VI. NUTS AND BOLTS: RESOURCE ALLOCATION

BUDGET CYCLE
Within the San Jose/Evergreen Community College District, the budget cycle and timelines are defined at the District level. Information pertaining to the District's timeline is contained in the Addendum.

COMMITEE OVERSIGHT
The Finance Committee is a subcommittee of the College Planning Council. The Finance Committee is charged with recommending the disbursement of discretionary funds as they relate to program reviews, both annual and comprehensive, to ensure that the dollars are allocated based on the resource allocation model adopted by the College. The Committee is a cross representational group of employees and students as follows:

3 Administrators, appointed by Managers, Supervisors & Confidential (MSC)
3 Faculty, appointed by the Academic Senate
3 Classified Staff, appointed by the California School Employees Association (CSEA)
3 Students Representatives, appointed by Associated Student Government
The Vice President of Administrative Services serves as an Ex-Officio of the Committee

The Committee meets bi-monthly during the course of the academic semesters and a meeting is called by the Chair when a quorum is reached. The Committee will meet outside the semester if the need arises. During the Fall Semester, the Committee reviews and learns the various documents needed to understand the budget process and the intricacies of the instructional and non-instructional programs on campus. During the Spring Semester, the Committee begins its work to prepare for and conduct its review of the budget and the subsequent recommendations to the College Planning Council.

BUDGET HEARING PROCESS
During the course of the spring semester, the Finance Committee distributes instructions and a template electronically, to all of the supervisors, deans, vice presidents, president, and other budget managers on campus. The process of planning the needs of divisions and departments within the College also begins at the beginning of spring semester. Once all source documentation is submitted based on the "Budget Cycle Timeline Flow Chart," the Finance Committee schedules hearings with all budget managers in the College. See example:
<table>
<thead>
<tr>
<th>PRESENTATION TIME</th>
<th>ADMINISTRATOR/DEPARTMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>8:15-8:45 AM</td>
<td>Student Life</td>
</tr>
<tr>
<td>8:45-9:15 AM</td>
<td>Kinesiology/Wellness/Athletics</td>
</tr>
<tr>
<td>9:15-10:15 AM</td>
<td>Multiple Student Affairs Programs</td>
</tr>
<tr>
<td>10:15-10:45 AM</td>
<td>Special Programs/Counseling/Health services</td>
</tr>
<tr>
<td>10:45-11:15 AM</td>
<td>Language Arts</td>
</tr>
<tr>
<td>11:15-11:45 AM</td>
<td>Custodial/ Grounds</td>
</tr>
<tr>
<td>11:45 AM - 12:30 PM</td>
<td>LUNCH</td>
</tr>
<tr>
<td>12:30-1:00 PM</td>
<td>Business Services</td>
</tr>
<tr>
<td>1:00-1:30 PM</td>
<td>Math &amp; Science</td>
</tr>
<tr>
<td>1:30-2:00 PM</td>
<td>Humanities &amp; Social Sciences</td>
</tr>
<tr>
<td>2:00-2:30 PM</td>
<td>Business/Technology/Applied Science</td>
</tr>
<tr>
<td>2:30-3:00 PM</td>
<td>Cal Works</td>
</tr>
<tr>
<td>3:00-3:30 PM</td>
<td>Academic Affairs</td>
</tr>
<tr>
<td>3:30-4:00 PM</td>
<td>CTSS</td>
</tr>
<tr>
<td>4:00-4:30 PM</td>
<td>Enrollment Services</td>
</tr>
</tbody>
</table>

For the budget hearings, academic programs are allocated 45 minutes and non-academic programs 30 minutes to allow deans with many large and/or complex programs time to adequately defend their needs to the Committee.

A number of days prior to the hearings, all members of the Committee receive all of the source documentation needed and reviewing these documents in advance. These documents usually translate to a five-inch binder full of material for the entire college. Documents include, but are not limited to, program reviews, budget requests, enrollment data, SJCC fact book, 3 years of financial history by cost center.

At the budget hearings, every presenter is asked to make his/her case. As documents are presented, Committee members openly ask questions of the presenter at any time and do so to have a better understanding of the needs of the budget in question. Many times, this is the first time for a member of the Committee to learn anything about other areas of the College so many times, the most simple questions are asked to better understand the various levels of needs throughout the College.
APPROVAL PROCESS
A sequence of events must take place over the course of the spring semester for the allocation of resources. Once the Finance Committee has had its budget hearings, the Committee sets aside another day to review what they hear during the hearings and ask further questions if needed. We then begin the process of making sure what is being recommended for the allocation is in line with the program reviews. After the program reviews are reviewed, the Committee then looks at the delta between the revenue anticipated for the College and what the requests currently amount to. If there is a difference, and usually this happens, then the committee must make reductions based on established priorities for the year. Based on priorities that vary from year to year, the committee makes the appropriate reductions to areas within the college to balance the budget.

