

MISSION COLLEGE

BUDGET ALLOCATION MODEL (For New Money and Operating Budget)



Prepared by CBAC, Pending Endorsement by Academic Senate and GAP

Spring 2011

Table of Contents

I.	TABLE OF CONTENTS	1
II.	INTRODUCTION.....	2
III.	NEW MONEY ALLOCATION MODEL.....	4
	<i>A. Big Ticket Items</i>	
	<i>B. Model Categories</i>	
	<i>C. New Money Model Flowchart</i>	
	<i>D. Budget Category Definitions</i>	
	<i>E. The Budget Development Process</i>	
	<i>F. CBAC Criteria</i>	
IV.	ZERO-BASED BUDGET DEVELOPMENT MODEL.....	9
	<i>A. Background/Scope</i>	
	<i>B. The Budget Development Process</i>	
	<i>C. CBAC Criteria</i>	
V.	UNDESIGNATED FUND-BALANCE PROCEDURE.....	11
VI.	OVERALL COLLEGE REVENUE SOURCES.....	12
VII.	APPENDIX.....	13
	<i>A. Process Timeline</i>	
	<i>B. Budget Request Form</i>	
	<i>C. CBAC Resource Allocation Criteria Form</i>	
	<i>D. Acronyms</i>	

II. INTRODUCTION

The College Budget Allocation Model is to be distinguished from the District Budget Allocation Model which allocates State Apportionment funds to the three district entities: Mission College, West Valley College and District Central Services. The College Budget Allocation Model describes how Mission's portion of new moneys and rollover operating budgets are allocated.

The College Budget Allocation Model was last revised in spring of 2009. This revision was finalized by the College Budget Advisory Committee (CBAC) and was endorsed by the Academic Senate and GAP in spring 2011.

CBAC is Mission's participatory-governance body that sets college budget policies. CBAC provides oversight, through the Office of Administrative Services, to all college revenues and expenditures. The specific role and composition of CBAC is outlined below:

A. CBAC Role

1. Determines the process for the budget allocation model.
2. Revises the college budget allocation model and makes necessary adjustments in consultation with the Academic Senate and GAP.
3. Implements the model using the College Budget Request Form, CBAC established criteria and Budget Request Process Timeline.
4. Sets budget priorities using approved program reviews, institutional strategic goals, and CBAC established criteria.
5. Provides guidance to GAP on college budgets.
6. Resolves or recommends resolutions to budget disputes.
7. Evaluates college spending patterns and the alignment between budgets and expenditures.
8. Works through the Office of Administrative Services to oversee the college budget.
9. Jointly reviews final budgets with GAP and recommends the College's Annual Budget to the President.
10. In times of financial exigency, CBAC may consider workable solutions temporarily bypassing this budget model.

B. CBAC Composition

CBAC shall be a participatory-governance committee chaired by the VP of Administrative Services. CBAC shall be composed of 12 members representing the following constituencies:

- 3 DCC
- 3 Administration (2VP's & the VP of Admin. Services)
- 1 Student Services (Classified member)
- 1 Academic Senate
- 1 Classified Senate
- 1 SEIU
- 1 Technology Committee
- 1 ASB

The College Budget Allocation Model utilizes resources to address overall college needs and links resources to planning and program review. It addresses Big Ticket Items in the context of all other college priorities, adjusts the category distribution rates in light of the overall college spending demands, and encourages fair allocation of funds by eliminating potential loopholes.

The College Budget Allocation Model shall **be evaluated** every four years. Annual reviews may be conducted on as needed basis. As part of the college's participatory governance tradition, changes to the budget allocation model will be reviewed and endorsed by the Academic Senate and GAP.

