Composition:

Co-Chairs: VP Finance and AS President
Members: VP Instruction
VP Student Services
Instructional Deans (5)
Faculty (7)
Classified Staff (7)
Student Government (1)
## 50% Calculations Analysis

### 50% Law Calculations
#### 2015-2016

<table>
<thead>
<tr>
<th></th>
<th>Districtwide</th>
<th>District Office</th>
<th>College 1</th>
<th>College 2</th>
<th>College 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>50% without Charge Backs</td>
<td>51.75%</td>
<td>2.79%</td>
<td>65.32%</td>
<td>52.41%</td>
<td>48.12%</td>
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<tr>
<td>District Charge Backs</td>
<td>N/A</td>
<td>($16,497,479)</td>
<td>$11,557,716</td>
<td>$2,388,673</td>
<td>$2,551,090</td>
</tr>
<tr>
<td>50% including Charge Backs</td>
<td>51.75%</td>
<td>0.00%</td>
<td>53.64%</td>
<td>45.55%</td>
<td>49.15%</td>
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</tbody>
</table>
College/Community Trust and Buy-In
Education and Communication Through Transparency
「財務省取扱い」の金（架空の商品）をかたる取引話にご注意ください

<table>
<thead>
<tr>
<th>税目</th>
<th>補正後予算額</th>
<th>3月分</th>
<th>3月末累計</th>
<th>割合</th>
<th>前年度対前年同月比</th>
<th>進捗割合</th>
<th>進捗累計</th>
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<tbody>
<tr>
<td>源泉分</td>
<td>14,706,000</td>
<td>286,727</td>
<td>13,648,711</td>
<td>92.8</td>
<td>14,026,721</td>
<td>303,833</td>
<td>12,928,943</td>
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<tr>
<td>申告分</td>
<td>2,884,000</td>
<td>325,817</td>
<td>1,455,007</td>
<td>50.5</td>
<td>2,763,507</td>
<td>288,052</td>
<td>1,383,545</td>
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<tr>
<td>計</td>
<td>17,590,000</td>
<td>612,544</td>
<td>15,103,718</td>
<td>85.9</td>
<td>16,790,227</td>
<td>591,885</td>
<td>14,312,457</td>
</tr>
</tbody>
</table>
Source: opengov.com

Open Government Transparency
Open Government Intelligence

What type of expenses does the General Fund pay for?

How does the City divide up the General Fund among the City's departments?
External conferences are also a focal point for professional development here at Bakersfield College, with approximately $232,654 in expenditures related to such activities in 2015-2016. A variety of departments and funding sources have aided numerous Bakersfield College staff and faculty members in attending external conferences, including the PDC scholarship program, VTEA, Nursing, Equity, SSSP, and Title V (see Figure A at right). These conferences have included, but are not limited to: the Common Core Math Symposium; AACC Pathways Institute; STEM National Leadership Conference; Student Equity Plan Institute; CCLC Annual Conference; ASCCC Academic Academy; and the 3CSN LINKS Conference.
College/Community Trust and Buy-In Education and Communication Through Transparency

- District and Campus wide Workshops
- District and Committees Online Agenda and Minutes
- District and Campus wide Meetings
- Online Publications – OpenGov
Conclusion

• In declaring planning and budget processes to be subject to collegial consultation, the Board of Governors clearly intended that institutional planning and budgeting would always remain focused on the goal of providing quality instruction to students. A “student first” approach.

• Title 5 recognizes faculty as the cohort most directly responsible for the delivery of quality instruction, and is therefore also the group, through its academic senates, responsible for assuring planning and budget processes have a consistently academic focus.

• Shared (Participatory) Governance provides the vital presence necessary as a check against forgetting what it is we do.
Revisiting Fiscal Leadership through the Lens of Transparency and Participatory Governance

ACBO Conference

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Dr. Sonya Christian,
President

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Vice President, Finance and Administrative Services

Steven Holmes,
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May 24, 2016