

BUDGET COMMITTEE

MEETING AGENDA

December 3, 2014

3:00 p.m.



Location: Building 4, Conference Rm. #2460

Time: 3:00 p.m. – 4:30 p.m.

Committee Members:

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

Gary Nellesen
Martin Ramey
Rosa Royce
Johnny Jauregui
Michael Sanetrick
Lance Heard

Fernando Aguayo (Student)
Gisela Carrillo-Lopez (Student)

Bill Scroggins (Guest)

Kerry Martinez (Notes)

AGENDA ITEMS:

- 1. Agenda Check**
- 2. Review Budget Committee Meeting Summary of November 19, 2014**
- 3. Review Budget Development Guidelines and Immediate Needs Process**
- 4. Budget Committee's Role and Procedures for Reviewing New Resource Allocations**
- 5. Statement from the Budget Committee to President's Cabinet – Ongoing Structural Deficit**

**Mt. San Antonio College
Budget Committee
Summary of December 3, 2014**

Committee Members:		
<input type="checkbox"/> Mike Gregoryk, Chair <input checked="" type="checkbox"/> Richard McGowan, Co-Chair <input checked="" type="checkbox"/> Irene Malmgren <input checked="" 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	
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ITEM	DISCUSSION/COMMENTS	ACTION/OUTCOME
1. Agenda Check	<p>The Budget Committee members discussed the previously scheduled Budget Committee meeting on December 17, 2014. Many members will not be able to attend. Kerry will send out a cancellation notice.</p> <p>The Budget Committee Meeting Summary of November 19, 2014, was approved, as presented.</p>	<p>Approved, as presented.</p> <p>Approved, as presented.</p>
3. Review Budget Development Guidelines and Immediate Needs Process	<p>Richard McGowan read an e-mail from Mark Fernandez that was sent to the Budget Committee members suggesting a review of the Budget Development Guidelines which does not align with the new Budget calendar or current practice. In the meeting packet is a copy of the official Budget Review and Development Process Guidelines that have not been revised and updated since implementation. The Budget Committee reviewed the official guidelines and requested a review of the revised BP 6200 and AP 6250, which are currently in the approval process.</p> <p>Richard noted a process on the original Budget Calendar that states the Budget Committee makes recommendations on changing one-time expenditures to ongoing. Richard asked if that is on the current calendar. Rosa Royce stated over the years it was agreed that the Budget Committee should review the processes and not make recommendations. Richard stated the Budget Committee has deviated from the process so he suggests a return to the correct process or propose a new process.</p>	

	<p>Rosa stated the calendar and narrative need to be reviewed because there are discrepancies between the two. The narrative should be revised and then the calendar can be adjusted. It was pointed out that the original process says new personnel positions should not be funded with one-time funding, which is currently happening. Audrey Yamagata-Noji noted that the guidelines were written when the College didn't have any money so it couldn't be put into practice until several years later.</p> <p>Richard asked the Budget Committee members if they would like to form a sub-committee to review and revise the Budget Development Guidelines and develop a timeline. Lance Heard, Rosa Royce, Richard McGowan, and Mark Fernandez volunteered to be sub-committee members. These meetings will be scheduled in January and the goal is to have some revisions to review at the March 4, 2015, Budget Committee meeting. Audrey suggested having our student representatives present the Associated Students budget process sometime in the spring.</p>
<p>4. Budget Committee's Role and Procedures for Reviewing New Resource Allocations</p>	<p>The Budget Committee discussed the fact that the current Guidelines state the Budget Committee "determines" rather than "recommends" the funding of New Resource Allocations. The Budget Committee agreed that this should be included in the guideline review by the Sub-Committee.</p>
<p>5. Statement from the Budget Committee to President's Cabinet – Ongoing Structural Deficit</p>	<p>Richard stated this is another project. Rosa stated the reasons for the differences can be found on the variance report in the Adopted Budget. Audrey suggested Rosa give another presentation, as she did last year, to help the Budget Committee understand the ongoing structural deficit. Rosa said she may be able to put together a small summarized explanation, or maybe a "fact sheet" placed on the Budget Committee website that makes it easier for people to understand the variances. Richard suggested the Budget Committee make a statement saying with the new incoming state funds, the Budget Committee recommends that the College no longer budget deficits and instead have a balanced budget every year. Rosa stated this is already in our Board Policy.</p>