III. THE NEW MONEY ALLOCATION MODEL

A. Big Ticket Items (BTI – 30%)

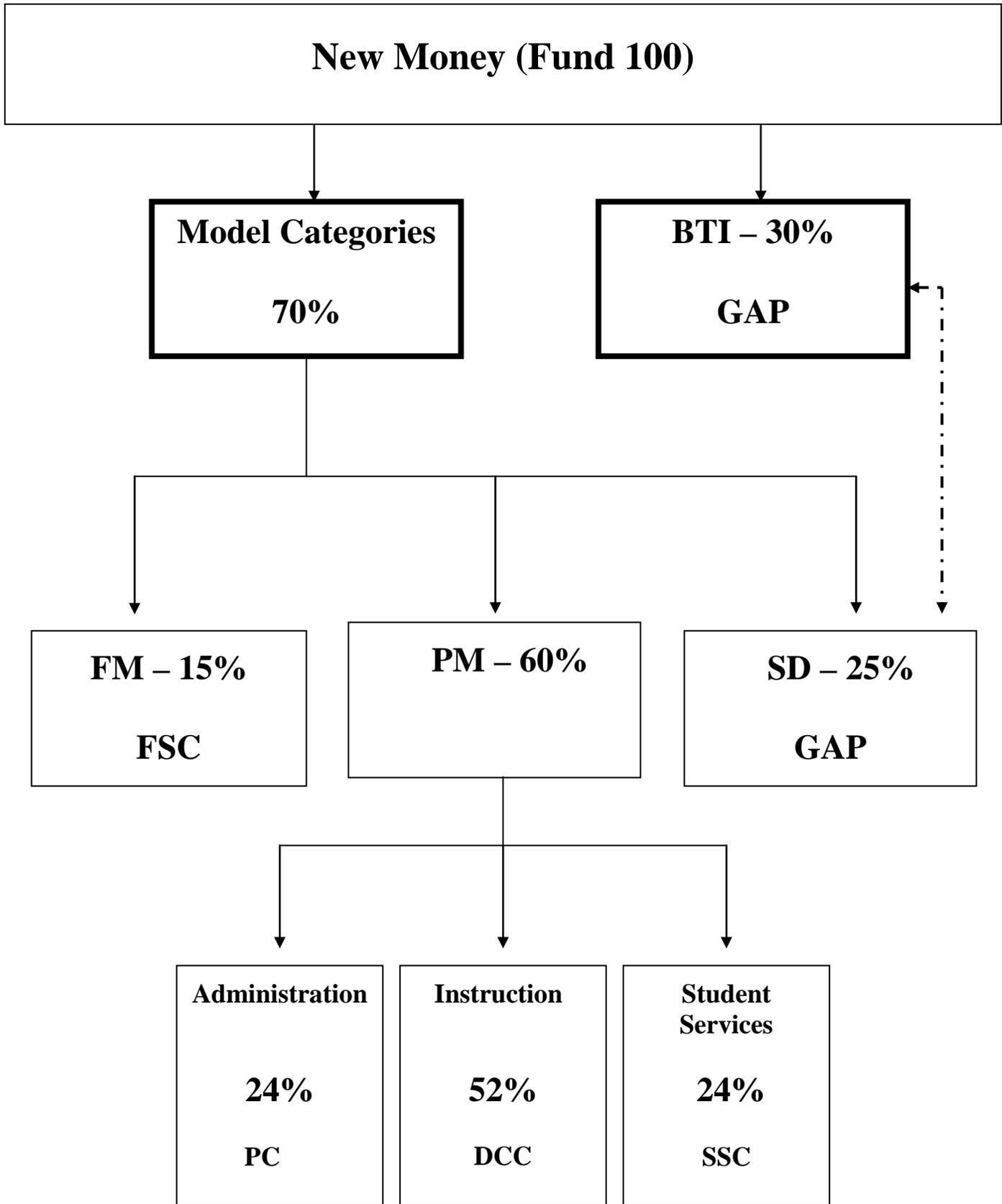
1. BTI is a category for requests equal or greater than \$30,000.
2. BTI refers to all types of requests including personnel, technology, landscaping, carpeting, etc.
3. 30% of total new moneys and carryover balance will be committed to the BTI category.
4. The BTI allotment will be allocated first.
5. BTI requests will be prioritized by GAP.
6. GAP has the flexibility to utilize BTI and SD category funds as necessary.
7. GAP will address replacement and planned obsolescence issues within the BTI category.

B. Model Categories (70%)

The Categories will share the 70% of the total available funds as follows:

1. Facilities Modification (FM - 15 %)
 - FSC decides request priorities
2. Program Maintenance (PM - 60%)
 - PM has three sub-categories:
 - Administration – PC (24%)
 - Instruction – DCC (52%)
 - Student Services – SSC (24%)
3. Strategic Directions (SD - 25%)
 - This category includes Accountability goals.
 - GAP decides the priorities for SD requests.

