

BUDGET COMMITTEE

MEETING AGENDA

October 21, 2015

3:00 p.m.



Location: Building 4, Conference Rm. #2460

Time: 3:00 p.m. – 4:30 p.m.

Committee Members:

Mike Gregoryk, Chair	Martin Ramey	Elizabeth Contreras (Student)	Bill Scroggins (Guest)
Dan Smith, Co-Chair	Rosa Royce	Beverly Yan (Student)	
Irene Malmgren	Justin Ott		
Audrey Yamagata-Noji	Michael Sanetrick		Kerry Martinez (Notes)
Mark Fernandez	Lance Heard		
Gary Nellesen	Lisa Romo		

AGENDA ITEMS:

- 1. Agenda Check**
- 2. Review Budget Committee Meeting Summary of October 7, 2015**
- 3. Discuss Agenda Items for Joint Committee Meeting on November 4, 2015, Budget Committee and Institutional Effectiveness Committee (IEC)**
- 4. Discuss Request for Evidence from the Standard IV.A Writing Team**
- 5. Dan Smith's Report Back from President's Advisory Committee (PAC) After Receiving Recommendations from the Budget Committee Regarding:**
 - BP6200**
 - BP6250**
 - AP6250**

**Mt. San Antonio College
Budget Committee
Summary of October 21, 2015**

Committee Members:		
<input checked="" type="checkbox"/> Mike Gregoryk, Chair <input checked="" type="checkbox"/> Dan Smith, Co-Chair <input checked="" type="checkbox"/> Irene Malmgren <input checked="" type="checkbox"/> Audrey Yamagata-Noji	<input type="checkbox"/> Martin Ramey <input checked="" type="checkbox"/> Mark Fernandez <input checked="" type="checkbox"/> Rosa Royce <input checked="" type="checkbox"/> Lance Heard <input type="checkbox"/> Lisa Romo	
<input checked="" type="checkbox"/> Elizabeth Contreras(Student) <input checked="" type="checkbox"/> Beverly Yan (Student) <input type="checkbox"/> Justin Ott <input checked="" type="checkbox"/> Gary Nellesen	<input type="checkbox"/> Michael Sanetrick <input type="checkbox"/> Bill Scroggins (Guest) <input checked="" type="checkbox"/> Kerry Martinez (Notes)	
ITEM	DISCUSSION/COMMENTS	ACTION/OUTCOME
1. Agenda Check		Approved, as presented.
2. Review Budget Committee Meeting Summary of October 7, 2015	<p>The Budget Committee Meeting Summary of October 7, 2015, was approved with one correction. Gary Nellesen was present at the October 7 meeting and was marked as absent.</p>	Approved, with one correction.
3. Discuss Agenda Items for Joint Committee Meeting on November 4, 2015, Budget Committee and Institutional Effectiveness Committee (IEC)	<p>The committee agreed on the following Agenda items:</p> <ol style="list-style-type: none"> 1. Overview of PIE Process and Timeline <ul style="list-style-type: none"> • Institutional Effectiveness (IEC) 2. Overview of Budget Review and Development Process and Timeline <ul style="list-style-type: none"> • Budget Committee 3. Discuss the 2014-16 Mt. SAC Strategic Plan Process and Timeline 4. Discussion 	
4. Discuss Request for Evidence from the Standard IV.A Writing Team	<p>The Budget Committee discussed a notification received from Lance Heard of the Standard IV.A Writing Team. Mike Gregoryk noted that Classified was not included in the team request for evidence where it asks to show how well the specific policy and procedure that your unit is guided by describes your roles as faculty and administrators. The Budget Committee members noted evidence such as AP6200, the Budget Committee's Purpose and Function Statement, and the fact that Faculty, Administrators, and Classified serve on</p>	

