

Budget Review and Development Process Guide



March 2010

MT. SAN ANTONIO COLLEGE
BUDGET REVIEW AND DEVELOPMENT PROCESS

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BUDGET COMMITTEE'S

PURPOSE, FUNCTION AND MEMBERSHIP

PURPOSE

The Budget Committee is the primary governance body for developing, recommending and evaluating policies and procedures relating to planning and its link to all aspects of College finances.

FUNCTION

1. Develop and recommend policies and procedures relating to overall resource generation and allocation.
2. Develop and recommend policies and procedures for budget development.
3. Develop and recommend policies and procedures for allocating discretionary revenue.
4. Evaluate effectiveness of policies and procedures relating to all aspects of College finances.
5. Develop and recommend positions on statewide community college funding.
6. Evaluate budget models using an ongoing and systematic cycle of evaluation, integrated planning, resource allocation, implementation, and re-evaluation (ACCJC Standard I.B.3).
7. Reports to President's Advisory Council on the evaluation of budget models and informs the campus about institutional effectiveness efforts.

MEMBERSHIP

1. Vice President, Administrative Services (Chair)
2. Three managers (One from Instruction, one from Administrative Services, and one from Student Services)
3. Three faculty (Appointed by the Academic Senate)
4. Two Classified Employees
5. One Confidential Employee
6. Two Students (Appointed by Associated Students)

The Budget Committee meets the first and third Wednesdays of each month from 3:00 pm. to 4:30 p.m. in the Vice President, Administrative Service's conference room.

**BUDGET COMMITTEE'S
GOALS FOR 2009-10**

1. Assess and Update the Budget Review and Development Process.
 - Align with Institutional Effectiveness Committee to integrate campus-wide planning processes

2. Strengthen communication with the Campus Community regarding budget issues.
 - Communication to the Campus from the Budget Committee, once per semester.

3. Establish Budget Committee Task Force for Cost-Cutting/Revenue Generating Ideas for recommendations to President's Advisory Council.

4. Develop Process for Budget Reductions.

Board Policy

Chapter 6 – Business and Fiscal Affairs

BP 6200 Budget Preparation

References:

Education Code Section 70902(b)(5); Title 5 Sections 58300 et seq.

Each year, the CEO shall present to the Board of Trustees a budget, prepared in accordance with Title 5 and the California Community Colleges Budget and Accounting Manual. The schedule for presentation and review of budget proposals shall comply with State law and regulations and provide adequate time for appropriate review.

Budget development shall meet the following criteria:

- The General Fund Budget shall support the College's Mission, Master Plan, Educational Plan, goals, and priorities. It shall also support existing educational programs and services;
- The annual budget shall be developed in sufficient detail to give a clear indication of the major items of revenues and expenditures, including the College's goals, plans, and purposes for expenditures;
- Assumptions upon which the budget is based are presented to the Board of Trustees for review;
- On or before the first day of July each year, the Board of Trustees shall adopt a tentative budget;
- The College shall make the proposed budget available for public inspection at least three days prior to the public hearing, at which any resident in the district may appear and object to the proposed budget or any item in the budget;
- The Board of Trustees shall hold a public hearing on the proposed budget for the ensuing fiscal year in a College facility or some other place conveniently accessible to the residents of the district;
- On or before the 15th day of September, the Board of Trustees shall adopt a final budget;
- Changes in the assumptions upon which the budget was based shall be reported to the Board of Trustees in a timely manner;
- Budget projections address long-term goals and commitments;
- Annual fiscal year revenue and expenditure estimates shall be developed conservatively with the goal of projecting a balanced budget with preference for adopting a surplus, that is, an excess of revenue over expenditures;

- Recognizing that expenditures fluctuate and that income is not fully ascertained until the following fiscal year, it is the College's goal to manage this dynamic process to assure that actual total income for the year exceeds total expenditures;
- To assure ongoing fiscal health and stability, every effort shall be made to maintain the total Unrestricted General Fund Balance at not less than 10% of expenditures. If the General Fund Balance becomes less than 10%, the College will present a plan within 120 days to restore the deficit or shortage within two fiscal years.
- In times of fiscal uncertainty, the Board of Trustees may, by resolution, waive the clause in this policy of maintaining a ten percent Unrestricted General Fund Balance. Upon recommendation of the College President/CEO, reserves may be utilized to the extent necessary down to a level of five percent of the expenditures of the Unrestricted General Fund. The reduced Unrestricted General Fund Balance must remain at a level no lower than five percent. It is intended that this exception be considered temporary in nature and restoration as stated in the above bulleted clause be implemented;
- If revenues exceed expenditures in any given fiscal year, the College may allocate surplus funds to institutional priorities as determined through the annual planning and budgeting process. Restoration of reserves to the ten percent level, as stated in the above bulleted clause, shall be given priority; and
- Adoption of the final budget by the Board of Trustees acknowledges the College's Mission, goals, plans, and priorities. Budget adoption by the Board of Trustees constitutes legal authority for the receipt and disbursement of funds and the implementation of the budget.

Adopted July 28, 2004

Board Policy

Chapter 6 – Business and Fiscal Affairs

BP 6250 Budget Management

References:

Title 5 Sections 58307 and 58308

The budget shall be managed in accordance with Title 5 and the California Community College Budget and Accounting Manual. Budget revisions shall be made only in accordance with these policies and as provided by law.

Revenues accruing to the College in excess of amounts budgeted shall be added to the College's reserve for contingencies. They are available for appropriation only upon a resolution of the Board of Trustees that sets forth the need according to major budget classifications in accordance with applicable law.

Board of Trustees approval is required for changes between major expenditure classifications. Transfers from the reserve for contingencies to any expenditure classification must be approved by a two-thirds vote of the members of the Board of Trustees. Transfers between expenditure classifications must be approved by a majority vote of the members of the Board of Trustees.