FUTURE AGENDA ITEMS:

- Budget Review and Development Process Guidelines – Report from Sub-Committee
- Associated Students Budget Presentation

FUTURE MEETING DATES:

- February 18, 2015 (Sub-Committee Only)
- March 4, 2015

**Mt. San Antonio College
Budget Committee
Summary of November 19, 2014**

Committee Members:		
<input type="checkbox"/> Mike Gregoryk, Chair <input checked="" type="checkbox"/> Richard McGowan, Co-Chair <input checked="" type="checkbox"/> Irene Malmgren <input checked="" type="checkbox"/> Audrey Yamagata-Noji	<input checked="" type="checkbox"/> Martin Ramey <input checked="" type="checkbox"/> Mark Fernandez <input checked="" type="checkbox"/> Rosa Royce <input type="checkbox"/> Lance Heard	
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ITEM	DISCUSSION/COMMENTS	ACTION/OUTCOME
1. Agenda Check	<p>Mark Fernandez requested that Item No. 3. on the Agenda be revised to Review Revised Budget Calendar and make Budget Development Guidelines a separate item No. 4. He also asked that the following item be added as No. 6: Budget Committee's Role and Procedures for Reviewing the New Resource Allocations.</p>	Approved, with one change and one addition.
2. Review Budget Committee Meeting Summary of October 15, 2014	<p>The Budget Committee Meeting Summary of October 15, 2014, was approved, with one correction in Item No. 5 to read: Richard charted the actual deficit in comparison to the Adopted Budget deficits for the years 2011-12, 2012-13, and 2013-14. The actual deficit has been declining while the budgeted deficits have been increasing.</p>	Approved, with one correction.
Review Joint Committees Meeting Budget and Institutional Effectiveness Summary of November 5, 2014	<p>The Joint Committees Meeting – Budget and Institutional Effectiveness Summary of November 5, 2014, was approved, as presented.</p> <p>Budget committee members discussed the PIE document and how they appreciate the work put in to it. The need to add measurable outcomes in PIE that will include all areas was discussed. Irene stated that the Institutional Effectiveness Committee (IEC) understands the needs and are working on changing the format and language to include measurable outcomes for all areas of the College.</p>	Approved, as presented.
3. Review Revised Budget Calendar	<p>Rosa Royce reviewed with the Budget Committee members the revised Budget Calendar. Rosa explained that she and Richard met and built the Budget Calendar for the 2015-16 fiscal year. Rosa identified three new tasks that were added at the bottom of the calendar, per Dr. Scroggins request.</p>	

	<p>Gary Nellesen made comments regarding the calendar and stated he likes the idea of President's Cabinet making decisions about activities that were funded on a one-time basis in time for them to be continued in the expense budget for the next fiscal year but he feels that the College should try to get out of the business of funding positions on a one-time basis. He thinks the Budget Committee can make a strong statement in that direction. June is too late to have President's Cabinet make their final decision regarding positions that were previously funded as one-time on New Resources Allocation Requests, if funding is not granted. Rosa said this issue needs to be discussed when reviewing the Budget Development Guidelines because there is currently a process for this which the College is not following.</p> <p>Mark Fernandez stated there needs to be a clear definition of what a New Resource Allocation is and what the requirements are to define whether or not they should be ongoing or one-time. It was also suggested the parameters of Immediate Needs requests be discussed also. The committee also had a discussion on how the College funds growth.</p> <p>Rosa stated she will send out the current New Resource Allocation Process and the Immediate Needs Process guidelines to the Budget Committee members for review prior to the next meeting. Richard suggested extending Budget Committees meetings through the Winter Session.</p> <p>Audrey Yamagata-Noji suggested the committee's first priority should be to discuss at the next meeting three tasks as listed on the calendar; the March 18th - Budget Committee Determines and Communicates New Resources Available, March 25th - Budget Committee sends Communication Campus-wide Regarding New Resources Allocation Process, and September 16th Budget Committee Finalizes Review of New Resource Allocation Requests and Forwards to President's Advisory Council.</p>	
<p>4. Budget Development Guidelines</p>	<p>Mark will send to the Budget Committee members the link on the Budget Committee webpage for the current Budget Development Process to review prior to the next meeting.</p>	