	<p>the Budget Committee. Lance stated he has a good start and will notify the committee if more evidence is needed.</p>	
<p>5. Dan Smith's Report Back from the President's Advisory Committee (PAC) After Receiving Recommendations from the Budget Committee Regarding: BP6200 BP6250 AP6250</p>	<p>Dan Smith noted changes that PAC recommended on BP 6200 Budget Preparation:</p> <ul style="list-style-type: none"> In the second to the last bullet point on the first page, removing the language (in bold font) that says: 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. <p>The committee agreed to removing this language with revisions made to the next bullet point as follows (in bold font):</p> <ul style="list-style-type: none"> Recognizing that expenditures fluctuate and that income is not fully ascertained until the following year, it is the College's goal to manage this dynamic process to assure that actual total income for the year exceeds is not below total expenditures. <p>Irene Malmgren asked why they wanted to remove this language. Lance Heard said he remembered discussion from the faculty about it not being appropriate for a public agency to earn money, the idea is that we should be balanced, it would be perceived as public revenues and having a surplus doesn't speak to that. Mike Gregoryk stated when looking at the budget process, what ends up happening is that there are a number of vacancies that don't get filled during the year. This is where the revenue over expenses happens but the College doesn't do the budget based upon that. Mike explained that the College has an Adopted Budget in September and any new revenue that is not in that budget goes into the reserves and then it can be allocated if the College chooses to do that. That is part of the variance that happens.</p> <p>Dan also noted that the last bullet point on the first page should be deleted</p>	<p>Approved, with noted revisions.</p>

because of the goal of having a balanced budget in the previous bullet point. This talks about going beyond the balanced budget. Rosa Royce noted with this change what will happen is that the College will be allocating more expenditures. If the revenues exceed the expenditures and the College has to have a balanced budget, we will have to allocate the expenditures and then have a balanced budget. Irene asked if this means the College will be forced to spend money. She thought this paragraph was talking about budget development. Rosa noted they are talking about estimates. Mike gave an example of what can happen; it's October and the College has an extra \$200,000; you can budget the revenue of \$200,000 and then the \$200,000 can then go into the reserve. Lance asked why it can't go into the reserve and still be a balanced budget. The definition of a balanced budget is revenues equal expenditures.

Dan noted PAC made a comment regarding the fourth bullet point on the second page; there were questions about what this bullet point means, is this about restoration of reserves? If so, it is not clear. Irene said this is not how she understands this bullet point. Mike already addressed allocating surplus funds to institutional priorities. Mike explained how surplus funds are added to the reserves and then allocated. Mike stated this actually happens in PIE. This is a Board policy. Irene noted that this bullet point reflects the current budget process of managing money prior to adopting the budget. The committee agreed to change the language in this bullet point as follows (in bold font):

- Prior to adoption of the annual budget, if **estimated** revenues exceed **estimated** expenditures, the College may allocate surplus funds to institutional priorities as determined through the annual planning and budgeting process.

Dan reviewed BP6250 with the Budget Committee. PAC asked about the paragraph that noted 5% and 10%; of what? Rosa stated that is 5% and 10% of total expenditures. This is the recommendation of the Chancellor's Office in an advisory on their website. The committee noted in the

	<p>paragraph that's titled MOVED FROM BP6200, changes should be made as follows (in bold font):</p> <p>To ensure ongoing fiscal health and stability, the District should maintain the total Unrestricted General Fund Balance ("reserves") at not less than ten percent (10%) of total expenditures. Upon recommendation of the College President/CEO, the Board of Trustees may, by resolution, waive this requirement and permit reserves to be reduced to not less than five percent (5%) of total expenditures. If the reserves become less than ten percent (10%) of total expenditures, the College will present a plan within 120 days to restore the reserves within two fiscal years.</p> <p>Dan reviewed AP6250 with the committee and said that PAC noted in the second bullet point that Title 5 does not require a two-thirds vote. Rosa stated they reviewed this previously and didn't find a problem. The committee reviewed Title 5 Section 58307 and verified two-thirds vote is required.</p> <p>Dan also noted that PAC asked about the section regarding the online Appropriation Transfers; if it is electronic or paper. The committee agreed that everything is called a form whether online or paper. No changes are needed in this paragraph.</p> <p>Dan noted in paragraph a. at the top of the second page, PAC suggested it to read: equal to or at least \$5,000. Irene says equal to or over is clearer than at least. Gary Nellesen suggested revisions to the language as follows (in bold font):</p> <ul style="list-style-type: none">• less than \$5,000 should be approved by the appropriate manager. Transfers made between expenditure classifications that are greater than or equal to \$5,000 must be approved by the Vice President of the area or the College President/CEO. <p>The committee agreed to make these changes.</p>
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	<p>Dan noted item number 4 on the second page; change the word should to shall. The committee agreed.</p> <p>Dan noted paragraph A on the second page. General Information: The College is continuously looking for opportunities to increase its revenues by obtaining grants, entitlements, donations, and other financial assistance and contracts. The committee agreed.</p> <p>Dan noted item number 4 on the third page, change the word should to shall. The committee agreed.</p>
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FUTURE AGENDA ITEMS