Adopted July 28, 2004

Administrative Procedures

Chapter 6 - Business and Fiscal Affairs

AP 6200 Budget Preparation

References:

Accreditation Standards; Education Code Section 70902(b)(5); Title 5 Sections 58300 et seq.

Budget preparation will be developed using an established process as approved by the College's Budget Committee. A budget preparation calendar will be developed annually, which will include the tentative and final budget deadlines.

The adopted budget will be submitted to the California Community College Chancellor's Office upon the submission of the Annual Financial and Budget Report (CCFS-311) no later than October 10th of each fiscal year.

Administrative Procedures

Chapter 6 - Business and Fiscal Affairs

AP 6250 Budget Management

References:

Title 5 Sections 58307 and 58308

Title 5 requires that budget management conforms to the following minimum standards:

- Total amounts budgeted as the proposed expenditure for each major classification of expenditures shall be the maximum expended for that classification for the academic year, except as specifically authorized by the Board of Trustees.
- Transfers may be made from the reserve for contingencies to any expenditure classification by written resolution of the Board of Trustees, and must be approved by a two-thirds vote of the members of the Board of Trustees.
- Transfers may be made between expenditure classifications by written resolution of the Board of Trustees, and may be approved by a majority of the members of the Board of Trustees.
- Excess funds must be added to the general reserve of the College, and are not available for appropriation except by resolution of the Board of Trustees setting forth the need according to major classification.

Appropriation Transfer Procedures

- A. **General Information:** It is recognized that from time to time after the adoption of the annual budget that the reallocation of certain funds within the budget may become necessary or desirable for efficient operation of the College. Every attempt should be made to hold such transfers to a minimum through good advance planning during budget preparation.
- B. **Procedures:** Whenever a reallocation of funds within the budget is made, it is extremely important that proper procedures are followed to meet legal requirements and maintain proper budgetary controls. The following procedures are designed to meet these objectives and to clarify and standardize the method of requesting and implementing appropriation transfers within the budget:
1. The Budget Control Officer requesting the transfer should obtain a copy of "Request for Appropriation Transfer" Form from Fiscal Services. This request must be submitted prior to the use of the funds (purchase requisition, travel and conference expense, mileage expense, time sheets, revolving cash reimbursement, etc.).
 2. Complete the form as per specified instructions.
 3. The form should include a signature of the "requestor" and should include approval signatures as follows:
 - a. Transfers made between expenditure classifications up to \$1,000 should be approved by the appropriate manager. Transfer made between expenditure

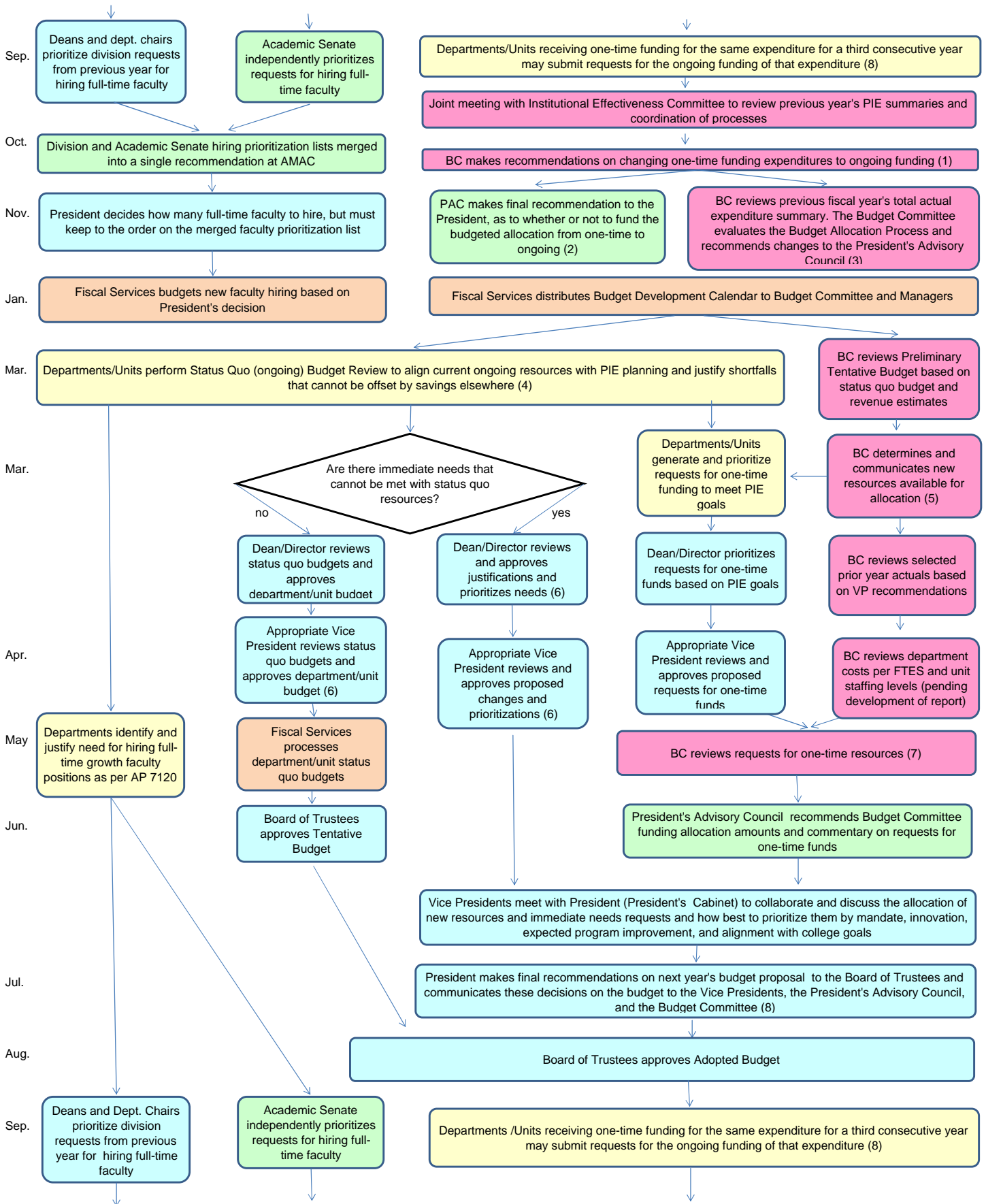
classifications over \$1,000 must be approved by the Vice President of the area or the College President/CEO.

