



*Presentation to the*  
**District Budget Advisory Committee**  
**December 8, 2011**

# **Overview of Institutional Planning and Budget Development**

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**Inspiration. Innovation. Graduation.**

## Areas of Discussion

- ✓ ***What Informs Coast's Institutional Planning and Budget Development Process?***
  - ▶ Vision 2020
    - Mission Statement
    - Vision Statement
    - Implementation Strategies
  - ▶ Budget Development
    - Principles
    - Guidelines
    - Priorities
- ✓ ***The Role of Program Review***
- ✓ ***Budget Allocation Model (Diagram)***
- ✓ ***Budget Development Calendar***
- ✓ ***College Planning and Budget Development***
  - Orange Coast
  - Golden West
  - Coastline

## ***What Informs Coast's Institutional Planning and Budget Development Process?***

- ***Vision 2020 Mission Statement***

- ▶ Coast Colleges offer inspiration, innovation, and meaningful learning experiences to their diverse and changing community and prepare students to achieve success in post-secondary, career and technical, and lifelong educational opportunities.

- *Adopted by the CCCD Board of Trustees, February 2010*

## ***What Informs Coast's Institutional Planning and Budget Development Process?***

- ***Vision 2020 Statement***

- ▶ Coast Colleges provide excellence, innovation, and success in education to inspire and transform lives in our local and global community.

- *Adopted by the CCCD Board of Trustees, February 2010*

## *What Informs Coast's Institutional Planning and Budget Development Process?*

- ***Budget Planning Fundamentals***

- ▶ Transparency
- ▶ Broad participation
- ▶ Informed by Vision 2020
- ▶ Conservative
- ▶ Complete/comprehensive

## *What Informs Coast's Institutional Planning and Budget Development Process?*

### • ***Budgetary Guiding Principles***

- ▶ One-time revenues will be allocated to one-time expenditures.
- ▶ On-going expenditures shall be covered from on-going revenues.
- ▶ Year-end balances are not budgeted for ongoing expenses.
- ▶ Contractual obligations and fixed costs are budgeted first.
- ▶ Funds are budgeted where they are expected to be spent so as to minimize transfers and protect budget integrity.
- ▶ New positions must be fully funded:
  - Salary
  - Benefits
  - Support Expenses
- ▶ Decisions on new positions must be made in the context of statutory and regulatory requirements.

## *What informs Coast's Institutional Planning and Budget Development Process?*

- ***Budget Prioritization Criteria***

1. Health and Safety
2. Mandates
3. Contractual obligations
4. Recommendations from DBAC
5. Implementation of Objectives from Strategic Plan
6. Potential for Long-Term Sustainable FTE Growth
7. Correct an Injustice
8. Program Maintenance
9. High Benefit/Cost Ratio

## ***What informs Coast's Institutional Planning and Budget Development Process?***

- ***Planning and Budget Development Process***

- ▶ Title 5 of the California Code of Regulations requires that “[Community College] District financial planning will include both short-term and long-term goals and objectives, and broad-based-input, and will be coordinated with the district educational planning”
- ▶ Title 5 Section 58311
  - *Specific summary principles follow:*

## ***What Informs Coast's Institutional Planning and Budget Development Process?***

- ***§ 58311. Principles for Sound Fiscal Management***

- ▶ **Fiscal Stability**

- Through ongoing fiscal Stewardship.

- ▶ **Safeguard and Manage District Assets**

- Management will maintain adequate cash reserves,
- Implement and maintain effective internal controls,
- Determine sources of revenues prior to making short-term and long-term commitments, and
- Establish a plan for the repair and replacement of equipment and facilities.

- ▶ **Personnel Practices**

- Consistent with legal requirements,
- Make the most effective use of available human resources, and
- Ensure that staffing costs do not exceed estimates of available financial resources.

## *What Informs Coast's Institutional Planning and Budget Development Process?*

### **• § 58311. Principles for Sound Fiscal Management**

- ▶ Auxiliary activities
  - Comport with the educational objectives of the institution, and
  - Comply with sound accounting and budgeting principles, public disclosures, and annual independent audit requirements.
- ▶ Organizational structure
  - Incorporate a clear delineation of fiscal responsibilities, and
  - Establish staff accountability.
- ▶ Keep the governing board current on the fiscal condition
- ▶ Develop and communicate fiscal policies, objectives, procedures, and constraints
- ▶ Maintain an adequate management information system

## *What Informs Coast's Institutional Planning and Budget Development Process?*

### **• § 58311. Principles for Sound Fiscal Management**

- ▶ Adhere to appropriate fiscal policies and procedures and have adequate controls to ensure that established fiscal objectives are met.
- ▶ Fiscal Environment Evaluation
  - Evaluate significant changes in the fiscal environment and
  - Make necessary, timely, financial and educational adjustments.
- ▶ Financial Planning will Include
  - short-term and long-term goals and objectives,
  - broad-based input, and
  - Coordinated with district educational planning.
- ▶ Capital Outlay Budget
  - Consistent with its five-year plan and
  - Reflect regional planning and needs assessments.

