



Book	VCCCD Administrative Procedure Manual
Section	Chapter 6 Business and Fiscal Affairs
Title	AP 6200 Budget Preparation
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Adopted	October 13, 2009
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Each year, the Chancellor shall present to the Board a budget, indicating anticipated expenditures and estimated revenues for the next fiscal year, prepared in accordance with Title 5 and the California Community Colleges Budget and Accounting Manual (BAM). The schedule for presentation and review of budget proposals shall comply with state law and regulations, and provide adequate time for Board study.

Budget development shall meet the following criteria:

- The budget shall be developed each year in accordance with the current District Budget Allocation Model and Infrastructure Funding Model and appropriate participatory governance processes.
- District Council on Administrative Services (DCAS) will annually review the elements of the current District Budget Allocation Model and Infrastructure Funding Model and will make recommendations to the Board for modifications when appropriate.
- Through participatory governance, the budget process will commence with DCAS developing assumptions upon which the budget will be based, and recommending those assumptions to the Board for acceptance prior to the Board adopting the Budget.
- The chief business officer of the District will, as appropriate, conduct Board study sessions and will make presentations to the colleges related to the District budget assumptions and the development of the Districtwide budget.
- In addition to short term operating plans, budget projections will address long-term goals and commitments such as post-retirement health benefits liability.
- The budget will provide for adequate reserves for cash requirements, long-term commitments, unanticipated expenditures, and a contingency for revenue shortfall.
- Unrestricted general fund reserves shall be no less than 5% of the current year unrestricted and designated general fund budgeted expenditures and sufficient enough to meet the cash flow requirements of the district. Fund balance goals, along with other fiscal viability goals, will follow the Institutional Effectiveness Partnership Initiative (IEPI) definitions. IEPI goals will follow the established governance process for Board approval on a periodic basis.
- Budget development will consider statutory requirements including but not limited to things such as compliance with the 50% law, the District's full-time Faculty Obligation Number (FON), and funded Full-Time Equivalent Students (FTES).
- Revenue associated with growth will be budgeted in the year following the year in which the growth was actually earned.
- Summer FTES may be reported in the fiscal year in which the course ends or the previous year. Operational and fiscal conditions will be considered when reporting summer FTES. The reporting period will be determined annually

and documented during the budget process.

- DCAS will review the details of the budget for Districtwide services and make recommendations where appropriate, including the movement of budgetary items between colleges and Districtwide services and District Administrative Center.
- The Budget Assumptions are presented to the Board in the spring prior to any action on the budget. The Tentative Budget will be presented to the Board at its June meeting, and the Adoption Budget at its September meeting, unless authorized to be approved later by the State Chancellor's Office. A public hearing on the budget shall be held at the September Board meeting, unless authorized to be held later by the State Chancellor's Office.
- The adopted budget shall be submitted to the State Chancellor's Office on or before September 30, unless the State Chancellor's Office extends that due date.
- The budget will be updated from time to time in accordance with [Administrative Procedure AP 6250](#).

See [Board Policy BP 6200](#).