

Annual Budget Process

The budget development process begins with the development of budget assumptions. The budget assumptions are central to the budget development process and guide the allocation of resources. From February through April, budget assumptions are developed for the next Fiscal Year. The Planning and Budget Committee approves budget assumptions in May to be used to develop the budget for the next Fiscal Year.

Information from a variety of sources is considered in the development of the budget including:

- Institutional Goals and Institutional Objectives;
- Priorities identified through the Institutional Program Planning and Review process;
- Mandates from external agencies; and
- Status of long-term obligations.

During early spring, Units identify and prioritize needs for staffing, facilities, services, and equipment. These unit-level requests for resources are submitted on the Annual Program Planning Worksheet as part of the Institutional Program Planning and Review process. High-priority needs will be funded at the unit level if possible. The Annual Program Planning Worksheets are combined at the Cluster level and are once again prioritized. High-priority needs will be funded at the Cluster level if possible.

During the spring, the Planning and Budget Committee determines the number of one-time requests that each Cluster may present during the **One-time Institutional Prioritization Process**. All Clusters submit their list of unfunded, prioritized needs to the Planning and Budget Committee each March. In the Fall, the Planning and Budget Committee will recommend that unencumbered funds from the previous Fiscal Year be used to fund the prioritized list, or recommend that the unencumbered funds be saved for contingencies.

During the spring the Planning and Budget Committee determines the number of requests that each Cluster may present for the **Ongoing Institutional Prioritization Process**. All Clusters submit their list of prioritized on-going needs to the Planning and Budget Committee each March. In order to fund these on-going requests, the Planning and Budget Committee may recommend that new funding sources be used (if available) or that the administration identify current funding sources in order to remain revenue neutral.

During the spring, the Planning and Budget Committee receives a prioritized list of technology needs from the Technology Committee. The Planning and Budget Committee then determines which Technology needs will be funded from the Technology line item in the budget using the **Technology Prioritization Process**.

All prioritized requests will be aggregated into a final Prioritized Institutional List to indicate relative needs between the three Prioritization Processes.

In order to minimize large General Fund requests, and plan for future needs, Budget Managers may request that unencumbered funds from their budgets be carried over into the next year's budget via the **Budget Carry-over Process**. This requires approval from the Planning and Budget Committee. Requests must be submitted via the **Budget Carry-over Form** to the Planning and Budget Committee for consideration at least two weeks before the first Planning and Budget meeting in May. The Planning and Budget Committee will determine which requests to honor during the first Planning and Budget Meeting in May.

The Vice President of Administrative Services prepares a tentative budget for Board of Trustees approval in June. The Planning and Budget Committee reviews the final Budget during the first Planning and Budget Meeting of the Academic Year (provided that the State Budget has passed), or as early as possible after the State Budget passes.

Budgets are analyzed for overages by the office of the Vice President of Administrative Services and budget managers whose net budgets are over by \$500.00 are required to explain the overages to the Planning and Budget Committee. The budget managers will complete a **Budget Overage Form** and present it to the Planning and Budget Committee during the Fall term.

Budget variance updates are prepared by the office of the Vice President of Administrative Services and presented to the Planning and Budget Committee three times during the Academic Year:

1. During the first or second Planning and Budget meeting in September (covering the previous year's budget variances, utilizing a budget tracking tool).
2. During the first or second Planning and Budget meeting of the Spring semester (covering the current Fiscal Year's budget variances, utilizing a budget tracking tool).
3. In Late April prior to the approval of the following year's budget.

Budget variance information will be incorporated into future budgets to better align expenditures with funding.

In October, the Planning and Budget Committee will review the **311 report** and analyze the San Luis Obispo Community College District's performance related to the 50% law.

One-time Institutional Prioritization Process

The Planning and Budget Committee establishes the number of requests that each cluster may present during its meeting in March. After that time, Cluster managers are informed about the maximum number of requests to present. They will also be given a **Prioritization Form** to fill out for each request. This form will be used by the co-chairs to complete a **Resource Allocation Rubric** for each request.