- b. Transfers from regular salary accounts (accounts used to charge permanent employees) regardless of the amount must be approved by the College President/CEO or Vice President of the area requesting the transfer and the Chief Fiscal Officer or designee.
 - c. Transfers from the Faculty Hourly Accounts (Unrestricted General Fund) regardless of the amount must be approved by the Chief Instructional Officer and the Chief Fiscal Officer.
4. After the form is completed with the appropriate approvals, the request should be forwarded to the Fiscal Services Department.
 5. The Fiscal Services Department will submit the "Request for Appropriation Transfer" to the Board of Trustees as pursuant to the California Code of Regulations, Title 5 Section 58307.

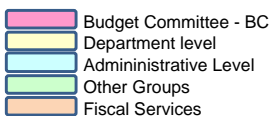
Budget Revision Procedures

- A. **General Information:** The College is continuously looking for opportunities to increase its revenues obtaining categorical programs (grants, entitlements, donations, and other financial assistance) and contracts. This is an ongoing process throughout the year; therefore, there is a need to recognize the receipt of these funds after the adoption of the final budget.
- B. **Procedures:** When a written notification (award letter, contract, agreement, etc.) is received regarding a change (increase or decrease) of funding, it is extremely important that proper procedures are followed to meet legal requirements and maintain proper budgetary controls. The following procedures are designed to meet these objectives and standardize the method of requesting and implementing budget revisions within the budget:
 1. The Program Manager should obtain a copy of the "Request for Budget Revision" Form from Fiscal Services. This request must be submitted prior to the use of the funds (purchase requisition, travel and conference expense, mileage expense, time sheets, revolving cash reimbursement, etc.).
 2. Fiscal Services will assign an appropriate account number for all new programs as needed.
 3. Complete the form as per specified instructions.
 4. The form should include a signature of the "requestor" and must be approved by the appropriate manager and Vice President of the area or the College President/CEO.
 5. After the form is completed with the appropriate approvals, the request should be forwarded to Fiscal Services.
 6. Fiscal Services will submit the "Request for Budget Revision" to the Board of Trustees as pursuant to the California Code of Regulations, Title 5 Section 58308.

Budget Review and Development Process



- (1) Recommendations could include: fund one-time another year, fund for a specified number of years, or fund ongoing.
- (2) If a request for ongoing funding is granted, the amount of the ongoing funding is added to the department/unit's status quo budget for the next year.
- (3) Although recommendations for changing budget processes normally come from the Budget Committee's self-assessment, Title 5 regulations require that changes to budget processes must be mutually agreed upon between the governing board and the Academic Senate.
- (4) Departments should review their goals and last three years of budget expenditures and should determine whether their current budget categories require modification.
- (5) New ongoing funding is generally funded COLA and the funded growth from the prior year. New one-time funding includes the one-time funded growth that was not included in the prior year's budget. This can be announced at any time, but is usually determined in mid-February when the prior year's P1s are available.
- (6) Management review should include a determination as to whether vacant positions can be discontinued.
- (7) The Budget Committee may, but need not, comment on a request for new funds.
- (8) Except for approved staff/management permanent positions, one-time funding requests are not changed to ongoing at this step in the process.



BUDGET REVIEW AND DEVELOPMENT PROCESS GUIDE

Mt. San Antonio College's Budget Review and Development Process provides guidance to the college community regarding the association of college and unit goals to funding allocations. The process is continuous and ongoing; but, for the convenience of the reader, this document will follow a typical calendar year.

After the Governor of California submits an initial budget to the State in January, Fiscal Services will begin to make preliminary projections as to what the College's next budget year might look like. (Appendix A) By the first of March, departments/units can expect to receive a memo from Fiscal Services (Appendix B), which will provide important information and deadlines for the tentative budget development. Included with the memo will be the department's/unit's "Status Quo Budget Sheets" (Appendix C).

What To Do With the Status Quo Budget Sheet(s)

The Status Quo Budget Sheet(s) display the department's/unit's current budget as it was originally allocated in the prior year's Adopted Budget. Based on what has been reported in PIE, the department/unit should decide which line item changes they would need to transfer into the correct account number to better meet their PIE goals without the assumption of any new budget resources. The Status Quo Budget Sheet(s), with or without changes, are then forwarded to the appropriate dean/director to review and approve. The department/unit will generally have about two weeks to accomplish this task.

Immediate Need Request

At times, departments/units will discover that they have an "immediate need." Immediate needs are shortfalls in funding that, unless filled immediately, could cause the program to cease to function. For example, an "immediate need" would occur if an expensive required piece of equipment has broken and cannot be repaired; instruction cannot continue without it, but the department/unit does not have enough available budget to purchase a replacement. If the equipment is so expensive that it would by itself drain much of the supply budget, and so necessary that the program could not continue without it, then it qualifies as an "immediate need." The Immediate Need Request Form (Appendix D) should be submitted to the appropriate dean/director as an attachment to the Status Quo Budget Sheet.

