

## **BUDGET PREPARATION**

The budget shall be designed to reflect the Redwoods Community College District's mission, the Education Master Plan, the Facilities Master Plan, strategic plans, and annual goals and objectives. This necessitates a long-range, continuous view of District financial requirements.

The budget process shall include participation from College Council and the Financial Advisory Committee.

The budget shall project financial support for educational and support programs of the Redwoods Community College District and shall contain statements of income, expenditures, and balances.

A budget calendar shall be presented to the Board by September of each year that includes presentation of the tentative and final budgets. The tentative budget shall be presented no later than July 1 [Title 5, Section 58305(a)], and the final budget no later than September 15 [Title 5, Section 58305(c)]. A public hearing on the budget shall be held on or before September 15 [Title 5, Section 58301].

The budget must note the relationship between the ending balance of the prior year and the beginning balance of the current year budget, as well as the appropriation for contingency. The purpose of the requirement is to assure awareness on the part of the Board of Trustees of any deficit financing.

Any unusual budget items must be noted with the impact explained to the Board of Trustees. This includes, but not limited to, contingencies for reductions, property purchases or sales, audit procedure changes, or capital loss or gain.

Revenues and expenditures provided by borrowed funds or long-term debt must be noted and explained to the Board of Trustees.

Budget management shall be the responsibility of every cost center manager who shall adhere to sound, prudent, business practices. It shall be the responsibility of the Vice President, Chief Business Officer to keep Cost Center Managers informed of fiscal matters in a timely fashion.

The budget shall contain:

1. The anticipated expenditure in each financial category for the current school year.
2. An estimate of the student population for the coming school year.
3. An estimate of the staff composition by numbers for the coming school year.
4. The anticipated revenue showing sources and amounts of each.

5. The amount of reserves anticipated at the end of the current year.

The adopted budget shall be submitted to the CCC Chancellor's Office on or before October 10 [Title 5, Section 58305(d)].

A monthly financial report shall be presented to the Board of Trustees reporting the following:

1. The fiscal status of the Redwoods Community College District including income, expenditures, and balances.
2. A projection of the year-end income, expenditures, and balances.
3. A report of all budget transfers among the major accounts for Board approval.

A complete list of all expenditures for the reporting period shall be available for inspection in the Business Office.

Reference: Accreditation Standard III.D; Education Code Section 70902(b)(5); Title 5, Sections 58300 et seq.

Approved: 10/3/06

Former Policy #602: "Fiscal Services," Adopted by Board of Trustees: 8/15/77

Amended: 7/83, 11/4/91

Former Policy #603: "Budget Preparation," Adopted by Board of Trustees: 8/15/77

Amended: 7/83