C. New Money Allocation Model Flowchart



D. New Money Allocation Model Category Definitions

<p style="text-align: center;">BIG TICKET ITEM</p> <p style="text-align: center;">BTI</p>	<p style="text-align: center;">FACILITIES MODIFICATION</p> <p style="text-align: center;">FM</p>	<p style="text-align: center;">PROGRAM MAINTENANCE</p> <p style="text-align: center;">PM</p>	<p style="text-align: center;">STRATEGIC DIRECTION</p> <p style="text-align: center;">SD</p>
<p>Any new budget request of \$30,000 or more will be considered a <i>Big Ticket Item</i></p> <p>30 percent of the college's new moneys will first be allocated for BTI's. BTI requests will be prioritized by <small>GAP</small></p>	<p>Projects that make the college accessible to all students, address health and safety issues, improve the functionality of the classrooms, labs and work areas and enhance the college's physical appearance so that it reflects MC's excellence.</p>	<p>Existing college programs or services that require augmentation to current staffing supplies, operating expenses, duplication accounts and/or equipment needs.</p>	<p>SD Institutional activities which support the college's annual goals as established by Governance and Planning (GAP)</p> <p>Accountability The College will continue working toward Accountability Goals</p>
<p>Examples are:</p> <ul style="list-style-type: none"> • Staffing • Technology (eg. upgrading instructional computer labs) • Facilities • Grounds related requests 	<p>Examples are:</p> <ul style="list-style-type: none"> • ADA projects • Unsafe conditions • Carpeting • Grounds • Classroom Modification 	<p>Categories are:</p> <ul style="list-style-type: none"> • Administrative (PC) 24% • Instruction (DCC) 52% • Student Services (SSC) 24% 	<p>SD Examples:</p> <ul style="list-style-type: none"> • New programs & services • Innovative teaching • Technology (eg. new technology that reflect changes in curriculum and data systems) • Promoting diversity • Retention <p>Accountability Goals:</p> <ul style="list-style-type: none"> • Increase Transfer rates; • Increase degrees/certificates • Encourage retention course completion • Promote workforce development (vocational apprenticeship); and • Improve basic skills

E. New Money Budget Development Process

The process will be vetted by CBAC and GAP. CBAC will facilitate the process during the spring semester to build the base operating budget for the following fiscal year. This process will be aligned with the Program Review Process every four years.

1. The Office of Administrative Services will send out “all mission user” email providing information and instructions on how to request funding for their area for the next fiscal year.
2. Any college staff/faculty member may request for funding by completing a Budget Request Form for the upcoming FY.
3. The form provided will require requestors to provide evidence of Program Review approval and documentation to justify the one-time or on-going budget requests.
4. Budget requestors will submit their requests to their immediate supervisor. Moving up through appropriate reviews, the requests must ultimately be submitted to the area VP.
5. Area VP’s will review the requests and with their area teams propose funding levels for their entire area.
6. Area VP’s will be provided a total funding level for their entire area and will have the opportunity to allocate the funds within their area on the basis of CBAC established criteria.
7. Area VP’s will forward their area funding recommendations to the VP of Administrative Services who will bring them to CBAC.
8. CBAC will use Program Review goals, relevant documents and CBAC established criteria listed below to determine funding.
9. In a joint- session, CBAC will recommend to GAP the allocation of new moneys for the next fiscal year. GAP will review and recommend to the college President.
10. Barring unforeseen circumstances, funds will be released starting July 1
11. The Office of Administrative services will implement and monitor the budget decisions.

F. CBAC Criteria

The following factors will be considered in determining funding eligibility and priority:

1. Program Review – (funding request is identified in PR)
2. Impact on quality of service to students
3. Number of students served
4. Impact on positive enrollment and/or retention
5. Link to college goals and E&FMP
6. Health/safety/regulatory/legal considerations
7. Impact of funding or non-funding on program
8. Availability of other sources of funding
9. Past expenditure patterns (most recent 3-year-average)
10. Overall strength of justification for request

IV.

MISSION COLLEGE Zero-based Budget Development Model For Fund 100 Operating Budget

A. Background/Scope

In accordance with the 2009 College Budget Allocation Model, this “zero-based budget model” is designed to rebase the college’s operating budget allocation on the basis of established criteria and program review. The model aims to redistribute college operating funds to college programs and services in a fair and equitable manner. The “zero-based budget model” was first used to develop the 2010/2011 operating budget. The model is designed to be participatory and is facilitated by CBAC.

The “zero-based budget model” applies only to college operating budgets in Fund 100. The process will be conducted every four years aligned with the college’s program review process. Annual reviews may be done as necessary. Only existing operating line items will be eligible. No new requests will be accepted unless from new programs and services without existing funding. New requests will be considered through the New Money Allocation Model as new moneys become available.

Funds allocated through the “zero-based budget model” are given for the entire fiscal year - July 1 through June 30. This includes: Summer I (July, August), Fall semester, Winter session, Spring semester and Summer II (June) budgets. Requestors must include their year-round budget needs in their annual request. This will primarily involve object codes: 54xxx, 55xxx, 56xxx, 57xxx and to a lesser extent object codes 512xx, 524xx, and 523xx.

Some critical and college-wide line items such as utilities, postage, central duplicating, reassigned-time, equipment repair and replacement, and the college reserve fund will be exempt from this process.