Using a 60-point scale, this rubric weighs each request based on the following criteria:

1. The contribution this proposal will make toward the achievement of Institutional Goals and/or Institutional Objectives;
2. An outcome based on the measurement of student learning outcomes or administrative services outcomes;
3. Data in the Institutional Program Planning and Review;
4. List of recommended priorities from each Unit and Cluster; and
5. Health or safety concerns;

Once this process is complete, Cluster managers will present a narrative to the Planning and Budget Committee for subjective ranking. The Planning and Budget Committee will receive the ranking generated from the co-chairs' use of the Resource Allocation Rubric on the Subjective Ranking Form. To determine the final order, the points from the Resource Allocation Rubric will be combined with the Subjective Ranking, weighting them equally. The results of this process are presented to the Planning and Budget Committee on or before the following Planning and Budget Committee meeting. The process will be assessed annually.

On-going Institutional Prioritization Process

The Planning and Budget Committee establishes the number of requests that each cluster may present during its meeting in March. After that time, Cluster managers are informed about the maximum number of requests to present. They will also be given a **Prioritization Form** to fill out for each request. This form will be used by the co-chairs to complete a **Resource Allocation Rubric** for each request.

Using a 60-point scale, this rubric weighs each request based on the following criteria:

1. The contribution this proposal will make toward the achievement of Institutional Goals and/or Institutional Objectives;
2. An outcome based on the measurement of student learning outcomes or administrative services outcomes;
3. Data in the Institutional Program Planning and Review;
4. List of recommended priorities from each Unit and Cluster; and
5. Health or safety concerns;

Once this process is complete, Cluster managers will present a narrative to the Planning and Budget Committee for subjective ranking. The Planning and Budget Committee will receive the ranking generated from the co-chairs' use of the Resource Allocation Rubric on the Subjective Ranking Form. To determine the final order, the points from the Resource Allocation Rubric will be combined with the Subjective Ranking, weighting them equally. The results of this process are presented to the Planning

and Budget Committee on or before the following Planning and Budget Committee meeting. The process will be assessed annually.

Technology Prioritization Process

The Planning and Budget Committee establishes the number of requests that each cluster may present during its meeting in March. After that time, Cluster managers are informed about the maximum number of requests to present. They will also be given a **Prioritization Form** to fill out for each request. This form will be used by the co-chairs to complete a **Resource Allocation Rubric** for each request.

Using a 60-point scale, this rubric weighs each request based on the following criteria:

1. The contribution this proposal will make toward the achievement of Institutional Goals and/or Institutional Objectives;
2. An outcome based on the measurement of student learning outcomes or administrative services outcomes;
3. Data in the Institutional Program Planning and Review;
4. List of recommended priorities from each Unit and Cluster; and
5. Health or safety concerns;

Once this process is complete, Cluster managers will present a narrative to the Planning and Budget Committee for subjective ranking. The Planning and Budget Committee will receive the ranking generated from the co-chairs' use of the Resource Allocation Rubric on the Subjective Ranking Form. To determine the final order, the points from the Resource Allocation Rubric will be combined with the Subjective Ranking, weighting them equally. The results of this process are presented to the Planning and Budget Committee on or before the following Planning and Budget Committee meeting. The process will be assessed annually.

Budget Carry-over Process

In determining whether to honor the carry-over request, the Planning and Budget Committee considers the Manager's justification and linkage to a Unit Plan, Cluster Plan, the Educational Master Plan, and the District's Mission.

Planning and Budget Committee
Budget Overage Form

Date _____

Contact Name _____

Department _____

Contact Phone _____

Contact Email _____

Instructions:

This form is required to explain why a budget overage occurs. The form requires a short narrative justification for the overage.

Account _____

Overage Amount \$ _____

Is the Budget Overage a recurring problem?

Yes

No

Justification:

Planning and Budget Committee
Budget Carryover Form

Date _____

Contact Name _____

Department _____

Contact Phone _____

Contact Email _____

Instructions:

This form is used to request that unencumbered funds be carried over from the current fiscal year to the new fiscal year. The form requires a short narrative justification for the carry-over.

Account _____

Carryover Amount \$ _____

Justification: