

Annually, the vice president of administrative services shall develop a tentative budget and a final budget prepared in accordance with Title 5 and the California Community Colleges Budget and Accounting Manual (CCCBAM), complete the preparation of the district's adopted annual financial report and budget report, and timely submit all financial forms required by the California Community College Chancellor's Office (CCCCO).

Assumptions upon which the budget is based shall be presented to the board of trustees for review. Material changes in any assumptions upon which the budget was based shall be reported to the board in a timely manner.

The Budget and Planning Committee will involve the appropriate groups in a consultation process for budget development for resource allocation prioritization. The budget development process will involve the division's budget submission.

BUDGET PRESENTATION AND REVIEW

Calendar

The schedule for presentation and review of budget proposals shall comply with state laws and regulations and provide adequate time for board study. A schedule is provided to the board by December of each year, which includes dates for presentation of the tentative budget, required public hearings, board study sessions, and approval of the final budget.

The tentative budget shall be presented to the Budget and Planning Committee no later than the last scheduled Budget and Planning Committee meeting in May.

The tentative budget shall be presented to the board of trustees no later than July 1, and the final budget no later than September 15.

The adopted annual financial and budget report shall be prepared on or before September 30, and submitted to the CCCCCO on or before October 10.

Citizen Participation

A public hearing on the budget shall be held on or before September 15, and shall be at least three days following the availability of the proposed budget for public inspection. At the public hearing, interested persons may appear and address the board regarding the proposed budget or any item in the proposed budget.

Notification

Notification of dates and location(s) at which the proposed budget may be inspected by the public and date, time, and location of the public hearing on the proposed budget shall be published by the district in a newspaper of general circulation in the district, at least three days prior to the availability of the proposed budget for public inspection.

PRINCIPLES FOR BUDGETING

Balanced Budget

The district should maintain a balanced budget where operating revenues must fully cover operating expenditures, including debt service. In the event that operating revenues do not fully cover operating expenditures, the district shall develop a plan. The district shall maintain appropriate reserves, but shall be not less than the prudent reserve defined by the CCCCO as a general fund balance of not less than five percent of expenditures. Please refer to Administrative Procedure 6305 for additional information regarding district reserve requirements.

Link the Budget to Long-Term, Strategic Financial Plans

- The annual budget shall support the district's mission statement and educational master plan.
- Budget projections address long-term goals and commitments.
- Results of program review shall be linked to the annual budget development process.

Maintenance and Replacement

Maintenance and replacement funding will be prioritized each year to ensure that capital facilities and equipment are sufficiently maintained to avoid service disruptions. The district will maintain all assets at a level that protects capital investment and minimizes future maintenance and replacement costs.

Fund Liabilities

Fund current portions of the district's liabilities in the budget so as to maintain the trust of creditors and to avoid accumulating an unmanageable liability.

Pensions and Other Post-Employment Benefits (OPEB)

The district will use an actuarially accepted method of measuring and projecting its current and future pension and OPEB liabilities. Funds allocated by the district for OPEB liabilities will be deposited into an irrevocable trust or reserve set up specifically for OPEB. The district's contribution to employee retirement costs will be adjusted annually as necessary to maintain full funding.