

BP 6200 – Budget Preparation

References:

Education Code section 70902(b)(5),
Title 5 sections 58300 et seq,

Each year, the Chancellor shall present to the Board a budget, indicating anticipated expenditures and estimated revenues for the next fiscal year, prepared in accordance with Title 5 and the California Community Colleges Budget and Accounting Manual (BAM). The schedule for presentation and review of budget proposals shall comply with state law and regulations, and provide adequate time for Board study.

Budget development shall meet the following criteria:

- The budget shall be developed each year in accordance with the current District Budget Allocation Model and Infrastructure Funding Model and appropriate shared participatory governance processes.
- The budget shall be balanced (i.e., budgeted expenditures will be covered by projected revenue). During periods of state financial decline, the budget may include a transition plan for expenditure reductions and one-time use of reserves.
- The annual budget shall support the District's and colleges' master and educational plans.
- The budgets for the three colleges will be developed through college participatory processes to support institutional planning and goals and objectives, as well as the Board goals and objectives.
- Assumptions, upon which the budget is based ~~are,~~ will be presented to the Board for review prior to approving the budget; changes in the assumptions ~~upon which the budget was based~~ shall be reported to the Board in a timely manner.
- Revenue associated with growth will be budgeted in the year following the year in which the growth was actually earned.
- Summer Full-time Equivalent Students (FTES) will be reported in the fiscal year in which the course ends.
- ~~A schedule is provided to the Board each year that which includes dates for presentation of the tentative budget, required public hearing(s), Board study session (if appropriate), and approval of the final budget. At the public hearings, interested persons may appear and address the Board regarding the proposed budget or any item in the proposed budget.~~
- Unrestricted general fund reserves shall be no less than 5% of the current year unrestricted and designated general fund budgeted expenditures., ~~with targeted reserves between 7% and 15%.~~
- ~~Budget projections will address long term goals and commitments.~~

See Administrative Procedure 6200

AP 6200 - Budget Preparation

References:

Accreditation Standard III.D

Education Code section 70902(b)(5), 84362; 87482.6

Title 5 sections 58300; CCR Sections 59200; 51025 and 53300, et seq.

Each year, the Chancellor shall present to the Board a budget, indicating anticipated expenditures and estimated revenues for the next fiscal year, prepared in accordance with Title 5 and the California Community Colleges Budget and Accounting Manual (BAM). The schedule for presentation and review of budget proposals shall comply with state law and regulations, and provide adequate time for Board study.

Budget development shall meet the following criteria:

- The budget shall be developed each year in accordance with the current District Budget Allocation Model and Infrastructure Funding Model and appropriate participatory governance processes.
- District Council on Administrative Services (DCAS) will annually review the elements of the current District Budget Allocation Model and Infrastructure Funding Model and will make recommendations to the Board for modifications when appropriate.
- ~~The annual budget shall support the District and colleges' master and educational plans and be linked to other institutional goals and planning efforts. (in BP)~~
- Through participatory governance, the budget process will commence with DCAS developing assumptions upon which the budget will be based, and recommending those assumptions to the Board for acceptance prior to the Board adopting the Budget.
- ~~Assumptions upon which the budget is based are presented to the Board for review. (in BP)~~
- ~~Changes in the assumptions upon which the budget was based shall be reported to the Board in a timely manner. (in BP)~~
- The chief business officer of the district will, as appropriate, conduct Board study sessions and will make presentations to the colleges related to the District budget assumptions and the development of the districtwide budget.
- ~~The District will present a balanced Adoption Budget whereby all budgeted expenditures will be covered by projected current year revenue (to BP)~~
- In addition to short term operating plans, budget projections will address long-term goals and commitments such as post-retirement health benefits liability.
- The budget will provide for adequate reserves for cash requirements, long-term commitments, ~~and~~ unanticipated expenditures, and a contingency for revenue shortfall.
- Unrestricted general fund reserves shall be no less than 5% of the current year unrestricted and designated general fund budgeted expenditures, with targeted

reserves between 7% and 15% or sufficient enough to meet the cash flow requirements of the district.

- Budget development will consider statutory requirements including but not limited to things such as compliance with the 50% law, the district's full-time faculty obligation number, and funded Full-Time Equivalent Students (FTES).
- Revenue associated with growth will be budgeted in the year following the year in which the growth was actually earned.
- Summer FTES will be reported in the fiscal year in which the course ends.
- DCAS will review the details of the budget for districtwide services and make recommendations where appropriate, including the movement of budgetary items between colleges and districtwide services and district administrative center.
- ~~The Tentative Budget will be presented to the Board at its June meeting and the Adoption Budget at its September meeting, unless authorized to be approved later by the State Chancellor's Office.~~
- The Budget Assumptions are presented to the Board in the spring prior to any action on the budget. The Tentative Budget will be presented to the Board at its June meeting, and the Adoption Budget at its September meeting, unless authorized to be approved later by the State Chancellor's Office. A public hearing on the budget shall be held at the September Board meeting, unless authorized to be held later by the State Chancellor's Office.
- The adopted budget shall be submitted to the State Chancellor's Office on or before September 30, unless the State Chancellor's Office extends that due date.
- The budget ~~may~~ will be updated from time to time in accordance with AP 6250.