

**ADMINISTRATIVE PROCEDURE 6200 BUDGET MANAGEMENT****I. Budget Calendar**

Each January the Board will adopt a budget development calendar that identifies activities and sets dates for each step in the budget development process.

**II. Budget Directives**

Each February the Board will give direction for budget development to include:

- A. Reaffirmation of mission;
- B. Resource allocation (set level of Reserve for Contingency, Workers' Compensation Reserve, and any special project reserve;
- C. Determination of the amount of resources estimated to be available for General Fund expenditure with potential increases or decreases during the budget preparation period;
- D. Preliminary establishment of base budget for the District and each site.

**III. Budget Preparation**

- A. Prior to March 1 information will be provided to Cost Center managers that will include the status of current expenditures, state and county estimates of revenues, site "based budget" allocations, and targets for the increases or decreases.
- B. Each college and the central services offices will prepare a site budget through the Cost Center Managers using the information provided. Each President may provide additional directions or forms for site budget development to compliment these general procedures.
- C. Each college will work with the Vice Chancellor for Finance and Administration and Vice Chancellor for Educational Services in analyzing class offerings as they apply to the development of both revenue and expenditure plans.
- D. Each President and Vice Chancellor will submit their respective budget to the Vice Chancellor for Finance and Administration in the prescribed format. The submission will clarify that the site budget has met the Board-approved budget development guidelines.
- E. The District will develop the annual budget with an objective of improving the equity among the colleges by following the principles and guidelines incorporated into the Budget Allocation Model as recommended by the Planning and Budgeting Council and approved by the Chancellor.

**IV. Budget Consolidation**

The Vice Chancellor of Finance and Administration's Office will:

- A. Check forms for compliance with instructions;
- B. Check mathematical accuracy;
- C. Ensure that the aggregate of the budgets submitted is within the site allocation; and
- D. Enter the data into the computer and provide each site a copy of the budget for review.

## **V. Budget Presentation and Adoption**

### **A. Preliminary budget**

1. No later than the last board meeting in May, the Vice Chancellor for Finance and Administration will present the Preliminary Budget to the Board. No formal action is required by the Board on the Preliminary Budget.
2. Between the time that the Preliminary Budget is developed and the Final budget is adopted, changes to the budget will be made as additional information is received from the state based on the state budget adoption process.

### **B. Tentative budget**

No later than July 1, the Board will adopt a Tentative Budget. This budget will reflect changes made to the Preliminary Budget.

### **C. Final budget**

As prescribed by the California Code of Regulations, Title V, Section 58305, the Board will adopt a final budget for the District by September 15. This budget reflects changes made to the Tentative Budget and provides the operational budget base for the fiscal year of adoption.

## **VI. Budget Presentation and Adoption**

It is the responsibility of each Cost Center Manager to control the budget(s) within his/her assignment. The Vice Chancellor for Finance and Administration's Office will provide a monthly budget report and assistance in budget analysis and management as required.

Approved by the Chancellor: September 24, 2012