<p>5. Statement from the Budget Committee to President's Cabinet – Ongoing Structural Deficit</p>	<p>Tabled to future meeting.</p>	<p>Tabled.</p>
<p>6. Budget Committee's Role and Procedures for Reviewing New Resource Allocations.</p>	<p>Tables to future meeting.</p>	<p>Tabled.</p>

FUTURE AGENDA ITEMS:

- Statement from the Budget Committee to President's Cabinet – Ongoing Structural Deficit
- Review Budget Development Guidelines and Immediate Needs Process
- Budget Committee's Role and Procedures for Reviewing New Resource Allocations

FUTURE MEETING DATES:

- December 3, 2014
- December 17, 2014

**Mt. San Ant  College
Budget Committee
Summary of October 15, 2014**

<p>Committee Members:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> Mike Gregoryk, Chair <input checked="" type="checkbox"/> Richard McGowan, Co-Chair <input checked="" type="checkbox"/> Irene Malmgren <input type="checkbox"/> Audrey Yamagata-Noji </td> <td style="width: 33%; vertical-align: top;"> <input checked="" type="checkbox"/> Martin Ramey <input checked="" type="checkbox"/> Mark Fernandez <input checked="" type="checkbox"/> Rosa Royce <input checked="" type="checkbox"/> Lance Heard </td> <td style="width: 33%; vertical-align: top;"> <input checked="" type="checkbox"/> Gisela Carrillo Lopez (Student) <input checked="" type="checkbox"/> Fernando Aguayo (Student) <input type="checkbox"/> Johnny Jauregui <input type="checkbox"/> Gary Nellesen </td> <td style="width: 33%; vertical-align: top;"> <input checked="" type="checkbox"/> Lisa Romo <input checked="" type="checkbox"/> Michael Sanetrick <input type="checkbox"/> Bill Scroggins (Guest) <input checked="" type="checkbox"/> Jill Miller (Notes) For Kerry Martinez </td> </tr> </table>		<input type="checkbox"/> Mike Gregoryk, Chair <input checked="" type="checkbox"/> Richard McGowan, Co-Chair <input checked="" type="checkbox"/> 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 checked="" type="checkbox"/> Gisela Carrillo Lopez (Student) <input checked="" type="checkbox"/> Fernando Aguayo (Student) <input type="checkbox"/> Johnny Jauregui <input type="checkbox"/> Gary Nellesen	<input checked="" type="checkbox"/> Lisa Romo <input checked="" type="checkbox"/> Michael Sanetrick <input type="checkbox"/> Bill Scroggins (Guest) <input checked="" type="checkbox"/> Jill Miller (Notes) For Kerry Martinez
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ITEM	DISCUSSION/COMMENTS	ACTION/OUTCOME			
<p>1. Agenda Check</p>	<p>Richard McGowan reviewed the Agenda with the committee members and added an information chart on the whiteboard, as an addition to Item 5. Kerry shared that there will be a Joint Committee meeting with IEC on November 5, 2014, at 3:30 p.m. Richard noted that the final Gap Analysis document was submitted and we received positive comments. Irene stated she appreciated the effort put into the document. Richard will share our Gap Analysis document with President's Advisory Council (PAC). There was a discussion regarding Martin Ramey's survey submission for the Gap Analysis document. The Budget Committee agreed that the results of Martin's survey should move on to the Institutional Effectiveness Committee (IEC). Martin's results were limited to one division and IEC may want to expand this valuable survey to other divisions.</p>	<p>Approved, as presented.</p>			
<p>2. Review Budget Committee Meeting Summary of October 1, 2014</p>	<p>The Budget Committee Meeting Summary of October 1, 2014, was approved, as presented.</p>	<p>Approved, as presented.</p>			
<p>3. Review Revised Budget Calendar and Budget Development Guidelines</p>	<p>The Budget Committee members reviewed the Budget Calendar and Budget Development Guidelines. Irene suggested bringing the Proposed Strategic Plan to the Joint Committee meeting where they tried to blend all three of the processes together; IEC, Budget, and PIE.</p> <p>Rosa Royce explained two handouts and stated this is the clean Budget Calendar and the Budget Development Guidelines after they were reviewed and matched to</p>	<p>Budget Committee Members will provide comments at the Budget Committee meeting on November 19, 2014.</p>			