Rate-Driven Increase Request

Departments/units may also experience a need for a budget increase for a reason, which is mandated and out of the department's/unit's control. This type of budget increase is considered a "rate-driven increase." Some examples of rate driven increases include increased cost in equipment maintenance agreements, institutional memberships, insurances, and utilities. Please complete the Rate-Driven Request Form (Appendix E) anytime during the fiscal year when this type of increase occurs. You may request an electronic copy of the Immediate Need Request form and the Rate-Driven Increase from Fiscal Services.

New Resources

By mid-March, the Budget Committee should send out an email announcing whether or not there are any new resources available for allocation. These new resources are generally a combination of the previous year's growth money (which we don't budget for, since the amount the State estimates may change multiple times during most years), funded COLA, and various one-time allocations. It is possible that the Budget Committee will choose to hold some new money in reserve or that new resources will be announced at other times, as they become available.

Once new resources are deemed available, departments/units will be given the opportunity to make a request for new funding to meet their PIE goals. Except for new personnel position requests, this new funding (if granted) will initially be given on a one-time basis. To receive the allocation again for the next fiscal year, the department/unit would need to submit the request again. The request should be forwarded to the appropriate dean/director to review and create a prioritized list of requests under his/her purview.

Where the Paperwork Goes

The Status Quo Budget Sheet(s) will travel from the department/unit, to the dean/director (for review and approval), and to the appropriate vice president (also for review and approval) and returned to Fiscal Services based on the due dates established in the Budget Review and Development Calendar (Appendix F). Once approved, Fiscal Services will make the approved changes to the next year's tentative budget.

If the department/unit returns an “Immediate Needs Request Form,” these requests will be accumulated and presented to President’s Cabinet for discussion. This discussion will usually occur in June, and President’s Cabinet will either approve or disapprove the Immediate Needs. Fiscal Services will notify all departments/units of the outcome of their request(s) (approved or not approved). The Immediate Needs Requests that are approved will be included in the proposed Adopted Budget.

Requests for new resources take a longer path. Departments/units must submit their request(s) using the “The New Resources Allocation Request Form” (Appendix G). The request(s) should be aligned to specific planning goals or activities as defined in the department’s/unit’s PIE process. Each form should also include specific documentation to support the amount requested, such as price quotes from vendors or other proof of price. Also, include any “ongoing” ancillary costs, such as maintenance, annual software license fees, etc. From the department/unit, new resource requests travel to the dean/director (for review, approval, and prioritization) and to the appropriate vice president (for review and prioritization). All new resource requests should be summarized and prioritized by each vice president using the established format developed by Fiscal Services before presenting the request to the Budget Committee. The Budget Committee does not approve new funding requests, but they will review all submitted requests and may attach comments or recommendations to a request, if they choose. These comments and recommendations, if affirmed by the President’s Advisory Council, will travel with the request to President’s Cabinet.

Requests for new academic faculty positions are submitted in the spring semester, but no action is taken on them until the following fall.

Who Decides Whether To Give You Money?

President’s Cabinet consists of the College’s president and vice presidents. This group will discuss the strengths and weaknesses of the submitted new resources allocation and immediate need requests and how best to prioritize by mandate, innovation, expected program improvement, and alignment with college goals. While each vice president advises the president, the final list of what to fund and what to deny is made by the college president. The Budget Committee strongly recommends that the College president allocate the funding of any new resources on a one-time basis. The College’s Board of Trustees generally adopts our budget in August.

Follow-up Happens In Fall

In September, departments/units who have received one-time funding for the same expenditure requested for a third consecutive year may request that expenditure be changed to “ongoing” for the fourth year. These requests go directly to the Budget Committee, which may make a recommendation to keep the funding on a one-time basis, to fund the expenditure for a specified number of years, or to switch the funding to ongoing. This recommendation then needs to be affirmed by PAC and approved by the College president. If the funding is switched to ongoing, then the amount of the ongoing funding will be added to the department’s/unit’s Status Quo Budget during budget preparation for the next fiscal year.

The Budget Committee also spends time in the fall reviewing the previous fiscal year’s actual expenditures, evaluating the effectiveness of the Budget Review and New Resources Allocation Process, and recommending changes, as needed, to the President’s Advisory Council. The Budget Committee also meets with the Institutional Effectiveness Committee annually to review the PIE summaries and coordinate planning efforts.

For academic departments, the new academic faculty requests submitted the previous spring are independently prioritized both by the Academic Senate Executive Board and by the division deans as per AP 7120. In late October, the division and Academic Senate hiring prioritization lists are merged into a single list by the Academic Mutual Agreement Council. Although the College president makes the determination as to the number of new faculty to hire, by agreement the College president will not alter the order of the merged list. The recruitment of new positions for the subsequent fall semester should be able to begin by early January.

Other Budgetary Issues

To fulfill its purpose of developing, recommending, and evaluating policies and processes relating to all aspects of College finances, it is necessary for the Budget Committee to understand the College’s finance structure and to remain informed as to the progress of each year’s budget development. To obtain this information, the Budget Committee undertakes a series of reviews. In March, the Committee shall review the “Preliminary Tentative Budget” based upon the best estimates available to Fiscal Services. This information helps guide the Committee to determine the available new resources for the year. In April, time is spent reviewing the details of the previous year’s actual expenses for selected departments/units. At this time, the selected departments/units are recommended by the vice presidents, and the intended purpose is to educate the members of the Budget Committee. Time is also spent reviewing

relationships across campus, such as department costs per FTES and comparative unit staffing levels.

Communication

An additional goal of the Budget Committee is to communicate to the campus community critical information related to the College's finances, budgeting, and planning.