- Review Approved 2015-16 New Resources Allocation Requests

FUTURE MEETING DATES

November 4, 2015 - Joint Committee Meeting with Institutional Effectiveness Committee (IEC)
 November 18, 2015 – cancelled due to Expanded PAC Meeting conflict
 December 2, 2015
 December 16, 2015

**Mt. San Ar. nio College
Budget Committee
Summary of October 7, 2015**

Committee Members:		
<input checked="" type="checkbox"/> Mike Gregoryk, Chair <input checked="" type="checkbox"/> Dan Smith, Co-Chair <input checked="" type="checkbox"/> Jennifer Galbraith for Irene Malmgren <input type="checkbox"/> Audrey Yamagata-Noji	<input checked="" type="checkbox"/> Martin Ramey <input checked="" type="checkbox"/> Mark Fernandez <input checked="" type="checkbox"/> Rosa Royce <input checked="" type="checkbox"/> Lance Heard <input type="checkbox"/> Lisa Romo	
<input checked="" type="checkbox"/> Elizabeth Contreras(Student) <input checked="" type="checkbox"/> Beverly Yan (Student) <input type="checkbox"/> Justin Ott <input type="checkbox"/> Gary Nellesen	<input checked="" type="checkbox"/> Michael Sanetrick <input type="checkbox"/> Bill Scroggins (Guest) <input checked="" type="checkbox"/> Kerry Martinez (Notes)	
ITEM	DISCUSSION/COMMENTS	ACTION/OUTCOME
1. Agenda Check	Beverly Yen introduced herself as a new member of the Budget Committee, representing the Associated Students. Mike Gregoryk welcomed her to the Budget Committee.	Approved, as presented.
2. Review Budget Committee Meeting Summary of September 16, 2015	The Budget Committee Meeting Summary of September 16, 2015, was approved with one correction. Michael Sanetrick was present at the September 16 meeting and was marked as absent.	Approved, with one correction.
3. Prepare 2015-16 Budget Committee Goal and Progress Report, Purpose and Function	The Budget Committee reviewed the current Goal and Progress Report, and the Purpose and Function statement. They agreed to submit the following revisions: <u>Purpose</u> The Budget Committee is the primary governance body for developing, recommending, and evaluating policies and procedures relating to institutional planning and its integration link to the budget process and all aspects of College finances. <u>Function</u>	Approved with revisions.
There was just one change on item No. 5; to remove the reference (ACGJG Standard I.B.3) :		

	<p><u>Membership (14)</u></p> <p>The Membership was updated and approved by the Budget Committee.</p> <p><u>Committee Goals</u></p> <p>The Budget Committee agreed to the following goals:</p> <p>GOAL #1: Maintain the Budget Committee website to ensure it is accurate, complete, and current.</p> <p>GOAL #2: Review and Revise the Budget Review and Development Process to align and integrate with campus-wide planning processes and the Strategic Plan process and timelines.</p> <p>GOAL #3: Review, evaluate, and make recommendations for the OPEB Trust (Retirees Health Benefits) so the Trust will continue to meet its funding goals.</p> <p>GOAL #4: Review and make recommendations for a PERS/STRS Trust to meet its funding goals.</p> <p>GOAL #5: Improve communication about budget issues to the campus and community. by utilizing technology and collaborating with the Marketing Department.</p>	<p>4. Review Recommendations from Budget Sub-committee Regarding BP6200, BP6250, and AP6250</p>	<p>Dan Smith will represent the Budget Committee in President's Advisory Council (PAC) and bring the recommendations on these three items to them for review.</p>
	<p>Budget Sub-committee members Mark Fernandez, Martin Ramey, Rosa Royce, and Daniel Smith gave the following recommendations for BP 6250 Budget Management: Rosa noted that the committee analyzed BP 6250 very thoroughly. It was noted that the goal was to consolidate and make these policies less confusing by simplifying them.</p> <p>Paragraph 1: The Sub-committee agreed to remove this paragraph.</p> <p>Paragraph 2: The Sub-committee would like to have feedback from the Budget Committee on the use of the work "should" versus the use of the words "must" or "shall". The understanding is that "must" and "shall" mean required and "should" indicates a recommendation and provides more flexibility to the Board of Trustees. What is the degree of strength given to the 10% reserves mandate? The Budget Committee agreed that the language used in Paragraph 2 will be "shall."</p>		