	<p>IEC's calendar last year. Rosa stated she will update these documents and they can be sent to PAC on October 21, 2014, and then they will go to President's Cabinet on October 28, 2014. The committee discussed the need to make a recommendation to change the one-time funding of New Resources expenditures to ongoing after they been funded with one-time money for two years and should move to the ongoing budget in the third year. The committee members were asked to review both documents and bring their comments to the next Budget Committee meeting on November 19, 2014.</p>	
<p>4. Review New Resource Allocation Requests - Prioritized Lists</p>	<p>There was a discussion regarding the template and format used to submit the New Resource Allocation Requests and how important it is to use a standardized form. It was noted that the current template is very work intensive and many of the requests will not be approved at the end of the process. Richard suggested a process improvement team be assigned to develop improvements to this process and the form. Irene Malmgren reviewed the process that Instruction used to rank their New Resource Allocation Requests. Richard suggested the process improvement team look at the criteria the Budget Committee should use in reviewing these requests. In the interest of time, the Budget Committee agreed to move forward all of the division spreadsheets to PAC.</p>	<p>Division spreadsheets will be forwarded to PAC.</p>
<p>5. Statement from the Budget Committee to President's Cabinet – Ongoing Structural Deficit</p>	<p>Richard charted the actual budget deficit in comparison to the "published" budget deficit. The actual deficit has been declining. The accreditation process will look at the percentage gap in comparison to our total budget. An earlier review of each budget should narrow the gap. Richard charted the actual deficit in comparison to the Adopted Budget deficits for the years 2011-12, 2012-13, and 2013-14. The actual deficit has been declining while the budgeted deficits have been increasing.</p>	

FUTURE AGENDA ITEMS:

- Statement from the Budget Committee to President's Cabinet – Ongoing Structural Deficit
- Discuss Funding of Ongoing Expenditures – Budgeted as One-time
- Continue Review of the Budget Review and Development Process

FUTURE MEETING DATES:

- **November 5, 2014**
- **November 19, 2014**



Mt. San Antonio College

1100 N. Grand Ave. ■ Walnut, CA 91789 ■ (909) 594-5611

To: Departments/Units/Divisions/Teams

From: The Budget Committee:

Michael Gregoryk (Chair), Rosa Royce (Co-Chair), Irene Malmgren, Audrey Yamagata-Noji, Michelle Sampat, Martin Ramey, Mark Fernandez, Richard McGowan, Edmond Xiong (Student), Fernando Aguayo (Student), Johnny Jauregui, Gary Nellesen, Lance Heard

Date: May 9, 2014

Subject: 2014-15 New Resources Allocation Process

As a result of the new 2014-16 Strategic Plan, and in order to strengthen the integration and alignment of the budget process with the College's Planning for Institutional Effectiveness, the Budget Committee and the Institutional Effectiveness Committee have made some modifications to the processes and timelines of the New Resources Requests.

In February 2014, the College received backfill funds for the 2012-13 Redevelopment Revenues Shortfall and Apportionment Statewide Structural Deficit. The District also received additional 2012-13 Growth/Restoration funding. Only a portion of these funds may be allocated. At this time, the exact amount available for allocation for one-time requests is unknown. It is important to note that the College's first commitment for these funds is to eliminate the accumulating liability on the OPEB (Other Post-employment Benefits) Trust. The plan is to contribute approximately \$2.5 million toward this OPEB liability. The exact amount available to fund the OPEB liability and the 2014-15 fiscal year requests will be known after the Governor approves the State budget on June 30, 2014.

For the 2014-15 New Resources Allocation Process, submit your request to your Dean/Director by June 30, 2014. Include the following information in your request:

- Division
- Department
- Brief Description of the Request
- Justification of Need
- Account Number (Fund, Org, Account and Program)
- Total Amount Requested
- Evidence that the need is included in your PIE must be submitted

The following is the timeline for approval or denial of your request:

Description of Task	Due Date
Vice-Presidents prioritize 2014-15 New Resource Requests.	July 1 to August 15, 2014
Fiscal Services prepares a 2014-15 New Resources Allocation Requests Prioritized Summary, including all teams.	August 16 to September 3, 2014
Budget Committee reviews 2014-15 New Resources Allocation Prioritized Summary.	September 3 and 17, 2014
President's Advisory Council reviews 2014-15 New Resources Allocation Prioritized Summary.	September 24, 2014
President makes final decision on 2014-15 New Resources Allocation based on President's Cabinet recommendations.	October 7, 2014

