

FEATURES	COMPTROLLER'S WORK SHEETS	PROPOSED WORK SHEET	RATIONALE FOR PROPOSAL
Data source	Data for the calculation of seat cost will be generated from each faculty.	Data source: Accounting system, SIS, Faculty Workload Reporting Document, Class Schedules (for room assignment)	Seat cost involves data extraction from (the college's existing information systems), data manipulation, and information reporting, which is a job for IRPO (with help from the Business Office.) Faculty, should be a recipient, not source, of that information. <i>“When left to many faculty, accuracy may be lost. What was desired was a consistent, accurate calculation of seat cost (that wasn't subjected to individual faculty interpretation and thus potential error)” – Quote from ALO</i>
Course cap	Use maximum capacity (i.e., 25) as course cap. <i>(NOTE: This course cap was mentioned in Karen's email; the Comptroller's work sheet mechanics say otherwise: "Seat" shall be based on the actual number of students (head count) for each course for fall 2011 and spring 2012.)</i>	Not applicable. Use actual course enrollment for the program only, not for the course. (i.e., even if 30 are enrolled in a course, but only 12 are program majors, then use 12.)	Program seat cost should only use program-related inputs. Course cap includes all students from different programs. Using course caps will result in double or multiple counts of the same input, when one course is shared by different programs. In addition, if course cap is 25 and actual enrollment is higher, say 30, then why ignore the five? Surely a higher enrollment is desirable because it will generally result in lower seat cost.

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Courses taught as overloads	Exclude.	Include.	Program courses, whether taught as regular or extra load, entails costs that directly benefit that program. Excluding them will open the door to manipulating program and therefore, seat cost, by intentionally assigning courses as either regular or extra loads which are subject to different pay rates.
Categorize costs as either consumable or reusable	Yes.	No.	This is irrelevant in the seat cost computation. What matters is whether that cost is related or not related to the program under consideration.
Linking seat costs to Program SLOs	Yes.	No.	This is not only impractical but virtually impossible. Seat cost is a result of dividing two sets of numbers, Total Program Cost ÷ Total Program Enrollment. SLOs enter the program cost during the performance budgeting process, when each request for college resource is justified by specific objectives and outcomes to be achieved. Seat cost, on the other hand, is exactly that: It's a figure that tells us how much each seat (i.e., student) costs. There's no way to identify how many dollars or cents of that seat cost was for SLO 1, 2 and so forth.

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Indirect costs (such as utilities for administration, use of space, repairs, rental and other administrative costs)	Exclude.	Include or exclude.**	<p>**Whether to include or exclude indirect costs is a matter of administration's preference. TOTAL seat cost should include all costs associated with the program, whether direct or indirect. However, if the seat cost is to be used as a measure of performance (evaluation), then the college needs to develop a policy that defines clearly which office has control, and therefore, accountable, for cost control and effectiveness. For instance, faculty salary is a division chair's responsibility because the decision to hire somebody is initiated and significantly influenced by his office. Other costs related to a program is beyond the division chair's control, but is decided by the VPIA. If you want to evaluate VPIA's performance in terms of a program's seat cost, then all costs <u>up to the VPIA level</u> should be included in program and seat cost computation. Evaluating performance beyond this point will involve organization (or facilities) level costs.</p>

I prepared this comparative analysis of two alternative work sheets in the computation of program seat costs. These are just my opinions, based on my understanding of the variables involved. All errors in this paper, therefore, are mine and no claim or guarantee is offered to anyone that this is the right and the only way to calculate seat cost. It is offered purely in the spirit of open communication and purposeful dialogue concerning an important issue.

– Rafael Pulmano
 Associate Professor