Budget Committee Calendar:

Spring:

- Reviews Preliminary Tentative Budget (March);
- Determines new resources available for allocation (usually March);
- Communicates expected budget situation, resources, and process to campus community (usually March);
- Reviews details of the previous year's actual expenses for selected departments/units (usually April);
- Reviews relationships across campus (e.g.: department costs per FTES) (usually April);
- Reviews and comments on requests for new one-time resources (May); and
- Reviews Tentative Budget (June)

Summer:

- Meets only if an emergency arises

Fall:

- Makes recommendations on changing one-time funding expenditures to ongoing (October);
- Meets jointly with the Institutional Effectiveness Committee to review PIE summaries and coordinate planning efforts (October);
- Reviews previous fiscal year's total actual expenditure summary from Fiscal Services (November);
- Compares Adopted Budget to previous year's actual expenditures (November);
- Evaluates Budget Allocation Process (November); and
- Makes recommendations on changing budgetary policies and procedures to PAC (December)

Winter:

- Meets only if needed to complete fall activities

History

The Budget Committee originally developed the New Resources Allocation Process and the Budget Review and Development Process during the 2005-06 fiscal year. The goal of this new process was the following:

- Integrate and align the budget process with the College's Planning for Institutional Effectiveness (PIE) process. This process was used for the first time in February 2006 to distribute \$681,009 in one-time funds;
- Define a method for allocating new resources;
- Review of current "Status Quo" budgets;
- Provide budget flexibility within departments, divisions, and teams; and
- Conclude with an annual review of the budget process.

During the 2008-09 fiscal year, the Budget Committee evaluated this process and determined that the process should be more cyclical in nature, as planning and budget development is an ongoing process that occurs on a continual basis. The Budget Committee also determined it would be less confusing to combine the New Resources Allocation Process and the Budget Review and Development Process into the new Budget Review and Development Process.

The Budget Committee plans to implement the new Budget Review and Development Process in March 2010.

**MT. SAN ANTONIO COLLEGE
PERSONNEL BUDGET PROCEDURES**

MANAGEMENT/CLASSIFIED/CONFIDENTIAL POSITIONS

I. VACANCY DUE TO RESIGNATION, RETIREMENT, TERMINATION, PROMOTION

A. Position Budget for Fiscal Year

1. A position which is vacant on July 1 will be budgeted for the next fiscal year at Step 3 of the appropriate salary schedule. If the position is filled with a permanent replacement prior to establishment of the final budget, the position budget will be adjusted to the actual replacement step.
2. A position which becomes vacant subsequent to establishment of the final budget will remain budgeted for the current fiscal year at the range and step of the employee vacating the position.
3. Unexpended funds in the position account at the end of the current fiscal year will revert to the unrestricted general fund contingency.

B. Vacation Payoff

The Department/Unit is responsible for funding employee vacation payoffs in the fiscal year during which the vacancy occurs.

C. Permanent Replacement Costs

The Department/Unit is responsible for funding any costs which exceed the position budget for the fiscal year in which the replacement occurs. The position will be budgeted at the actual replacement step for the subsequent fiscal year.

D. Other Personnel Costs

The Department/Unit may utilize vacant position budget in excess of vacation payoff and permanent replacement costs for any personnel costs.

E. Maximum Duration of Vacancy

Vacant positions must be replaced or eliminated within twelve months of the last paid day of employment of the employee vacating the position. Exceptions must be authorized by President's Cabinet.

II. VACANCY DUE TO UNPAID LEAVE OF ABSENCE

- A. The position will be budgeted for the fiscal year at the employee's regular range, step and percent of employment.
- B. The Department/Unit may utilize vacant position budget in excess of temporary replacement costs for any personnel costs.
- C. Unexpended funds in the position account at the end of the fiscal year will revert to the unrestricted general fund contingency.

**MT. SAN ANTONIO COLLEGE
PERSONNEL BUDGET PROCEDURES**

III. RECLASSIFICATION

A. Temporary Reclassification

From the effective date of the reclassification, for each fiscal year during which the employee is reclassified, the Department/Unit will fund the difference between the employee's regular range and step for the fiscal year and the reclassified range and step for the fiscal year, including longevity and shift differential.

B. Permanent Reclassification

1. From the effective date of the reclassification, for the fiscal year in which the reclassification occurs, the College will fund the difference between the employee's range and step prior to reclassification and the employee's range and step after reclassification, including benefits, longevity and shift differential.

IV. INCREASE IN PERCENTAGE OF EMPLOYMENT

A. Temporary Increase in Percentage of Employment

From the effective date of the increase in percentage of employment, for each fiscal year during which the increased percentage of employment continues, the Department/Unit will fund the difference between the employee's regular percentage of employment and the increased percentage of employment, including benefits, longevity and shift differential.

B. Permanent Increase in Percentage of Employment

1. For the fiscal year in which the increase in percentage of employment occurs, the Department/Unit will fund the difference between the employment percentage prior to the increase and the employment percentage after the increase, including benefits, longevity and shift differential.
2. For the subsequent fiscal year, the cost center's status quo budget allocation will be reduced in an amount equal to the difference between the employment percentage prior to the increase and the employment percentage after the increase, calculated at the employee's range and step, including benefits, longevity and shift differential.

V. ADDITION OR CHANGE IN SHIFT DIFFERENTIAL

- A. For the fiscal year in which the increase in the differential occurs, the Department/Unit will fund the difference between the cost prior to the increased differential and the cost after the increased differential, including benefits, and longevity.
- B. For the subsequent fiscal year, the Department's/Unit's status quo budget allocation will be reduced in an amount equal to the difference between the cost prior to the increased differential and the cost after the increased differential, calculated at the employee's range and step, including benefits, and longevity.

**MT. SAN ANTONIO COLLEGE
PERSONNEL BUDGET PROCEDURES**

VI. PAID MEDICAL LEAVE

The Department/Unit is responsible for funding the cost of temporary replacements while employee is using full sick leave or half-days. If the Department/Unit is unable to cover the replacement costs, a request stating the necessity for the replacement may be submitted to President's Cabinet for approval.