This impacts only college budget administrators who manage Fund 100 operating budgets. Process information, instructions and forms will be sent to these budget administrators only.

B. The Budget Development Process

The process will be vetted by CBAC and GAP. CBAC will facilitate the process during the spring semester to build the base operating budget for the following fiscal year. **The budget development process will be evaluated every four years or as deemed necessary.**

- All areas will have a beginning zero budget.

- Budget administrators will receive information and instructions on how to request funding for their area for the next fiscal year.
- The form provided will require requestors to provide evidence of Program Review approval and documentation to justify the budget requests for their supplies, duplicating and hourly support. Requestors will submit requests for the entire fiscal year (July 1 – June 30) including: summer I, fall, winter, spring and summer II budget needs.
- Past expenditure patterns spanning the last three fiscal years will be examined.
- Budget administrators will submit their requests to their immediate supervisor. Moving up through appropriate reviews, the requests must ultimately be submitted to the area VP.
- Area VP's will review the requests and with their area teams propose funding levels for their entire area.
- Area VP's will be provided a total funding level for their entire area and will have the opportunity to allocate the funds within their area on the basis of CBAC established criteria.
- Area VP's will forward their area funding recommendations to the VP of Administrative Services who will bring them to CBAC.
- CBAC will use Program Review goals, relevant documents and CBAC established criteria listed below to determine funding levels for all operating budget line items.
- In a joint- session, CBAC will recommend to GAP the new operating base funding for the next fiscal year. GAP will review and recommend to the college President.

C. CBAC Criteria

The following factors will be considered in determining funding eligibility and priority:

1. Program Review – (is funding request identified in PR?)
2. Link to college goals and E&FMP
3. Number of students served
4. Impact on quality of service to students
5. Impact on positive enrollment, retention, student success and completion
6. Impact of non-funding on program's viability
7. Health/safety/regulatory/legal considerations
8. Availability of other funding sources (applicable current/projected sources)
9. Past expenditure patterns (most recent 3 fiscal years)
10. Overall strength of justification for request

This zero-based budget development process will operate in a four-year process cycle. Annual reviews may be conducted as needed. **(The zero-based budget development process cycle and the link to program review will be further refined during spring 2011)**

V. UNDESIGNATED FUND BALANCE PRODEDURES

1. Definition: Unspent year-end balance from all general fund sources.
2. The college is not entitled to carryover funds in any given year. Its use is negotiated annually with the district finance office.
3. When available, the carryover funds are to be allocated annually as follows:
 - Fund the College Reserve Fund.
 - The College Reserve Fund (Formerly Last Resort) shall be increased by \$50,000 for the year, if carryover funds are available. The College Reserve Fund shall not roll-over. The CBAC criteria shall be followed when the CBAC subcommittee considers College Reserve Fund requests.
 - Fund the President's Discretionary.
 - 10% of the available carryover funds to a maximum of \$50,000 shall be allocated to the President's Discretionary Fund. This shall be a one-time fund to be used in the year awarded. These funds shall not roll-over.
 - In years when carryover funds are limited, the College Reserve Fund portion shall be satisfied first.
 - In years when more carryover funds are available, the balance shall go to the College Budget Allocation Model as one time source.
4. CBAC should plan to reduce the level of carryover balances. To that end:
 - Budget administrators will be authorized to use their available funds through the end of March each fiscal year.
 - From April 1 through April 15, Division Chairs/supervisors are authorized to use division/area budgets for division/area wide purposes.
 - From April 16 through the end of the fiscal year, the VP of Administrative Services, in consultation with the College President, may apply these funds towards projects that address college wide needs.
 - Budget administrators may encumber funds for specific future use as long as they meet district guidelines and deadlines.

VI. OVERALL REVENUE SOURCES

Here is a complete list of all revenue sources the college utilizes. Several of the sources (indicated with an asterisk below) are not part of the allocation model as they are managed by the different areas of the college.

- A. Fund 100 (Base Apportionment, Growth, COLA, District Model)
- B. Carryover Balances
- C. Internal Adjustments
- D. Grants*:
 - State Instructional Equipment & Library Materials Grant (25% to Library)
 - Block Grants
 - TTIP (supports technology and staff development)
 - Scheduled Maintenance
 - ACCESS/ EOPS/DISC/Matriculation/MESA
 - Others (VTEA, Title V, etc.)
- E. Facilities Rental*
- F. Community Education*
- G. Contract Education*
- H. Advancement Foundation*
- I. Land Corp Foundation*

VII. APPENDIX

A.

