1. Why are Fullerton and Cypress Colleges on warning when the problem is the District?
   - Action letters
     Fullerton: 3 District recommendations and 5 college recommendations
     Cypress: 3 District recommendations and 2 college recommendations
     Handout: What do the ACCJC standards mean when they refer to “an institution”?

2. Why such a harsh sanction?
   Handout: 2005 and 2011 ACCJC District Recommendations

3. What do we need to do to remove the sanction?
   Handout: Deconstructing the 2011 District Recommendations

4. What is the role of this workgroup?
   ___Provide feedback on
     - The Resource Allocation Handbook
     - The narrative and timeline/process chart for the Integrated Planning Manual
       Handout: Mt. Sac Budget Process Manual Index, flowchart & narrative
       Handout: Riverside Flowchart
       Handout: Marin Timeline
     - Schedule of reviews of the current resource allocation model
       2012 – 2013: Evaluation of benchmarks for FTES generation for full-time
       and part-time faculty
       2014-2015: Evaluation of high-cost programs

   ___Establish processes to link resources to planning

5. What is our timeline for this work?
   October 21, 2011 at 2:30 pm 2nd and Final Workgroup Meeting
   October 26 Drafts Ready for District-wide Review
   November 18 Feedback Due
   December 2 Final Documents
   January Implementation
MT. SAN ANTONIO COLLEGE

BUDGET REVIEW AND DEVELOPMENT PROCESS

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Budget Review and Development Process

**Jan**
- Fiscal Services budget new faculty hiring based on President's decision

**Mar**
- Department/Units perform Status Quo (ongoing) Budget Review to align current ongoing resources with PIE planning and justify shortfalls that cannot be offset by current resources (4)

**Apr**
- Are there immediate needs that cannot be met with status quo resources?
  - **No**
    - Department/Unit reviews status quo budgets and approves Departmental budget (5)
  - **Yes**
    - Dean/Division approves status quo budgets and approves faculty positions as per AP 1018

**May**
- Department identify and justify need for hiring full-time faculty positions
- Fiscal Services processes departmental status quo budgets
- Board of Trustees approves Tentative Budget
- BC renovates proposed one-time resources (7)
- BC reviews selected prior year's actuals based on VP's recommendations
- BC receives departmental updates on progress and anticipated development of project

**Jun**
- President, with President's Cabinet, meets with President's Advisory Council to collaborate and discuss allocation of new resources and immediate needs requests and how best to prioritize them by maintaining, creating, expected program improvement, and alignment with college goals

**Jul**
- President makes final recommendations on next year's budget proposal to the Board of Trustees and communicates those decisions to the Budget Committee.
- Vice President consults with President (President's Cabinet) to collaborate and discuss allocation of new resources and immediate needs requests and how best to prioritize them by maintaining, creating, expected program improvement, and alignment with college goals

**Aug**
- Senate and Divisions provide division requests from previous year for hiring full-time faculty
- Academic Senate independently prioritizes requests for hiring full-time faculty
- Academic Senate receiving one-time funding for the same expenditure for a third consecutive year may submit requests for the ongoing funding of that expenditure (9)

**Sep**
- Department/Units receive one-time funding for the same expenditure for a third consecutive year and may submit requests for the ongoing funding of that expenditure (9)
- BC reviews previous fiscal year's budget and presents changes to the President's Advisory Council (4)

(1) Recommendations could include two or more another year, fund for a specified number of years, or fund ongoing
(2) If a request for ongoing funding is granted, the amount of the ongoing funding is added to the department/unit's status quo budget for the next year
(3) Although recommendations for changing budget processes normally come from the Budget Committee's self-assessment. Title 5 regulations require that changes to budget processes must be mutually agreed upon between the governing board and the Academic Senate
(4) Departmental budgets defined as three years of budget forecasts and should determine whether their current budget categories require modification
(5) New ongoing funding is granted. Together COLA and the budget growth from the prior year. New one-time funding includes the one-time funding (growth) that was not included in the prior year's budget. This can be announced at any time, but is usually announced in May for the next year. (6) Prior year's actuals are reallocated
(7) The Budget Committee may not request comment on a request for new funds
(8) Except for President, management permanent position one-time funding requests are not changed to ongoing at this stage 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
Riverside Community College District
Budget Allocation Model Flowchart
FY 2008-2009

Beginning Balance

$ Projected Revenue

TAF (Total Available Funds)

1. 5% Reserve
2. 1% for Economic Uncertainty
3. Inter / Intrafund Transfers
4. New Program / Initiatives
5. New Facilities Oper
6. New Positions

TAFA (Total Available Funds for Allocation)

1. PY Base Expenditure Budgets
2. Contractual Increases
3. DO/DSS Increment
4. Efficiency Incentive
5. Small College Factor - MoVal & Norco
6. Remaining A.I. on 3-yr weighted avg FTES
Annual Timeline and Process for Program Review and Resource Allocation

August
- The Planning, Research, and Institutional Effectiveness (PRIE) Office provides data for the program review template for all programs under review.
- Working with current year’s budget, PRAC will work with projected revenue and expenses for the following fiscal year. Fiscal will work with available data to update the salary and benefit information for the following fiscal year.

September
- Members of the Program Review Committee and the SLO Facilitators meet with the instructional departments/disciplines, student service areas, and administrative service areas scheduled to complete a program review.
- PRAC will recommend unit allocations for fall, spring, and summer semesters for the following academic year.

October–December
- Those identified to complete a program review complete reviews and submit all responses electronically to the Program Review Committee by December 1st.

November
- Fiscal Services updates the current year budget for the upcoming fiscal year with any new budget assumptions to date. This updated budget will provide the most current information to allow for planning and resource allocation. PRAC reviews the updated budget for the upcoming fiscal year in preparation for completion of program reviews that will require resource allocation. (This process should be updated as new budget assumptions become available throughout the year to provide PRAC with the most current estimate of the upcoming fiscal year’s budget and financial position.)

December 1 - December 16
- Chairs review and comment on the program reviews from their departments. Deans review and comment on the program reviews from their divisions.
• Sections of the completed program reviews are distributed to department chairs and appropriate committees.
• The program reviews are evaluated by deans and department chairs for completeness and initial assessment; interviews are conducted if further information or clarification is needed.
• Department chairs make assessments and rank the instructional equipment, software, and hardware requests and/or clarify needs according to rubrics.
• The cabinet will evaluate administrative services.
• The Student Access and Success Committee will evaluate student services program reviews.

• Recommendations and reports from committees are submitted to PRAC. Requests are reviewed by PRAC and PRAC makes recommendations to the Superintendent/President for review and budgeting.

• Superintendent/President provides initial response to PRAC recommendations.

• Superintendent/President submits tentative budget. The Board of Trustees approves the tentative budget. Fiscal service will begin working on updating the salary and benefit information for the following fiscal year.

• The Board of Trustees approves the adoption budget.

• Superintendent/President gives formal response to recommendations including action steps and responsible people.
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Meeting Sign-In Sheet

Project: Resource Allocation Workgroup
Facilitator: Nancy Byrnes, Eva Conrad, Deborah Ludford
Meeting Date: September 16, 2011
Place/Room: 100B