If your request is funded, a New Resources Allocation Request Form will be required. This form is currently being modified. The revised form and instructions will be distributed at a later time. The form will require complete and specific documentation to support the amount requested such as price quotes from vendors, salary projections, or other proof of price. The form will also require Dean/Director and Vice President approvals. As a reminder, the New Resources Allocation Process was developed with the goal of integrating and aligning the College's Planning for Institutional Effectiveness (PIE) process with requests for new or additional resources. The PIE process focuses on resources needed to support efforts at improving the work you do in your department or unit. The departments and/or units should generate, approve, and prioritize their requests which are derived from their PIE planning efforts. Therefore, the form will require evidence that ties to PIE. If documentation is incomplete, funding will be delayed until all documentation is submitted.

If your department or unit requires "Immediate Need" funding, please submit your *Immediate Needs Request Form* to your Vice President. Immediate Needs are reviewed and approved by President's Cabinet on a one-time basis all year long. The *Immediate Needs Request Form* may be found at <http://inside.mtsac.edu/forms/>. As a reminder, immediate needs are defined as shortfalls in funding that, unless filled immediately, could cause the program to cease to function.

Please feel free to contact Rosa Royce at extension 5517 for Budget Development Process questions, and Irene Malmgren at extension 5414 for Planning for Institutional Effectiveness (PIE) Process questions.

**Mt. San Antoin College
Budget Committee
Summary of May 7, 2014**

Committee Members:

- Mike Gregoryk, Chair
- Rosa Royce, Co-Chair
- Irene Malmgren
- Audrey Yamagata-Noji

- Michelle Sampat
- Martin Ramey
- Mark Fernandez
- Richard McGowan

- Edmond Xiong (Student)
- Fernando Aguayo (Student)
- Johnny Jauregui
- Gary Nellesen

- Lance Heard
- Bill Scroggins (Guest)
- Marchelle Nairne-Proulx (Guest)
- Kerry Martinez (Notes)

ITEM	DISCUSSION/COMMENTS	ACTION/OUTCOME
1. Agenda Check		Approved, as presented.
2. Review Budget Committee Meeting Summary of April 16, 2014	The Budget Committee Meeting Summary of April 16, 2014, was approved, as presented.	Approved, as presented.
3. Annual Review of College Committees	<p>Kerry addressed the Budget Committee regarding requests to add two new members. Richard McGowan addressed the request for the addition of a faculty Co-Chair. He will be meeting with Mike Gregoryk to discuss this request. Mark Fernandez explained the request to add another Classified member, to bring the total classified members to three. Mark stated he and Johnny Jauregui are representing the union point of view, and they would like to include a representative from Classified Senate to represent the constituents that are not informed through the unions. Mark said the Confidential vacancy is also an issue. Irene Malmgren stated she is curious about this request because the Academic Senate members of Budget Committee are here to represent all faculty, not just the Senate. She stated that we don't have at-large faculty and asked Mark why an at-large Classified person is needed when he is the Classified representative. Mark stated there is a lot of information that does not reach all Classified members. Richard McGowan stated the Senate appoints and there is no tight line on titles and who is representing the faculty. The faculty has a unique role in the Budget Development Process which is set up by AB1725. It makes sense that the faculty has a large representation based on what Ed Code says and the budget process. Richard stated the recommendation would go to President's Advisory Committee (PAC) from here. The Budget Committee needs to decide if they want to bring this request forward to PAC. Mark voiced a concern regarding the PIE process and how it is supposed to be a team effort and they have found when asking</p>	Tabled to Budget Committee meeting on June 4, 2014

