

BP 6251 PRINCIPLES OF BUDGET DEVELOPMENT

The Principles of Budget Development shall be used to allocate resources and thereby protect Santa Barbara Community College District's viability as an institution capable of fulfilling its educational mission. The allocation of resources shall accomplish the following goals:

- ◆ Support student enrollment, retention and success
 - ◆ Maintain the highest quality of instruction and services
 - ◆ Meet the legal, contractual and accreditation obligations of the college
1. The College shall balance its budget; ongoing expenses shall be supported by ongoing income. A general fund contingency of 5 percent shall be maintained. One-time funds shall not be used to fund programs or activities on an ongoing basis.
 2. The faculty, staff and administrators are one of SBCC's greatest resources. Lay-offs of regular certificated and classified staff will be avoided if possible. In the event of funding shortfalls, positions that become vacant may not be filled, and reassignments may be necessary.
 3. In the event of one-time funding shortfalls or unanticipated expenses, reserves may be used to facilitate budget adjustments while expenses are reduced in the least disruptive manner. Use of reserves shall be short-term and the reestablishment of a 5 percent contingency reserve shall be the highest priority.
 4. Cost effectiveness in all areas shall be a major factor in considering reduction/retention of programs and services rather than instituting across the board cuts.
 5. Employee compensation shall be among the highest priorities in making budget decisions. Funds shall be allocated in order to assure competitive salaries, benefits, and working conditions to recruit, retain, and motivate the best possible administrators, faculty and staff.
 6. The college shall adhere to the principles of shared governance while engaging in institutional planning and budget development.
 7. Meeting the college's FTES (full-time equivalent student) cap in a cost effective and strategic manner shall be a priority.

8. The College shall budget revenue from enrollment when it is received. Similarly, for non-apportionment income (e.g., out-of-state fees, international student fees, interest income, lottery), an estimate shall be made utilizing trends in order to establish revenue projections.
9. Fixed and mandated costs (e.g., utilities, liability and property insurance, salary steps, and reserve requirements) shall be projected annually and allocations will be made to meet these expenses.
10. Growth funds shall be allocated only after receipt and shall be used first to fund growth-related expenses. Remaining growth funds shall be allocated to support institutional priorities determined through collegial consultation.
11. The District's capital equipment shall be provided, maintained and replaced in a systematic manner. Determining the need for transfers from the General Fund to the Equipment Fund shall be part of the ongoing fiscal planning and budget process.
12. Buildings and grounds shall be developed and maintained to meet student and programmatic needs through General Fund transfers to the Construction Fund. Determining the need for transfers from the General Fund to Construction Fund shall be part of the ongoing fiscal planning and budget process.
13. Reinstatement of General Fund Budget reductions resulting from funding shortfalls and/or increased infrastructure costs shall receive highest priority when new funds are available. These reinstatements shall be given first consideration prior to any new funding allocations.

Proposed Timeline for Development, Review and Approval of 2011-14 College Plan
Revised October 10, 2011

Time frame	Activity	Activities conducted by:
December 2010 – February 2011	Preparation of environmental scan analysis, student profiles, institutional effectiveness annual report, and other analyses	Institutional Assessment, Research and Planning, EC, UCSB Economic Forecast Project, outside agencies
March – April 2011	Discussion of Year 2 Evaluation of the 2008-11 Plan Presentations and discussion of environmental scan analysis Discussion of report produced by the Distance Education Workgroup Discussion of report produced by the Transfer Taskforce Development of assumptions for the College Plan 2011-14	CPC, Academic Senate, Classified Consultation Group, Student Senate, Management, Continuing Education Consultation Council, Student Senate Invite speakers from the City, County, UCSB Economic Forecast Project EC Institutional Assessment, Research and Planning
March 25, April 8, April 22, 2011	CPC and invited others – working sessions to develop initial draft of 2011-14 College Plan The review and discussion of the college mission is part of this process	CPC and invited others
Special summer working session – one day TBD	Create first solid draft of 2011-14 College Plan Discussion of college mission	CPC and invited others
August – November 2011	Consultation and revisions of 2011-14 College Plan Draft Revised draft of 2011-14 College plan discussed and approved by consultation groups The review and discussion of the college mission is part of this process	CPC, Academic Senate, Classified Consultation Group, Student Senate, Management, Continuing Education Consultation Council, Student Senate
October 13, 2011 Board Study Session	Review of draft of 2011-14 College Plan The review and discussion of the college mission is part of this process	Board of Trustees
November 15, 2011	Approval of 2011-14 College Plan based on feedback from BOT study session	CPC
December 1, 2011 Board Study Session	Discussion of 2011-14 College Plan Final Version and College Mission	Board of Trustees
December 15, 2011 Board Meeting	Approval of 2011-14 College Plan and College Mission	Board of Trustees