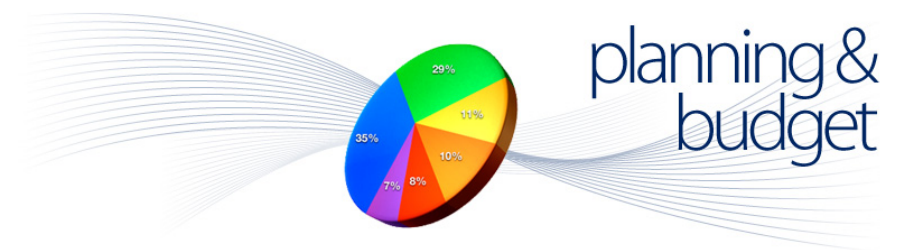




SAC Budget and Integration with Program Review

- Our budget...together
- Based in good business practice
- Public Trust
- Investment in our students





RAR!

The process intends to link all college resource allocation requests to the department/division goals, the college mission, the strategic plan and the college budget priorities. [The Resource Allocation Request Form](#) outlines the college mission and the budget priorities; the form has a link to the [SAC Strategic Plan](#) document for easy reference.



Planning and Budget Manual

- The Planning and Budget (P&B) Manual
 - Budget priorities recommended by the Planning and Budget Committee which are then used by campus departments to develop their Resource Allocation Request forms (RARs).
- The P&B manual includes:
 - A comprehensive planning and budget calendar
 - The district & SAC Tentative and Adopted budget calendars
 - Budget guidelines and accounting procedures that facilitate the daily budget transactions such as account requests, budget changes and transfer of expenditures.
- SAC P&B Manual is located on the SAC Budget Office website
- Planning and Budget Committee website for current budget information



Budget Development Integrated with Program Review

- Budget Education/Information is important!
- Monthly P&B Committee Presentations:
 - Enrollment
 - Student Life
 - SAC TAC
 - Marketing
 - Accreditation
 - Financial Context
 - State, District and SAC budget updates and information
 - Monthly Financial Statements
 - January Governor's Budget
 - May Revise Budget
 - Tentative and Adopted Budget Workshop Presentations



SAC Budget Parameters

- District and College Mission
- Program review/Planning
 - Strategic goals inform dept. objectives- both link to RARs driven from program review
- Fiscally Responsible Budget
 - Balanced budget
 - Designated contingency (SAC P&B committee = “20% of ending balance”)
- Community College Regulations
 - 50% law (instructional salaries/benefits $\geq 50\%$)
 - FON (full time faculty obligation)



Budget Parameters

- **FTES**- Based on target established by local funding model
- **Revenues**- Based on apportionment, growth, COLA, categorical allocations from Chancellor's office, local revenue
- **Expenses**- Based on prior year college expenses, and anticipated increases or decreases in coming year
 - Forced Costs
 - External: legal, contractual, risk, health/safety
 - Critical operations: Utilities, insurance, maintenance
 - Enrollment management: FTES growth in targeted area, marketing
 - Department viability: crucial for department function
- Other resources
 - Categorical/Grant funds, facilities funds, lottery



Budget Augmentations- RARs

- When additional revenue is available above 20% contingency reserve
- Equipment, facilities modifications, technology, personnel
- Augmentations are one-time
 - ST personnel are one-time expenditures
 - FT/PPT personnel are ongoing expenses



Program Review Informs other Budget – Related Processes

- Full time staffing needs
- Facility renovation or modification
- Technology needs or update



Use of Data Informs Budget Decisions

- Examples include:
 - Student learning outcome (SLO) data
 - Enrollment management trends
 - Expenditure history and trends (deficit spending or savings)
 - Forced costs (licenses, training, accreditation, preventive maintenance)
 - “Bang for the buck” initiatives
 - Return on investment- was an initiative so successful it can be generalized across the college?
 - How do you measure the impact?