	<p>Classified staff if they participated in PIE, they say "what's that." The lack of communication and participation is one of the big concerns. There is no voice from the different departments. Irene suggested that this issue be brought to the Institutional Effectiveness Committee (IEC). This is the committee charged with looking at the planning process, and maybe the oversight isn't strong enough and an assessment should be done to make sure the Classified voice is in the process. The committee members agreed to table this subject to the Budget Committee meeting on June 4, 2014.</p>	
<p>4. 2014-15 Preliminary Tentative Budget</p>	<p>Rosa Royce explained a handout document titled Changes to Fund Balance from 2013-14 Adopted Budget to 20174-15 Preliminary Tentative Budget (March 25, 2014), and a spreadsheet titled Budget and Actuals Comparison History. Rosa explained there were two options, A and B; Option B was chosen which has an estimated 2014-15 fund balance for the Preliminary Tentative Budget in the amount of \$12,017,264 or 7.91%. Rosa explained handout documents titled 2014-15 Preliminary Tentative Budget; Unrestricted General Fund, Ongoing Expenditure Budget Assumptions, One-time Revenue and Expenditure Budget Assumptions, and Unrestricted General Fund 13 – Revenue-Generated Accounts. Rosa stated these numbers are very preliminary and the projected ending balance should be completed around May 15, 2014. These numbers will be updated as information is received. Richard asked why the estimated Growth and Restoration amount for 2014-15 is included in the Preliminary Tentative Budget when the Budget Committee agreed that this should not be included in the budget until it is received. This practice is included in our budget process. Richard asked if we have moved away from this practice and where was this decision made; this was never discussed in Budget Committee. Rosa stated the decision was made in President's Cabinet. Richard recommended that this subject be placed on the top of the Agenda at our next meeting to have a discussion about this.</p>	<p>Agenda item for next meeting: Budgeting of Estimated Growth and Restoration</p>
<p>5. 2014-15 Budget Committee Calendar</p> <ul style="list-style-type: none"> • Proposed changes to Align Calendar to Planning and Institutional Effectiveness Timelines and New 	<p>Rosa explained the need to align the Budget Development calendar with the Institutional Effectiveness Committee (IEC) calendar. Rosa reviewed a document titled Proposed Changes to Appendix C - Budget Committee Calendar to Align with PIE. Rosa stated this is part of the Budget Development Process. The proposed changes are minor. Rosa and Irene met and developed and agreed to the proposed changes. The Budget Committee agreed to the proposed changes. Rosa will bring an updated calendar to the next meeting.</p>	<p>Rosa will bring updated calendar to next Budget Committee meeting.</p>

<p>Strategic Plan</p>	
<p>6. 2014-15 New Resources Allocation Process – Campus Communication</p>	<p>Rosa explained she is proposing an announcement of the 2014-15 New Resources Allocation Process to the campus to let them know when one-time funds are received. It is important that this communication informs the campus that if there are one-time funds available; the College's first commitment will be to contribute \$2.5 million to the OPEB Trust in an attempt to reduce the accumulating liability. The remaining funds, if any, will be used in the New Resources Allocation Process. Rosa stated she will explain the changes made in the process, the use of the template she developed, and the fact that the process for Immediate Needs is a year-round process. It was agreed that Rosa will send the communication document via e-mail to the Budget Committee for review. She asked that everyone reply to her with their comments by tomorrow at noon. She would like to send this out by Friday. Rosa suggested a task force be formed to review and update the Budget Development Process manual and the forms attached to it.</p>
<p>7. Positions Funded with One-time Funds in the 2013-14 Fiscal Year – Communication from President's Cabinet Requesting Justification for 2014-15 Funding</p>	<p>Rosa stated she will be sending a communication to the Department Budget Managers that have positions funded with one-time money. She will ask them to provide a justification for the funding of these positions for consideration in the 2014-15 fiscal year.</p>
<p>8. GASB 68 – Accounting and Financial Reporting for Pensions – PERS and STRS</p>	<p>Rosa explained GASB 68 - Accounting and Financial Reporting for Pensions PERS and STRS. This will begin in the 2014-15 fiscal year and will increase Mt. SAC's unfunded liability, and will be included in the financial statements. The concern is that this will potentially affect bond ratings and accreditation in the same way our OPEB Trust does, but on a larger scale.</p>
<p>9. OPEB – District Actuarial Report (Draft)</p>	<p>Rosa explained the Draft copy of the OPEB Trust Actuarial Report as of March 1, 2014.</p>
<p>10. 2014-15 New Resources Allocation</p>	<p>Rosa explained the handout titled 2014-15 New Resources Allocation Requests - Prioritized Summary Template. Rosa asked for everyone for their input and requested that they send their suggestions to her by Friday, May 9, 2014.</p>

<p>Requests – Prioritized Summary – Template</p> <ul style="list-style-type: none">• Feedback due May 9, 2014	
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FUTURE AGENDA ITEMS:

- **Discussion - Budgeting of Growth and Restoration Amount**
- **Continue Review of the Budget Review and Development Process**
- **Budget Committee Web Page – Documents to be Posted**

FUTURE MEETING DATES:

- **May 21, 2014**
- **June 4, 2014**

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.