	<p>Paragraph 3: The Sub-committee agreed to remove this paragraph.</p> <p>Paragraph 4: The Sub-committee agreed to remove this paragraph. The Sub-committee recommended the rewording of the paragraph in red font and to include the revised paragraph in BP 6200 Budget Preparation. This revised language aligns to BP 6200 because it describes part of the process of the development of the annual budget prior to adoption.</p>
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FUTURE AGENDA ITEMS

- Review Approved 2015-16 New Resources Allocation Requests
- Budget Subcommittee's Report Back from President's Advisory Committee (PAC) After Receiving Recommendations from Budget Committee Regarding BP6200, BP6250, and AP6250
- Discuss Agenda Items for Joint Committee Meeting on November 4, 2015, Budget Committee and Institutional Effectiveness Committee (IEC)
- Discuss Request for Evidence from the Standard IV.A Writing Team

FUTURE MEETING DATES

October 21, 2015
November 4, 2015 - Joint Committee Meeting with Institutional Effectiveness Committee (IEC)
November 18, 2015 – cancelled due to Expanded PAC Meeting conflict

**JOINT COMMITTEES
MEETING/BUDGET
AND
INSTITUTIONAL
EFFECTIVENESS**

MEETING AGENDA

November 5, 2014



Location: Conference Room Building 4, Room 2440

Time: 3:30 p.m. – 5:30 p.m.

Budget Committee Members:

Mike Gregoryk, Chair
Richard McGowan, Co-Chair
Irene Malmgren
Audrey Yamagata-Noji

Mark Fernandez
Martin Ramey
Rosa Royce
Michael Sanetrick

Johnny Jauregui
Gary Nellesen
Lance Heard
Fernando Aguayo
(Student)

Gisela Carrillo Lopez
(Student)
Lisa Romo
Bill Scroggins (Guest)
Kerry Martinez (Notes)

Institutional Effectiveness Committee Members:

Irene Malmgren
Barbara McNeice-Stallard
Meghan Chen
Annel Medina

Grace Hanson
Kristina Allende
Stacy Bacigalupi/
Emily Woolery

Dan Smith
Kate Morales
Paul Kittle
Don Sciore (Guest)

Cesar Castaneda
Cassandra Marcelo
(Student)
Sally Fenton (Notes)

- 1. Discuss the Proposed 2014-2016 Mt. SAC Strategic Plan Process and Timeline**
- 2. Overview of PIE Process and Timeline**
Institutional Effectiveness Committee (IEC)
- 3. Overview of Budget Review and Development Process and Timeline**
Budget Committee
- 4. Discussion**

Accreditation Evidence Request

Lance Heard

to:

Kerry Martinez, Daniel Smith, Michael Gregoryk

10/15/2015 07:51 AM

Hide Details

From: Lance Heard/PublicSvcs/TechHealthDiv/MtSAC

To: Kerry Martinez/AdminSvcs/MtSAC@MtSAC, Daniel Smith/Art/ArtsDivision/MtSAC@MtSAC, Michael Gregoryk/AdminSvcs/MtSAC@MtSAC

The Standard IV.A Writing Team requests information from you regarding the below standard.

Please respond by October 22nd.

The team is particularly interested in evidence that would show **how well** the specific policy and procedure that your unit is guided by describes your roles as faculty and administrators.

Standard IV.A.3 Administrators and faculty, through policy and procedures, have a substantive and clearly defined role in institutional governance and exercise a substantial voice in institutional policies, planning, and **budget** that relate to their areas of responsibility and expertise.

What do institutional policies and procedures describe as the roles for each group in governance, including planning and budget development?

Lance Heard
Mt. San Antonio College
(909) 274-4515

BP 6250 Budget Management
Budget Sub-Committee Recommendation
October 7, 2015

Budget Sub-Committee: Mark Fernandez, Martin Ramey, Rosa Royce, and Daniel Smith

The review of the proposed changes for some of the paragraphs of “BP 6250 Budget Management” were numbered from one to four. This was done to facilitate discussion and analysis. The changes proposed by the Sub-Committee are highlighted in yellow. The Sub-Committee will need the Budget Committee’s feedback for the items in red font.

