IVC Budget Principles, Guidelines, and Priorities

BUDGET PRINCIPLES

1. Supports mission and strategic goals: student success, excellence in education, develop resources and increase institutional effectiveness
2. Transparency: as evidenced by college community access to policies related to budgeting process and budgets via website
3. Broad participation: as evidenced by representation from all segments of the shared governance campus community
4. Balanced: as evidenced by draft and final budgets
5. Conservative projections are made for revenues, reserves, and expenses
6. Complete and thorough: as evidenced by a final budget that incorporates all departments and services areas

BUDGET OVERARCHING RULES

1. The District's Revenues are projected annually based on the enrollment goals set within 2% of the state workload measures.
2. The District's Expenses shall be within 1% of total revenue, regardless of funding source, and shall not fall below the percent reserves mandated by the Board of Trustees (6%) and the State (3%).
3. The District shall comply with the requirements and guidelines of California Title 5, Division 6, Chapter 9, Subchapter 4 'Budgets and Reports'

BUDGET DEVELOPMENT GUIDELINES AND PRIORITIES

1. Contractual obligations and fixed costs are budgeted first. These will be reviewed annually by the assigned committee
   a. Fixed costs include:
      i. Utilities, rent, and leases
      ii. General maintenance and environmental services supplies
      iii. Maintenance agreements such as Copier machines
      iv. Electronic/technological data bases and software maintenance fees
      v. Athletic Association Fees – compliance issue for all sports
      vi. Memberships – specify mandated, recommended by regulating entity (optional memberships are not fixed)
      vii. Medical directorships – compliance issue for some health programs
      viii. Simulation maintenance / warranty fees
      ix. Taxes and other mandated fees
      x. Ordinary maintenance repairs and grounds
      xi. Security
   b. Contractual obligations include:

    i. All regular salaries and benefits (under and not under collective bargaining units).

    ii. Contracted services such as cafeteria, architect, etc.

2. Year-end balances are <u>not</u> budgeted for ongoing expenses
3. One

2. Division deans, administrators, and budget managers will ensure all budgets are completed by December 1st.
3. Division deans, administrators, and budget managers must meet with CEO/CIO/CSSO to review budget and any new accounts or deletions or combinations of the existing accounts.
4. Division deans, administrators, and budget managers must meet with CBO and CEO/CIO/CSSO, prior to finalization of the official budget, to identify problem areas and to design improved processes for managing dollars. Adjustments may be made, but the bottom line figure must remain.

PRIORITIZATION

1. Each item should be sufficiently explained or those reviewing may consider asking the requestor to provide further information
2. Ranking of Prioritization shall be as follows unless a valid exception is provided

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b. 2000 Category (non-instructional salaries) – this is a negotiable item, but large increases or decreases could have a global comment from HR to help determine status

c. 3000 Category (benefits) – these are negotiable items, but large increases or decreases could have a global comment from the HR to help determine status

d. 4000 Category (supplies): ranking as above

e. 5000 Category (travel, consultant, memberships, advertising, postage): ranking as above and consider the following.

    a. Mandated travel/conference specific to a position, program or service; i.e. accreditation. However, how many are mandated to attend?

    b. Mandated versus opportunity for professional development specific to a position, program or service. Academic senate president conferences versus continuing education on a specific topic. How many are mandated to attend?

    c. 'Training' costs that may or may not be completed locally. Detail is required.

f. 6000 Category (capital and site improvements): Is it funded by other than District and is it recommended or desirable. Project information sheets may be requested and requestor should prepare a presentation with pictures, graphs, figures, etc.

g. Technology – Info Systems: Will it increase creative or expressive instruction and/or functionality of software? Will it increase dissemination of information or knowledge throughout the campus? Is it (should it) be restrictive or collaborative? Does it improve security of information or data integrity

4. Scoring Criteria

    a. Criteria with definitions shall be developed and reviewed annually, yet should have consistency over time. Projects competing for the same funding should be judged by the same standards.

    b. Shall be used by the committee to score project requests. Scoring is done by committee individually for each project,

	BUDGET AND PLANNING SAMPLE SCORING CRITERIA SHEET (Goals: 1 Student Success, 2 Excellence in Education, 3 Develop Resources & Increase College Effectiveness	EMP Goals	Points*

Definitions

1. Direct costs expenses that can be identified specifically with a particular project relatively easily with a high degree of accuracy. There may be some fixed and some variable costs under direct costs.
2. Indirect costs expenses that are incurred for common or joint objectives - costs that cannot be specifically attributed to an individual project. (A.K.A. Overhead or Facilities and Administrative costs).
   a. There may be some fixed and some variable costs
   b. Examples include capital expenses associated with laboratory/classroom space, utilities, accounting, human resources, purchasing, security, custodial services, building and grounds maintenance, hazardous material handling, etc.
3. Fixed costs expenses that are not dependent on the activities of the business such as rent, taxes, insurances, maintenance contracts, or mandated memberships. Some salaried positions such as CEO, CIO, CBO, CSSO could be labeled as fixed
4. Variable costs expenses that change in proportion to the activity of a business such as the cost of labor, monthly utilities, paper, ordinary repairs, care of grounds, security, earthquake and disaster preparedness, and hazardous waste disposal
5. Equipment: an item that is non-expendable, tangible, has a useful life of more than one year, and an acquisition cost which equals or exceeds $500
6. Capital equipment: net invoice price of the equipment equals $5,000 or more, including the cost of any modifications, attachments, accessories, installation, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired and has a useful life of more than one year.
7. Special purpose equipment: used only for research, medical, scientific, or other technical activities
8. General purpose equipment: not limited to research, medical, scientific or other technical activities. Examples include office equipment and furnishings, air conditioning equipment, reproduction and printing equipment, motor vehicles, and automatic data processing equipment.

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