Upon the completion of the Committee deliberations, the Finance Committee then votes on its recommendation as a whole for the annual budget. This recommendation is then forwarded to the College Planning Council (CPC). This committee is a quadripartite committee and made up of 5 members from each of the constituency groups on campus: staff, faculty, students, and administrators. The CPC then reviews, as a first reading, the budget in its entirety, allowing time for questions and making sure that the Finance Committee has allocated resources based on the established resource allocation model, program reviews, and institutional priorities as needed. CPC then schedules the second meeting for action on the budget itself. Once the CPC approves the recommendation from the Finance Committee and any subsequent amendments, this becomes the recommendation of CPC to the College President. The President of the College then receives the full documents from the Finance Committee and CPC to begin the review of all pertinent materials. Once the College President has had the opportunity to review/amend/approve the budget, the College Vice President of Administrative Services (VPAS) is notified of the approved final document.

The VPAS then compiles all documentation for a final approved budget book for record keeping. The VPAS also completes allocation letters to all budget managers outlining the budget from their request to final approval. This tracking methodology allows managers to see where their specific line items were changed throughout the process. These allocation letters are received by the administrators on campus in a detailed format, allowing them to disseminate this information to the individual programs within their departments for full disclosure.

APPEAL PROCESS
As a result of the 12/13 allocation process, the decision was made to allow for an appeal process for departments to appeal the decision of the Finance Committee, College Planning Council, or the College President based on the allocation they received. Many times this is a result of their initial allocation being reduced based on the criteria established in the allocation process. The allocation they received may be appealed to the following adhoc groups:

College President
Vice President of Administrative Services
Vice President of Academic Affairs (Also serves as CPC Chair)
Vice President of Student Affairs
Finance Committee Chair

This adhoc group will review appeals of the budget allocation based on the following criteria:

1. The program/department cannot meet essential requirements of accreditation or third party accreditation based on the reductions made by one or multiple layers of approval.

2. The program/department is new to the college and thus does not have significant historical references to make quantitative decisions based on what was presented.

3. The program/department was reduced so drastically, more than 50%, that it must address the funding or risk the viability of the program/department.

The appeal made by the program/department must address why the need was not addressed in the annual/comprehensive program review, must address the impact the funding level has on the program/department, and must also address the impact the reduction has on total student served and curriculum impact if any.

Once the above criteria are addressed in a formal appeal, the appeal must follow the signature authority:

1. Signature of Author

2. Signature of supervising dean/manager/vice president

3. Signature of divisional vice president

The divisional Vice President will present the appeal to the adhoc group and all appeals will be heard in one meeting held annually. The recommendation will be forwarded to the President. Once a decision has been made regarding the appeal, proper notification will be served through the Vice President of Administration in the form of an approval or denial of the request. Shall an approval be received, an amended allocation letter will be submitted to the budget manager over that program/department. Shall an appeal be denied, the VPAS will write a letter to the budget manager outlining the denial of the appeal. Upon the completion of the appeals process, there will be no other recourse to have a budget reviewed or amended in the current budget year. Any needs that have not been met for a program/department will have to be managed within the departmental budget as allocated.

CONTINGENCY PLANS

The College currently has a resource allocation process that manages how the College allocates resources throughout its various areas. However, there are situations that arise that require the College to keep a contingency of funds for reductions, emergencies, and other one-time needs. To manage, the College currently holds a very conservative contingency to help mitigate these issues. Shall the College have any of the above issues, and it cannot be absorbed into the departmental budget, the College will use the contingency funds it has at its disposal to address the problem so as not to harm the operations of individual departments. The following represents examples of the uses for contingency funds:
1. **Emergency** — Unknowingly one of the boilers in the central plant in the College suddenly fails. This would be an unplanned emergency as this equipment is very expensive but is needed to operate the heating and air conditioning on campus.

2. **Reductions**— The State of California doesn’t meet its revenue estimate and the Governor calls for a cut in the state budget mid-year. This would result in the colleges receiving FTES reductions, which in turn require a reduction to the institution’s base funding. A contingency budget can offset the reductions to minimize the impact to programs or positions.

3. **One Time Funding** — The College is allowed to carry forward any fund balance from the prior year for one additional year. These funds can only be used for one-time items as the dollars will not be there in subsequent years. Thus, the College must use these funds for items such as small repairs, or improvements for grounds or other areas that will not require the funding to be annualized in the next fiscal years.