The following are the Sub-Committee’s recommendations and needed Budget Committee feedback:

Paragraph 1:

The Sub-Committee agreed to remove this paragraph.

Paragraph 2:

The Sub-Committee would like to have feedback from the Budget Committee on the use of the word “**should**” versus the use of the words “must” or “shall”. The understanding is that “must” and “shall” mean required and “should” indicates a recommendation and provides more flexibility to the Board of Trustees. What is the degree of strength given to the 10% reserves mandate?

Paragraph 3:

The Sub-Committee agreed to remove this paragraph.

Paragraph 4:

The Sub-Committee agreed to remove this paragraph.

The Sub-Committee recommends to reword the paragraph in red font and include the revised paragraph to BP 6200 Budget Preparation. This revised language aligns to BP 6200 because it describes part of the process of the development of the annual budget prior to adoption. Please see the attached proposed changes to BP 6200.

Chapter 6 – Business and Fiscal Affairs

BP 6250 Budget Management

References:

Title 5 Sections 58307 and 58308; BP 6200

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.

The following steps will be taken to maintain the District's unrestricted general reserves as no less than 10% of expenditures. (A prudent reserve is defined by the California Community College Chancellor's Office no less than 5%.)

MOVED FROM BP 6200

To assure ensure ongoing fiscal health and stability, every effort shall be made to the District should maintain the total Unrestricted General Fund Balance ("reserves") at not less than ten percent (10%) of expenditures. Upon recommendation of the College President/CEO, the Board of Trustees may, by resolution, waive this requirement and permit reserves to be reduced to not less than five percent (5%). If the reserves General Fund Balance becomes less than ten percent (10%), the College will present a plan within 120 days to restore the reserves deficit or shortage within two fiscal years.

MOVED FROM BP 6200

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 above be implemented.

MOVED FROM BP 6200

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.

Approved: July 28, 2004

Revised: Academic Senate May 7, 2015

Chapter 6 – Business and Fiscal Affairs

BP 6200 Budget Preparation

References:

Education Code Section 70902(b)(5); Title 5 Sections 58300 et seq.; BP 6250

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~~
- Prior to adoption of the annual budget, if revenues exceed expenditures, the College may allocate surplus funds to institutional priorities as determined through the annual planning and budgeting process.
- 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

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.

Comment [NC1]: This doesn't seem to be correct, Title 5 does not require this.

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:

Electronic? or Paper form?

Comment [NC2]: This section should reflect the new procedure for online Appropriations Transfers.

a. Transfers made between expenditure classifications up to ~~\$1,000~~ **\$4,999** should be approved by the appropriate manager. Transfers made between expenditure classifications equal to or over ~~\$1,000~~ **\$5,000** must be approved by the Vice President of the area or the College President/CEO.

Comment [NC3]: Should read: "of at least"

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.

d. All transfers from the Fund Balance (Reserves), Unrestricted General Fund must be approved by the Vice President of Administrative Services and the Chief Fiscal Officer.

4. After the form is completed with the appropriate approvals, the request ~~should be forwarded~~ **routed** to the Fiscal Services Department.

Comment [NC4]: Should read: "shall"

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.

Comment [NC5]: Should read: "by obtaining grants, entitlements, donations, and other financial assistance and contracts."

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.~~

4. The form should include a signature of the "requestor" and should include approval signatures as follows:

Comment [NC6]: Should read: "shall"

a. Budget Revisions up to \$4,999 should be approved by the appropriate manager. Budget Revisions equal to or over \$5,000 must be approved by the College President/CEO or the Vice President of the area requesting the budget revision and the Chief Fiscal Officer.

b. Budget Revisions that include regular salary accounts (accounts used to charge permanent employees) regardless of the amount must be approved by the College President/CEO or the Vice President of the area requesting the transfer and the Chief Fiscal Officer or designee.

c. All Budget Revisions that increase or decrease the Fund Balance (Reserves), Unrestricted General Fund must be approved by the Vice President of Administrative Services and the Chief Fiscal Officer.

5. After the form is completed with the appropriate approvals, the request should be ~~forwarded~~ **routed** 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.

Reviewed: Budget Committee, September 23, 2015