Sources of Funding for RARs

- Lottery Funds-
 - Instructional supplies
- Categorical Funds (Fund 12)
 - SSSP, Student Equity, etc.
 - Very restrictive
- Scheduled Maintenance/Fund 41/ Prop 39
- One-Time funds (Fund 13)
- Ongoing General Fund (Fund 11)- *mainly personnel and forced costs*



RAR Requests must be Tied to Planning Goals

- Justifications must be listed in comments
- Objectives need to make sense
 - “I need more staff that you took away in 2010”
 - “Increase in sections requires additional lab technicians to serve additional students”



Budget Communication/Transparency

- Planning and Budget Committee- updates, RARs, budget assumptions, tentative/adopted budget summaries
- Board budget presentations
- College Council, Management Team Meeting budget presentations
- Campus-wide budget email updates
- Final RAR approvals distributed to division deans and managers to be shared with faculty and team members
- Planning and Budget Manual- updated annually
- Trainings by SAC Budget Office staff
- All Planning and Budget information and minutes posted on SAC Planning and Budget web page



November

- Budget priorities are determined and approved by SAC Budget and Planning Committee. **(November)**
- Administrative Services sends out Resource Allocation Request (RAR) forms. **(November)**
- The form needs to include items that have been identified and justified in the department program review
- The requests need to be prioritized by the program areas, including direct ties to college budget priorities, college mission, strategic plan, and intended outcomes



December

- All program area RARs and supporting evidence needs to be submitted to the area Vice President and simultaneously to the Campus Budget office by the deadlines established. ***(December)***



January

- Campus Budget office compiles college-wide Resource Allocation Requests **(January)**
- Segregates requests by VP areas with priorities included
- Segregates request by specific request type (personnel, facilities, equipment etc,)
- Provides comprehensive list of RAR's to area vice presidents.
- Requests are reviewed and prioritized by Cabinet **(January)**
- Prioritized Resource Allocation Requests are presented to Cabinet by area vice president.
- Cabinet prioritizes college-wide RARs in accordance with college budget priorities, strategic plan, college mission and direct tie to dept/division intended outcomes



February

- Administrative Services provides prioritized list of Resource Allocation Request to Planning and Budget for review (***February***)



March/April/May

- Area Vice Presidents review prioritized list with respective departments/divisions and communicate the location of possible funding. Some requests might be funded in the Tentative Budget, during the Adopted Budget or possibly later depending on funding availability and state budget information



September

- Vice President of Administrative Services preliminarily assigns funding categories and sources of funds to prioritized RARs, and presents the information to cabinet and the Planning and Budget Committee.
- Allocation of funds is validated after approval of Adopted Budget.
(September)
- Planning and Budget committee as well as management teams are provided with the final prioritized RAR list by VP area. ***(September)*** If there are items that were not approved and the departments can still justify the need, these items could be included in the Resource Allocation Request for the following year.



RAR Considerations for Budget Development

Justification/Integrity

- Safety!
- Department viability
 - Space, staff, equipment, etc. to expand a program for greater results (student success/ # of FTES generated)
- Discretionary Expenses- Trend with FTES production
 - Instructional supplies, equipment, staffing
- Equipment (including technology)
 - New or replacement equipment based on life cycle schedule, new technology requirements, obsolescence
- Equipment maintenance and repair
 - Based upon manufacture specifications
 - Total Cost of Ownership



SAC ACADEMIC AFFAIRS ANNUAL RAR PROCESS

- August – November
Individual departments and programs assess and rank their resource allocation needs that are in alignment with the college mission, strategic plan, and budget priorities. Requests are based on program review, outcomes & assessment work, legal mandates, and safety concerns. These requests are developed into Resource Allocation Requests (RARs) and submitted to their Division Office;
- November – December
The Division Dean leads a ranking process working with department chairs and program directors to develop an overall division ranking for all submitted RARs;
- December (12/16/17)
The Division Offices submit their ranked RARs to their area VP and Administrative Services for consolidation
- March – April
Academic Affairs Division Deans and VP meet to prioritize the area RARs
- Prioritized area RARs go to Executive Cabinet for discussion and final prioritization



Assessment of the RAR Process 2015/16

- Fall 2016 assessment of the RAR process effectiveness and efficiency was conducted institution-wide.
- 125 SAC employees were designated by the Deans as having been involved with and participated in the RAR process.
 - Survey was sent out twice with a descriptive note
- 16 faculty responded, 1 staff member, 9 administrators
- Findings included:
 1. Communication throughout the RAR process was not satisfactory- Close the Loop!
 2. Low satisfaction with the process outcomes at the end of the funding cycle
 3. After funding is approved and purchases made, did it make a difference?
 4. Simplify the process (online, tie electronically to SLOs & institutional info)



Changes to RAR Process in Academic Affairs for 2017-18

- **Increased Participation**

Faculty Chair representation in Academic Affairs RAR Prioritization meeting in February.

- **Communication and Feedback**

Once Academic Affairs RARS have been prioritized, this list will be sent out to the Division Offices for distribution to faculty and staff.

- **Return on Investment**

Areas that received funding will in the 2015-2016 cycle will be asked to report on RAR impact on students and programs.

