



BP 6225

PRINCIPLES OF BUDGET DEVELOPMENT

References:

- BP 1200 Mission
- ACCJC Accreditation Standard 3.4 and 3.5

Budget development shall reflect the institution's commitment to students through prudent fiscal management, participatory governance, and resource allocation linked to integrated planning in order to support the mission of the District.

- Budget development shall address fixed costs and long-term commitments.
- The District shall balance its budget in compliance with BP 6305 Reserves; ongoing expenses shall be supported by ongoing income.
- The faculty, staff, and administrators are one of the District's greatest resources. Lay-offs of regular academic and classified employees will be avoided if possible. In the event of funding shortfalls, positions that become vacant may not be filled and reassignments may be necessary.
- Employee compensation is a high priority of the District in order to support excellence in teaching and learning. Therefore, funds shall be allocated in order to assure competitive salaries and benefits and in accordance with Education Code. In the Unrestricted General Fund, the target ratio of total compensation to overall ongoing expenses will not be greater than 85%.
- Meeting the District's FTES (full-time equivalent student) funded base in a cost effective and strategic manner shall be a priority. To that end, the district sets its annual efficiency target at a minimum of 35 full time equivalent students (FTES) for every full time equivalent faculty (FTEF).
- Budget development will include strategic optimization of the State Chancellor's Office funding formulas.
- If available and compatible with the District's mission and priorities, growth funding may be considered.



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