## ***Budget Allocation Model***

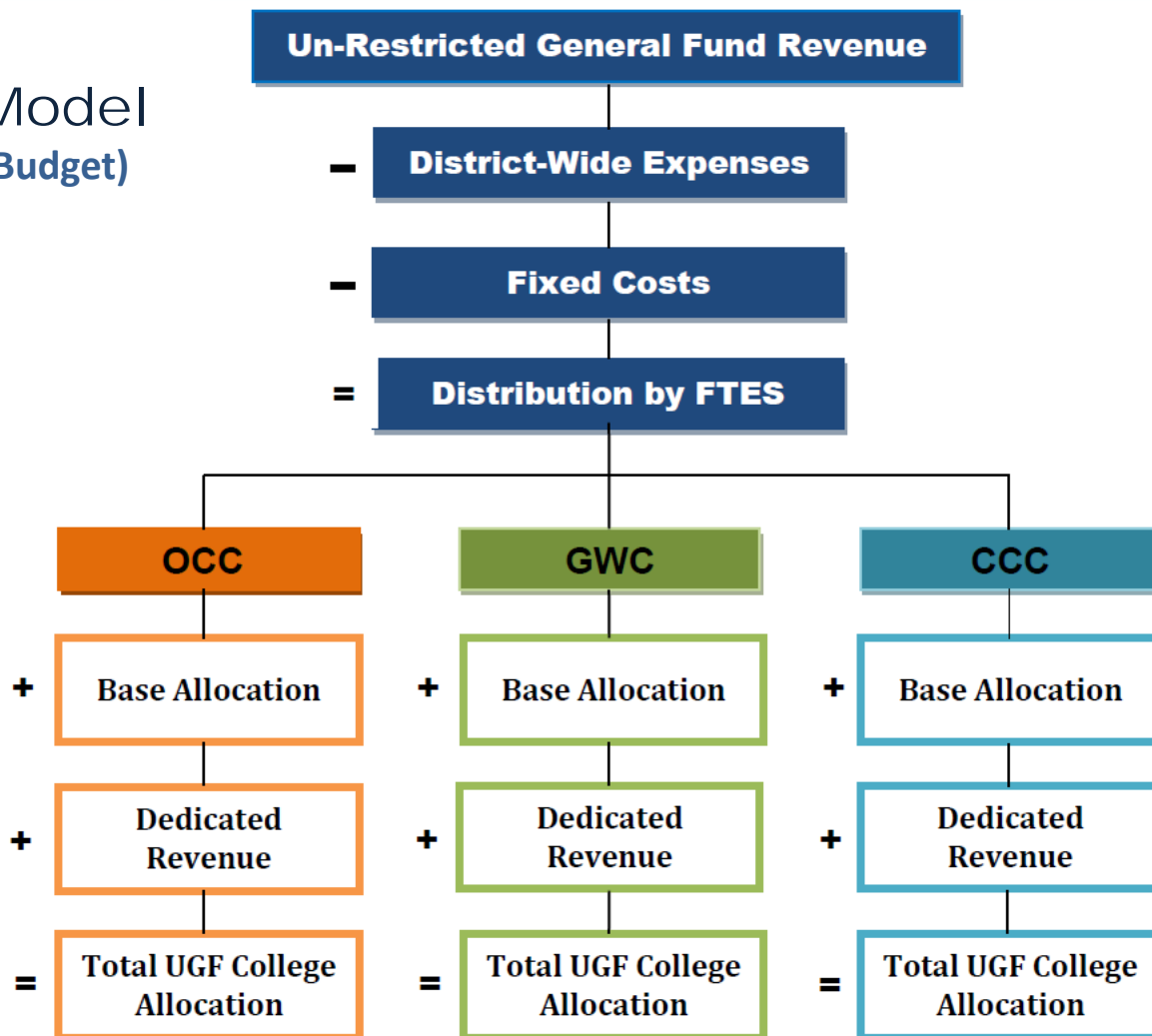
### **Included**

- Unrestricted General Fund
- Apportionment
  - Base Allocation
  - FTES Revenue
- Lottery
- Part-Time Faculty Parity
- Interest Income
- Joint Use Development
- La Habra Rentals
- KOCE Debt Payment

### **Excluded**

- Categorical Funds
- Grant Funds
- Enterprise Funds
- Other “Dedicated” Revenue

## Budget Allocation Model (2011-12 Adopted Budget)



## Planning Framework



## *Instructional/Non-Instructional Program Review*

### ▶ What is it?

- Org. unit level planning document

### ▶ Program goals and objectives

### ▶ Purpose:

- Integrate Goals, Objectives, Recommendations and budget requests

### ▶ Outcome:

- Integrate major components of Vision 2020 Strategic Master:
  - Education
  - Technology Resources
  - Physical Resources
  - Human Resources
  - Financial Resources