VII. ADDITION OF NEW POSITION (NO EXISTING VACANCY)

The Department/Unit must purchase new positions from the status quo budget allocation in an amount equal to the salary at Step A of the range for the position plus benefits and shift differential (excluding longevity).

VIII. ELIMINATION OF POSITION

The Department/Unit will receive a status quo budget adjustment in an amount equal to the salary at Step 1 of the range plus benefits and shift differential (excluding longevity).

IX. PERSONNEL CHANGES

Fiscal Services will adjust personnel budgets for the following changes that are board approved after the completion of the final budget:

- A. Professional Growth Stipends
- B. Range/Step Corrections
- C. Negotiated Settlements

X. OTHER

- A. Position budgeting and allocation of costs in extenuating circumstances not enumerated above will be determined by the Vice President, Administrative Services in Conjunction with the affected Vice President in a manner consistent with the foregoing provisions.
- B. Each Departments/Units is responsible for over expenditures of their management, classified or confidential salary budgets. In the event of over expenditure, the Department/Unit's carryovers will be used to balance the deficit; if carryovers do not exist or are insufficient, the deficit will be rectified through a repayment plan approved by the Vice President, Administrative Services.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT
2010-2011 **VERY PRELIMINARY** TENTATIVE BUDGET
UNRESTRICTED GENERAL FUND**

SAMPLE

REVENUE BUDGET ASSUMPTIONS

		Fund 11 & 12	Fund 13	Total
2009-10 Apportionment Base		\$ 131,128,984		\$ 131,128,984
Base Apportionment	Possible Apportionment Deficit	(2,000,000)	-	(2,000,000)
COLA	Eliminated by State	-	-	-
Growth	Eliminated by State	-	-	-
2009-10 Total Apportionment Revenue		\$ 129,128,984	\$ -	\$ 129,128,984
Lottery	Projected to Decrease from \$111 to \$??? per FTES (33,489)	3,717,279	-	3,717,279
Interest	To Be Determined	600,000	-	600,000
Nonresident Tuition		2,500,000	-	2,500,000
PT Faculty Office/Health Ins.		65,000	-	65,000
PT Faculty Parity	Possible Decrease from \$672,548 to \$402,548 (2.7%)	402,548	-	402,548
Other Miscellaneous Revenue	Facility Rental, Community Services, Contract Education, Misc. Fees, etc.	637,271	1,706,003	2,343,274
Total Other Revenue		\$ 7,922,098	\$ 1,706,003	\$ 9,628,101
Total Ongoing Revenue Budget		\$ 137,051,082	\$ 1,706,003	\$ 138,757,085

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Appendix A

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT
2010-2011 **VERY PRELIMINARY** TENTATIVE BUDGET
UNRESTRICTED GENERAL FUND**

SAMPLE

EXPENDITURE BUDGET ASSUMPTIONS

Ongoing Expenditure Budget:

		Fund 11 & 12	Fund 13	Total
Base Ongoing Expenditure Budget		\$ 144,399,893	\$ 1,706,003	\$ 146,105,896
	As of the 2009-10 Adopted Budget			
2010-11 Salary Schedule Progression	Estimated Step/Column and Longevity Changes	1,017,958	-	1,017,958
2009-10 Adjunct Salary Schedule Progression	Estimated Step/Column Changes	128,000	-	128,000
2009-10 Noncredit Adjunct Step/Column Placement	Estimated Step/Column Changes	105,000	-	105,000
Misc. Personnel & Benefit Changes		(214,457)	-	(214,457)
Vacant Positions Eliminated	Ongoing Expenditure Savings	(457,017)	-	(457,017)
PERS Employer Rate Increase	Estimated Rate Increase from 9.709% to 10.2%	138,715	-	138,715
Unemployment Insurance Increase	Unsure at this time	-	-	-
Workers' Comp Insurance Increase	Budget Increase based on 2010-11	46,541	-	46,541
Increase in Retiree Health Premiums	Budget Increase based on 2010-11	186,205	-	186,205
Approved Ongoing Budget Increases	Budget Increases Approved by President's Cabinet	144,970	-	144,970
Rate-Driven Increases	Estimated Placeholder	500,000	-	500,000
Revenue Lease Bonds (COPS)	Payoff	(1,281,050)	-	(1,281,050)
Budget Reductions	Ongoing Expenditure Reductions	(4,000,000)		(4,000,000)
Total Ongoing Expenditure Budget		\$ 140,714,758	\$ 1,706,003	\$ 142,420,761

Total Ongoing Budget Surplus/(Deficit)		\$ (3,663,676)	\$ -	\$ (3,663,676)
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**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT
2010-2011 VERY PRELIMINARY TENTATIVE BUDGET
UNRESTRICTED GENERAL FUND**

SAMPLE

One-Time Expenditure Budget Funded from Reserves:

2009-10 Carryover Budgets to 2010-11	2009-10 Purchases in Progress and Carryover Budgets	411,480	1,199,187	1,610,667
Categorical Support	To Be Determined - Amount Budgeted in 2009-10	1,027,382		1,027,382
Total One-Time Expenditure Budget Funded from Reserves		\$ 1,438,862	\$ 1,199,187	\$ 2,638,049

Total Unrestricted General Expenditure Budget	\$ 142,153,620	\$ 2,905,190	\$ 145,058,810
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SUMMARY OF UNRESTRICTED GENERAL FUND RESERVES

Reserves for Contingencies:

		Percentage	Total
Reserve - (10% Board Required)	10% per Board Policy	7.01%	\$ 10,452,085
Designated Reserve - Categorical Backfill	Designated for Categorical Backfill	0.41%	612,948
Undistributed Reserve	Available for Emergencies		-
Total Unrestricted General Fund Reserves		7.42%	\$ 11,065,033



S A M P L E

To: All Department Budget Managers
From: Linda M. Baldwin
Associate Vice President, Fiscal Services
Date: March 1, 2010
Subject: **2010-11 Tentative Budget Development**

Enclosed you will find a copy of the new ***“Guide to Mt. San Antonio College’s Budget Review and Development Process,”*** which was developed by the Budget Committee during the 2008-09 fiscal year and completed prior to the end of the Fall 2009 semester. This guide is intended to give you a “big picture” view of how the planning and budget development processes are integrated and how they continue on an ongoing basis, which is demonstrated visually on the flow chart included in this packet (**Located on Page 9**). Please review the Guide in order to assist budget managers in understanding the annual Budget Review and Development Process. The Budget Committee welcomes any feedback and/or recommendations on how this guide may better serve your needs.

