2014-15 Budget Parameters

District Mission Statement: As an innovative institution of excellence, College of the Canyons offers an accessible, enriching education that provides students with essential academic skills and prepares students for transfer education, workforce-skills development, and the attainment of learning outcomes corresponding to their educational goals. To fulfill its mission, College of the Canyons embraces diversity, fosters technical competencies, supports the development of global responsibility, and engages students and the community in scholarly inquiry, creative partnerships, and the application of knowledge.

Background: The Budget Parameters provide guidelines to assist in the process of developing the annual budget in support of the District’s Mission, Strategic Goals, Planning documents and Instructional and Non-instructional Program Reviews. The Budget Parameters take into consideration State and Federal regulations and laws governing Community College fiscal and operational standards and requirements as well as professional development training programs related to our Mission and Strategic Plan to ensure the currency of all staff.

CRITERIA FOR A FISCALLY RESPONSIBLE BUDGET:

Balanced Budget: Budget year Revenues should equal or exceed Budget year Expenses to avoid a “structural deficit” that can deplete the District’s Fund Balance or savings account.

Reserve/Contingency: The Budget will establish a reserve for anticipated State Revenue shortfalls or one-time or long-term commitments for debt or future liabilities as well as provide for flexibility to take advantage of opportunities as well as to manage reductions.

Fund Balance: Each Budget year, in recognition of the State Chancellor’s Office recommendation to maintain a minimum 5% Fund Balance and in acknowledgement of State economic challenges, a minimum 6% Fund Balance will be established. A larger fund balance will be maintained during State economic downturns to protect the district against mid-year cuts or other unscheduled revenue shortfalls.

STUDENT ACCESS AND SUCCESSFUL COMPLETION:

Enrollment Management: The Budget will support the District’s mission of teaching and learning by providing funding to instructional programs, student services and administrative functions to support the District’s Enrollment Management plan goals and strategies and commitment to maximize student access and retention, with a focus on Basic Skills, Transfer and Career Technical Education. Programs that have proven effective will be institutionalized.
• **FTES Target:** The Budget will provide sufficient funding to support student access and retention based on the annual FTES target established by the State Chancellor’s Office and will provide for a plan to minimize unfunded FTES, expense with no revenue.

• **Instruction/Curriculum:** The Budget will support student access through curriculum development, maintenance, redesign, resizing and expansion to ensure the currency and relevance of programs.

• **Workforce Training:** The Budget will provide for Economic Development outreach and service to potential business partners to meet the needs of local businesses and community members by providing workforce training.

• **Supporting Student Success:** The Budget will be responsive to State mandates and State Chancellor’s Office recommendations supporting Student Success Task Force Recommendations.

**REVENUES:**

**Budgeted Revenues:** Budgeted Revenues will be based on reasonable and conservative estimates from the State Chancellor’s Office that include formula based or calculated revenues for State Apportionment, Growth, COLA, Categorical Revenue, etc.

**Revenue Enhancements:** The District will pursue revenue augmentations through Grants development, Foundation efforts, Partnerships with Business and Industry, etc. to augment State Apportionment Revenue which is fixed per State formulas and allocations for each District.

**EXPENSES:**

**Budgeted Expenses:** The Budget will include expenses based on the prior year Adopted Budget, adjusted for Forced Costs, Expense Augmentations and/or Equipment Augmentations when submitted through Program Review, tied to Planning Documents and approved by Executive Cabinet.

**Forced Costs:** The Budget will include the required costs associated with applicable laws, regulations, negotiated agreements, contracts, risk management, health/safety and emergency preparedness and response. Strategic efforts to use bond funds and coordinate capital outlay efforts with the State will be implemented in conjunction with including in the budget one-time or on-going costs to maintain, modernize or add new facilities as well as to operate leased instructional sites throughout the service area. Other costs may be identified as “Forced” by District Administration, as necessary.

**Expense Savings/Efficiencies:** When possible, the Budget will incorporate expense reductions and efficiencies achieved through re-engineering or streamlining existing programs/functions that will result in one-time or on-going savings while still maintaining quality. Infrastructure investments and financing opportunities as well as the development, maintenance and upgrade
of the information technology infrastructure to avoid excessive maintenance and/or obsolescence will be pursued whenever possible.

Community College Regulations That Influence the Unrestricted Budget:

- **Fifty-Percent Law:** The District’s Budget will ensure compliance with the Fifty-Percent Law each year.
- **Full-Time Faculty Obligation (FON):** The Budget will allocate resources for the number of Full-Time Faculty who should be employed by the District each Budget year that meets or exceed the State target established each Fall.
- **State Apportionment/Title 5:** The Budget will fund the required functions and programs as required by Title 5 in order to receive State Apportionment.
- **Local, State and Federal Advocacy:** The Budget will provide resources for Advocacy that supports the on-going Mission of the college for student access and success by providing analysis and input to formula development and legislation that supports community colleges.