# Budget Development and Funding Decision Processes

Requests for program, service, office and departmental funding must generally be made in the following ways and for the purposes stated below.

<table>
<thead>
<tr>
<th>Budgeting for Upcoming Fiscal Year (FY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Planning and Assessment (12-18 months prior to FY)</td>
</tr>
<tr>
<td>➔ New Budget Requests</td>
</tr>
<tr>
<td>➔ Requests for Augmentation</td>
</tr>
<tr>
<td>Budget Build and Reallocation Process (3-6 months prior to FY)</td>
</tr>
<tr>
<td>➔ Requests to Fund Ongoing, Year-to-Year Needs</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Increases to Current Operating Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>➔ Requests for Supplemental Funding (occasionally during FY)</td>
</tr>
<tr>
<td>➔ Requests to Meet Urgent Needs (rarely during FY)</td>
</tr>
</tbody>
</table>

Requests for program, service, office and departmental funding are normally channeled through two budget development processes: (A) the program planning and assessment (PPA) process, and (B) the budget build and reallocation process.

## A. Program Planning and Assessment

Starting with the second annual PPA process in spring 2014 and moving forward through spring 2018 (which will mark completion of the college’s Strategic Plan implementation), all designated programs, services, and offices are required to conduct an annual review and develop an action plan based on analysis of current outcomes assessment information and data.

_Funding requests for items, activities and initiatives must be justified through measurable outcomes and via linkage to specific goals in the Strategic Plan._

In addition to completing a review and action plan, certain programs, services, and offices are required to undertake a comprehensive review during a predetermined spring semester. All designated college programs, services, and offices will undergo a comprehensive review at least once over the entire 5 year scheduled cycle through spring 2018.

The annual PPA process allows for two basic types of funding requests for the fiscal year (FY) that begins on July 1st of the subsequent calendar year:

1. **New Budget Requests** – new line items or new budgets that will not be included in the next FY’s anticipated operating budget, such as a budget for a new program or service.
2. **Requests for Augmentation** – increases over, and/or changes in funding from, the next FY’s anticipated operating budget that result from:
   a. Changing standards, such as in regulations, accreditation, safety, etc., requiring increased (decreased) funding.
   b. The need to transition from one funding source to another, such as from a grant to the general fund.

Requests may originate directly from the college’s Strategic Plan or other long term institutional plan (e.g., technology plan). These requests must nonetheless be incorporated within the appropriate annual action plan that pertains to the specific FY in which those funds will be required.

Requests for new full time faculty (FTF) and staff positions must also be included and justified in action plans. For example, a new FTF position would need to be included in that instructional program’s annual action plan in spring 2015 to be potentially funded for FY 2016-17.

**Activities in Spring Semester**
From February through April, area deans and department heads coordinate the program review process with faculty and/or staff. From May through July, the VPs collect program review documents and coordinate input from area deans and department heads in establishing priorities across requests. All annual and comprehensive reviews are completed and reviewed with oversight by the supervising VP.

**Activities in Summer**
VPs prepare documents summarizing program review results and, in consultation with the Chief Budget Officer (CBO) and Controller, budget requests across the areas within their purview. VPs ensure that program review documents are submitted no later than the end of July to the location designated by the Dean of Institutional Planning and Effectiveness.

**Activities in Fall Semester**
The Governing Board approves the current FY budget inclusive of budget requests from the previous calendar year’s PPA cycle, and the Superintendent/President (S/P) communicates to college employees the list of approved budget requests for the previous calendar year’s PPA cycle. PPA documents completed in spring may be re-submitted – per VP’s advance instructions on timing of re-submission – with updated budget requests for the next FY and re-prioritization of requests, if justification for such modifications is adequately provided. VPs ensure elimination of approved one-time requests for the previous calendar year’s PPA cycle from the prioritization of requests in the current calendar year’s PPA cycle, and submit updated PPA documents to the Office of Institutional Planning and Effectiveness no later than the end of September.

The VPAA and VPSA bring forward recommendations for new FTF positions for the subsequent FY to the FTF Hiring Committee, the FTF Hiring Committee submits its recommendations to the College Planning Council (CPC), the College Planning Council (CPC) reviews recommendations
from the FTF Hiring Committee, and the CPC submits recommendations for FTF positions to the S/P. VPs lead discussion of program review results and budget requests with appropriate corresponding governance councils.

**Activities in the New Calendar Year and through Spring Semester**
The CPC reviews program review budget requests forwarded from the lower level councils, and submits all budget recommendations to the S/P by the end of February. The S/P reviews recommendations from the CPC, and determines which requests to approve for inclusion in the draft Tentative Budget.

Budget development activities continue as the CBO oversees the budget build and reallocation process.

**B. Budget Build and Reallocation Process**
Ongoing, or continuing, year-to-year needs are represented as line items and amounts rolled over from the college’s current operating budget for review and potential modification for inclusion in the draft Tentative Budget for the subsequent FY. Each department reviews its current budget, and requests increases (decreases) in specific line items for the next FY as justified by planning assumptions, enrollment expectations, and other influencing factors. Modifications to such line items may also be justified by more specific factors, such as statutory or contractual obligations, replaceable equipment needs, or changes in anticipated operating needs. VPs review department budget-building requests, may reallocate across requested departmental budgets, and submit all of their division’s budget-building requests to the CBO.

The draft Tentative Budget encompasses the modified base budget in addition to those items and amounts requested through the PPA process and approved by the S/P. At the end of April, the CBO brings forward the proposed Tentative Budget to the CPC prior to finalization of the Tentative Budget.

*Funding will not be considered or approved for requests that should have been channeled through the above processes, unless an exceptional reason is provided to the supervising VP. The VP must consent to bringing the request to the President’s Executive Cabinet, the Cabinet must agree that the request be brought to the CPC for its consideration, and the Council must in turn recommend to the S/P that the request be funded.*

**Activities within the Current Year’s Operating Budget**
As needs may arise during implementation of the current year’s operating budget, requests for program, service, office and departmental funding may occasionally occur through two additional processes: (C) the process to request supplemental funding, and (D) the process to meet urgent needs.
C. **Requests for Supplemental Funding**

Area deans/department heads may make requests for supplemental funding for current operations, and with appropriate justification, through their VP. If recommended by the VP, all such requests must subsequently be approved by the Cabinet. These requests and approvals will also be shared with the CPC.

```
Funding will not be approved for requests that should normally have been anticipated through the PPA or budget build processes from which the current operating budget was developed.
```

D. **Requests to Meet Urgent Needs**

The S/P may make adjustments in the current operating budget to appropriately fund items and activities resulting from unforeseen emergencies and other urgent needs that require immediate or near-term attention. The Cabinet and CPC will be informed when possible.

Changes to the budget may arise due to state legislative changes directly impacting the college’s revenue allocation. The CBO will notify the CPC and the areas and departments impacted by the changes.