Attached are two copies of your Status Quo Budget Sheets for the **2010-11 Tentative Budget**. The 2010-11 Tentative Budget will be presented to the Board of Trustees for approval on **June 16, 2010**. The personnel budgets have been updated to reflect known personnel changes through January 31, 2010. Changes that occur after this date will be reflected in the 2010-11 Adopted Budget. The budgeted amount for personnel also includes employee step and longevity increases that will be effective in 2010-11. Requested ongoing rate driven increases, which have been received so far during this 2009-10 fiscal year, have also been updated.

Please **do not** include any new one-time or ongoing budget requests on the Status Quo Budget Sheets. The Budget Committee is currently in the process of reviewing the College’s current financial status and will make a recommendation to the President regarding the availability of any new one-time and/or ongoing funds that may be available for allocation for the 2010-11 fiscal year, which is highly unlikely due to the current State Budget crisis and the affect it is having on Mt. SAC. If it is determined that funds are available, information will be distributed at a later time, along with a New Resources Allocations Request form.

Please complete the following steps to assist us with the preparation of the **2010-11 Tentative Budget**:

1. Departments and/or units should review the **“Status Quo Budget 2010-11”** column, which reflects the “ongoing” budget allocation at the present time. Please review your expenditure plans for 2010-11 and adjust your budgets according by transferring budget between accounts. You may review current year actuals by using the online Banner Form **FGIBDST**.
2. Reflect all budget changes based on your anticipated expenditure plans for 2010-11 in the **“Budget Changes 2010-11”** column.
3. Adjust the **“Revised Status Quo Budget 2010-11”** column to reflect the total amount that will be included in the Tentative Budget.

Please follow the specified approval routing and timelines:

1. Once your review and changes have been completed, sign, date, and forward one *original* copy of the Status Quo Budget Sheet(s) to the appropriate Division Dean or Director no later than **Friday, March 12, 2010**.
2. The **Division Dean or Director** should review, sign, and date the Status Quo Budget Sheet(s) and forward to the appropriate Vice President or President no later than **Friday, March 26, 2010**.
3. The **Vice President** should review, sign, and date the Status Quo Budget Sheet(s) and forward to Lanny Arifin, in Fiscal Services, no later than **Monday, April 12, 2010**.

Thank you for your assistance with the budget process and we appreciate your cooperation in meeting the above deadlines. If you have any questions or need assistance, please contact me at ext. 5517 or Rosa Royce at ext. 5530.

**MT. SAN ANTONIO COLLEGE
STATUS QUO BUDGET 2010-2011
Unrestricted General Fund
Fund 11 and 12**

Fund	Org	Account	Program	Activity	ACCOUNT Description	ORG Description	FTE	Range	Acct%	Adopted Budget 2009-10	Status Quo Budget 2010-11	Budget Changes 2010-11	Revised Status Quo Budget 2010-11
11000	347000	111000	110100	1100	Instructional Salaries-Regular	Foreign Languages				882,118	958,876		
					Faculty Position		1.000	J 3	100.00	110,451			
					Faculty Position		1.000	J 3	100.00	102,211			
					Faculty Position		1.000	J 3	100.00	104,211			
					Faculty Position		1.000	J 3	100.00	86,790			
					Faculty Position		1.000	J 3	100.00	99,090			
					Faculty Position		1.000	J 3	100.00	99,090			
					Faculty Position		1.000	J 3	100.00	102,211			
					Faculty Position		1.000	J 3	100.00	102,211			
					Faculty Position		1.000	J 1	100.00	78,970			
					Vacant Position-Professor, Foreign Languages		1.000	J 2	100.00	73,641			
										DETAIL TOTAL	958,876		
11000	347000	115000	110100	1100	Instr Salaries-Sabbatical Leave	Foreign Languages				0	0		
11000	347000	122500	110100	1200	Noninstr Salaries-DC Stipend	Foreign Languages				11,412	12,363		
									50.00	12,363			
										DETAIL TOTAL	12,363		
11000	347000	431000	110100		Instr Supplies and Materials	Foreign Languages				4,520	4,520		
11000	347000	451000	110100		Supplies	Foreign Languages				2,480	2,480		
LOCATION TOTAL										900,530	978,239		

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Reviewed by Department or Unit:	Date:
Reviewed by Division:	Date:
Reviewed by Vice President:	Date:

IMMEDIATE NEED REQUEST

2010 - 2011



REQUESTING: (Unit, Department, Division or Vice President)	
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Location	(Fill-in)	Reviewed By (Signature):
Department or Unit:		
Division:		
Vice President:		

Budget Request(s)	Justification for Request(s)	Funds Requested **			Funding
(List in Priority Order)	An "Immediate Need" is a shortfall in funding that, unless funded immediately, could cause a program to cease to function.	Amount	One-time	Ongoing	Approved
1.					
	Account Number(s):				
2.					
	Account Number(s):				
3.					
	Account Number(s):				

** *Please provide documentation to support the amount requested, such as price quotes from vendor, copy of catalog, etc. Also, include any ancillary costs, such as maintenance, annual software upgrades, etc.*