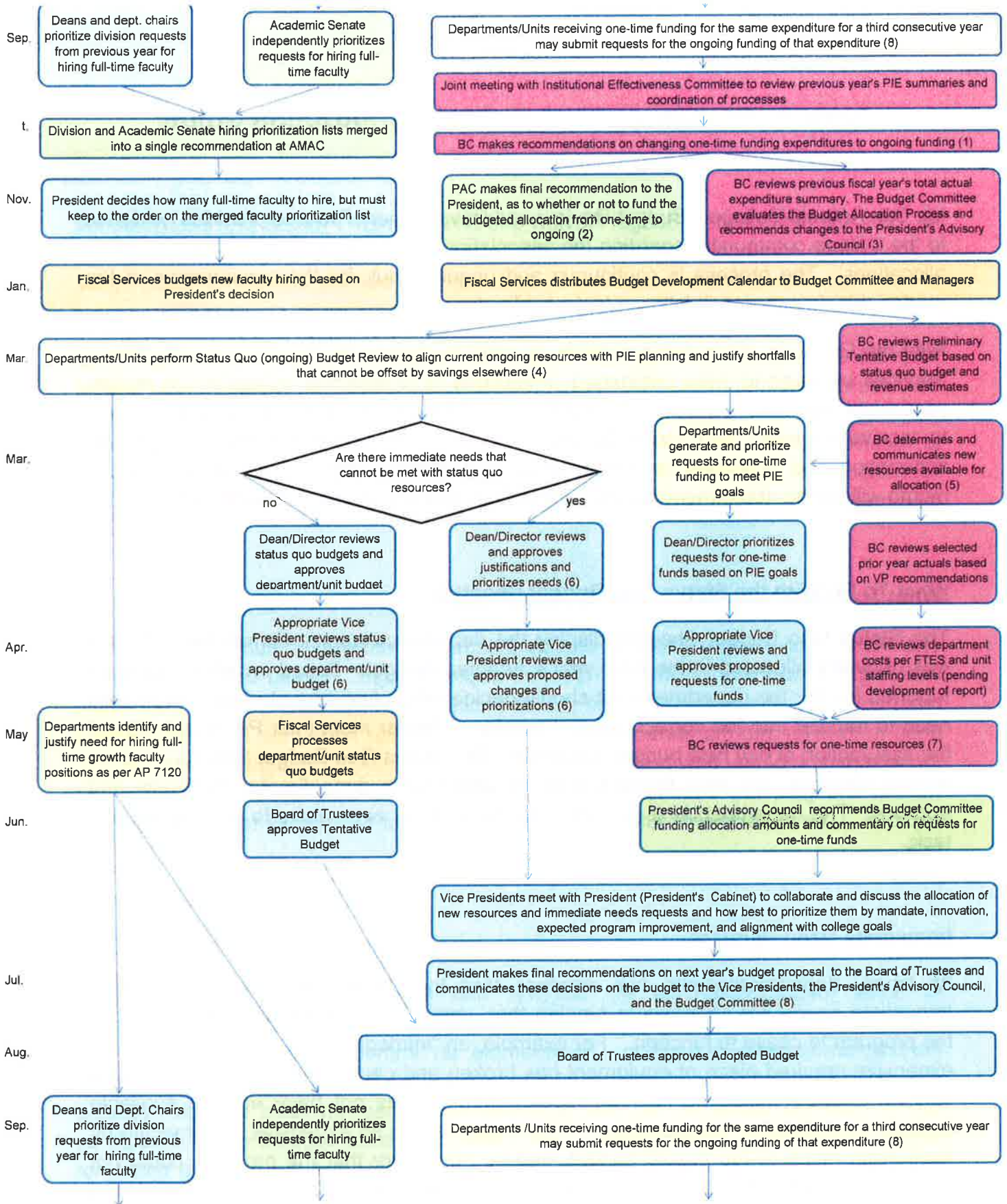
Appropriation Transfer Procedures

- 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.



(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/units status quo budget for the next year. 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.