

# **Administrative Procedures**

## **Chapter 6 - Business and Fiscal Affairs**

### **AP 6200 Budget Preparation**

#### References:

Accreditation Standards; Education Code Section 70902(b)(5); Title 5 Sections 58300 et seq.

Budget preparation will be developed using an established process as approved by the College's Budget Committee. A budget preparation calendar will be developed annually, which will include the tentative and final budget deadlines.

The adopted budget will be submitted to the California Community College Chancellor's Office upon the submission of the Annual Financial and Budget Report (CCFS-311) no later than October 10<sup>th</sup> of each fiscal year.

# Administrative Procedures

## Chapter 6 - Business and Fiscal Affairs

### AP 6250 Budget Management

#### References:

Title 5 Sections 58307 and 58308

Title 5 requires that budget management conforms to the following minimum standards:

- Total amounts budgeted as the proposed expenditure for each major classification of expenditures shall be the maximum expended for that classification for the academic year, except as specifically authorized by the Board of Trustees.
- Transfers may be made from the reserve for contingencies to any expenditure classification by written resolution of the Board of Trustees, and must be approved by a two-thirds vote of the members of the Board of Trustees.
- Transfers may be made between expenditure classifications by written resolution of the Board of Trustees, and may be approved by a majority of the members of the Board of Trustees.
- Excess funds must be added to the general reserve of the College, and are not available for appropriation except by resolution of the Board of Trustees setting forth the need according to major classification.

### Appropriation Transfer Procedures

- A. **General Information:** It is recognized that from time to time after the adoption of the annual budget that the reallocation of certain funds within the budget may become necessary or desirable for efficient operation of the College. Every attempt should be made to hold such transfers to a minimum through good advance planning during budget preparation.
- B. **Procedures:** Whenever a reallocation of funds within the budget is made, it is extremely important that proper procedures are followed to meet legal requirements and maintain proper budgetary controls. The following procedures are designed to meet these objectives and to clarify and standardize the method of requesting and implementing appropriation transfers within the budget:
1. The Budget Control Officer requesting the transfer should obtain a copy of "Request for Appropriation Transfer" Form from Fiscal Services. This request must be submitted prior to the use of the funds (purchase requisition, travel and conference expense, mileage expense, time sheets, revolving cash reimbursement, etc.).
  2. Complete the form as per specified instructions.
  3. The form should include a signature of the "requestor" and should include approval signatures as follows:
    - a. Transfers made between expenditure classifications up to \$1,000 should be approved by the appropriate manager. Transfer made between expenditure

classifications over \$1,000 must be approved by the Vice President of the area or the College President/CEO.

- b. Transfers from regular salary accounts (accounts used to charge permanent employees) regardless of the amount must be approved by the College President/CEO or Vice President of the area requesting the transfer and the Chief Fiscal Officer or designee.
  - c. Transfers from the Faculty Hourly Accounts (Unrestricted General Fund) regardless of the amount must be approved by the Chief Instructional Officer and the Chief Fiscal Officer.
4. After the form is completed with the appropriate approvals, the request should be forwarded to the Fiscal Services Department.
  5. The Fiscal Services Department will submit the "Request for Appropriation Transfer" to the Board of Trustees as pursuant to the California Code of Regulations, Title 5 Section 58307.

### **Budget Revision Procedures**

- A. **General Information:** The College is continuously looking for opportunities to increase its revenues obtaining categorical programs (grants, entitlements, donations, and other financial assistance) and contracts. This is an ongoing process throughout the year; therefore, there is a need to recognize the receipt of these funds after the adoption of the final budget.
- B. **Procedures:** When a written notification (award letter, contract, agreement, etc.) is received regarding a change (increase or decrease) of funding, it is extremely important that proper procedures are followed to meet legal requirements and maintain proper budgetary controls. The following procedures are designed to meet these objectives and standardize the method of requesting and implementing budget revisions within the budget:
  1. The Program Manager should obtain a copy of the "Request for Budget Revision" Form from Fiscal Services. This request must be submitted prior to the use of the funds (purchase requisition, travel and conference expense, mileage expense, time sheets, revolving cash reimbursement, etc.).
  2. Fiscal Services will assign an appropriate account number for all new programs as needed.
  3. Complete the form as per specified instructions.
  4. The form should include a signature of the "requestor" and must be approved by the appropriate manager and Vice President of the area or the College President/CEO.
  5. After the form is completed with the appropriate approvals, the request should be forwarded to Fiscal Services.
  6. Fiscal Services will submit the "Request for Budget Revision" to the Board of Trustees as pursuant to the California Code of Regulations, Title 5 Section 58308.