RATE-DRIVEN INCREASE REQUEST

2010 - 2011



REQUESTING: (Unit, Department, Division or Vice President)	
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Location	(Fill-in)	Reviewed By (Signature):
Department or Unit:		
Division:		
Vice President:		

Budget Request(s)	Justification for Request(s)	Funds Requested **			Funding
(List in Priority Order)	A "Rate-Driven Increase" is for a reason, which is mandated and out of the Department's/Unit's Control. A "Rate-Driven Increase" may be submitted (with supporting documentation), <u>anytime</u> during the fiscal year.	Amount	One-time	Ongoing	Approved
1.					
	Account Number(s):				
2.					
	Account Number(s):				
3.					
	Account Number(s):				

**** Please provide documentation to support the amount requested, such as the prior and current year's invoice. (Which supports the increase)
Examples of Rate Driven Increases are existing maintenance agreements, memberships, utilities. (Not a cost increase in a supply item)**

2010-11 BUDGET DEVELOPMENT CALENDAR

DESCRIPTION OF TASK
Fiscal Services Updates and Projects Personnel Budget (Changes through January 31, 2010)
Fiscal Services Distributes Status Quo Budget Sheets to Departments for Tentative Budget Changes
Fiscal Services Prepares Preliminary Tentative Budget
Budget Committee Reviews Preliminary Tentative Budget
Departments Complete Status Quo Budget Review and Immediate Needs Requests; Then Send to Deans/Directors
Budget Committee Determines and Communicates New Resources Available
Communication Sent Campuswide Regarding Available New Resources and Process
Departments Prioritize Requests for One-Time Funding to Meet PIE Goals
Deans/Directors Review and Approve Department's Status Quo Budgets and Immediate Needs; Then Send to VPs
Vice Presidents Review and Approve Department's Status Quo Budgets and Immediate Needs; Then Send to Fiscal
Deans/Directors Prioritize Department's New Resource Allocation Requests
Vice Presidents Prioritize Team's New Resource Allocation Requests
Budget Committee Reviews New Resource Allocation Requests
Budget Committee Finalizes Review of New Resource Allocation Requests
President's Advisory Council Reviews and Recommends Budget Committee's Resource Allocations
Fiscal Services Completes the Tentative Budget and Prepares Board Agenda Item
Budget Committee Reviews the Completed Tentative Budget
Tentative Budget Submitted for Board Approval
President's Cabinet Collaborates Regarding Allocation of New Resources and Immediate Needs
President Makes Final Decision on New Resources and Immediate Needs Requests Based on Recommendations from the Budget Committee, President's Advisory Council, and President's Cabinet.
Fiscal Services' Deadline for 2009-10 Year End Closing
Board of Trustees Approves Adopted Budget

* **Note:** Dates revised due to the date change of the June Board Meeting from 6-23-10 to 6-16-10

RESPONSIBILITY:

Budget Committee



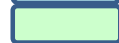
Department level



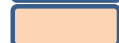
Administrative Level



Other Groups



Fiscal Services



NEW RESOURCES ALLOCATION REQUEST

2010 - 2011

REQUESTING: (Unit, Department, Division or Vice President)	
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Location	(Fill-in)	Reviewed By (Signature):
Department or Unit:		
Division:		
Vice President:		



Budget Request(s)	Description of Request(s)	Funds Requested **			Funding Approved
		Amount	One-time	Ongoing	
1.			X	N/A	
Account Number(s):					
2.			X	N/A	
Account Number(s):					
3.			X	N/A	
Account Number(s):					

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Appendix G

** Please provide documentation to support the amount requested, such as price quotes from vendor, copy of catalog, etc. Also, include any ancillary costs, such as maintenance, annual software upgrades, etc.

**MT. SAN ANTONIO COLLEGE
BANNER ACCOUNT CODE STRUCTURE**

Banner Account Code Structure:

<i>Fund Type (2)</i>	<i>Fund (5)</i>	<i>Org (6)</i>	<i>Account (6)</i>	<i>Program (6)</i>	<i>Activity (4)</i>
XX	XXXXX	XXXXXX	XXXXXX	XXXXXX	XXXX

Fiscal Services Use Only

The **Fund** is used to segregate financial information based on the source and purpose of funds.

The **Org** is used to segregate financial information based on organizational structure.

The **Account** is used as a uniform method of classifying categories of revenues and expenditures. Note: The California Community Colleges Budget and Accounting Manual refers to the Account as the Object. The major object codes are defined by the California Community Colleges Budget and Manual.

The **Program** segregates institutional functions or operations related to instructional and non-instructional services. Note: The California Community Colleges Budget and Accounting Manual refers to the Program as the Activity. The activity codes are defined by the California Community Colleges Budget and Accounting Manual and correlate with the Taxonomy of Programs (TOPS) codes, which are assigned to courses.

The **Activity** field is used to segregate instructional and non-instructional salaries and benefits for State reporting purposes.

MT. SAN ANTONIO COLLEGE CHART OF ACCOUNTS

You may request an electronic copy of the following Hierarchy Reports from Fiscal Services:

The **Fund Hierarchy Report** is used to segregate financial information based on the source and purpose of funds.

The **Organization Hierarchy Report** is used to segregate financial information based on organizational structure.

The **Account Hierarchy Report** is used as a uniform method of classifying categories of revenues and expenditures.

Note: The California Community Colleges Budget and Accounting Manual refers to the Account as the Object. The major object codes are defined by the California Community Colleges Budget and Manual.

The **Program Hierarchy Report** segregates institutional functions or operations related to instructional and non-instructional services.

Note: The California Community Colleges Budget and Accounting Manual refers to the Program as the Activity. The activity codes are defined by the California Community Colleges Budget and Accounting Manual and correlate with the Taxonomy of Programs (TOPS) codes, which are assigned to courses.

The **Activity** field is used to segregate instructional and non-instructional salaries and benefits for State reporting purposes.