MISSION COLLEGE Budget Request Process Timeline

	Timeline	Required Action
1	Last week of February (1 week)	Office of Administrative Services will send electronic instructions, process timeline and forms
2	Second week of March (2 weeks)	Department chairs, supervisors complete first level reviews and submit to division chairs and deans
3	Last week of March (2 Week)	Division chairs and deans complete second level reviews and submit to area VPs or President
4	Second week of April (2 Weeks)	VPs and President finalize prioritized area lists and submit to the Office of Administrative Services
5	Third week in April (1 Week)	CBAC reviews area requests and prepares prioritized college-wide request list
6	First week of May (1 Week)	CBAC/GAP jointly recommend final budget for the upcoming FY to College President
7	Second week of May (1 week)	College President reviews and approves annual budget informed by district's tentative budget for next FY
8	Third week of May (1 week)	Office of Administrative Services sends final prioritized budget to requestors

B.

MISSION COLLEGE OPERATING BUDGET REQUEST FORM FY 2010/2011

Requestor:

Is the request identified in Program Review?

Yes No

Department:

If no, explain in a separate sheet of paper.

Department Costcenter:

Does the request include health, safety and legal considerations

Yes No

Budget Manager:

Do you have access to other Non-Fund 100 sources?

Yes No

GAP PR Approval:

Approved
 Not Approved

If yes, please identify in a separate sheet of paper.

THE REQUEST MUST BE FOR THE FULL YEAR: FALL/WINTER/SPRING/SUMMER (July 1, 2010 - June 30, 2011)

Item #	Object Code	Amount Requested	Justification/Rationale (Must Cite Program Review)	For CBAC Use Only
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
Total				

C.



PROGRAM REVIEW RESOURCE ALLOCATION CRITERIA

PROGRAM OR OFFICE:

DATE:

Program Review resource allocation is linked to college goals and planning by obtaining GAP approval. CBAC will utilize the following criteria in resource allocation and prioritizing funding requests.

Using a scale of 1 to 3, where 1=Not Significant, 2=Somewhat Significant, 3=Very Significant.

Criteria	Not Significant	Somewhat Significant	Very Significant
1. Funding request as identified in Program Review	___ Yes	___ No	
2. Impact on quality of service to students	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>
3. Number of students served	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>
4. Impact on positive enrollment and/or retention	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>
5. Link to college goals and E&FMP	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>
6. Health/Safety/Regulatory/Legal consideration	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>
7. Impact of funding on program (funded or not)	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>
8. Availability of other sources of funding	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>
9. Past expenditure patterns (most recent 3-year average)	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>
10. Overall strength of justification for request			Total =

Criteria Definitions

Impact on quality of service to students – Identify the positive/negative consequences on the level of service if funding request is partially or completely met.

Impact on positive student enrollment and/or retention – Consider the impact on gaining FTES or losing FTES and/or student success rate.

Link to college goals and E&FMP – Consider direct relationship between request and the college's goals, core values and Educational and Facilities Master Plan.

Health, safety and legal considerations – Consider both the severity and the immediacy of health, safety and legal considerations.

Impact on program – Identify the key factors this request supports in your program and/or the consequences of not receiving the requested funding.

Availability of other sources – Consider if requestor has funds available in other accounts or funds.

Past Expenditure Patterns – Use the three-year expenditure average as historical reference of expenditure patterns

Overall strength of justification for request – Consider how strongly the request is justified by any of the above factors as well as the strength of data/evidence that is available to support the request.

D. ACRONYMS

ACCESS	-	A student services program that focuses on increasing transfer and graduation rates for underserved students
ASB	-	Associated Student Body
BTI	-	Big Ticket Item
CBAC	-	College Budget Advisory Committee
COLA	-	Cost of Living Adjustment
CRF	-	College Reserve Fund
DC	-	Division Chair
DCC	-	Division Chair Council
DISC	-	Disability Instructional Support Center
E&FMP	-	Educational & Facilities Master Plan
EOPS	-	Extended Opportunity Programs & Services
FM	-	Facilities Modification
FSC	-	Facilities/Safety Committee
FTES	-	Full-Time Equivalent Student
FY	-	Fiscal Year
GAP	-	Mission College Governance and Planning Council
MC	-	Mission College
MESA	-	Math Engineering Science Achievement Program
OAS	-	Office of Administrative Services
PC	-	President's Council
PM	-	Program Maintenance
PR	-	Program Review
SD	-	Strategic Direction
SEIU	-	Service Employees International Union
SSC	-	Student Services Council
TCO	-	Total Cost of Ownership
TTIP	-	Telecommunications & Technology Infrastructure Program
VTEA	-	Vocational and Technology Education Act
VP	-	Vice President