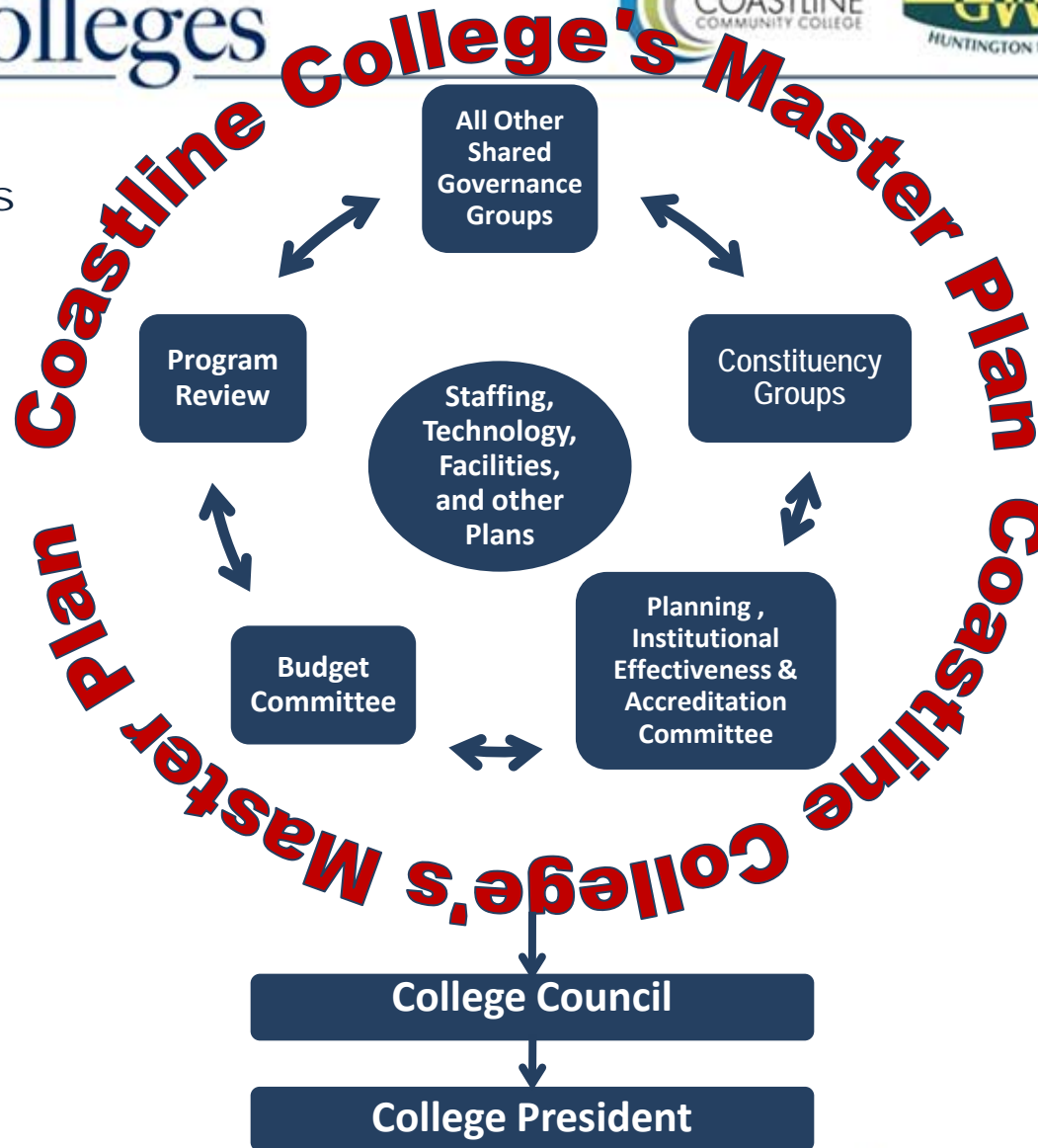
## ***Strategic Focus on Student Success through the following Vision 2020 Five Year Plan Goals***

1. Degree and Certificate Completion, and Transfer with Competence
2. Rework Basic Skills
3. Science, Technology, Engineering, Mathematics, and Medicine (STEM2)
4. Career and Technical Education (CTE), and Creative Arts Skills and Careers
5. Global / International Education
6. Diversity

## COAST COMMUNITY COLLEGE DISTRICT BUDGET CALENDAR 2011-2012

<b>APRIL</b>	Initiate 2011-2012 Budget Process.
<b>MAY</b>	Colleges and District Administrative Services continue 2011-2012 input. Budget input for Tentative Budget due from colleges.
<b>JUNE</b>	2011-2012 Tentative Budget adopted by Board of Trustees.
<b>JULY</b>	Budget input for Adopted Budget due from colleges.
<b>AUGUST</b>	2011-2012 Adopted Budget reviewed by Chancellor's Cabinet.
<b>SEPTEMBER</b>	Adopted Budget available for public inspection and review prior to public hearing and adoption in the District Office Lobby.  2011-2012 Adopted Budget presented for public hearing and adoption by Board of Trustees.  2011-2012 Adopted Budget filed with the County Department of Education.

CCC Decision  
Making Process





## GWC Budget Model (Handout provided)



## OCC Budget Model (Handout provided)