

Process for Developing Organization Budgets

College administrators are responsible for developing and monitoring the budgets in their respective areas of responsibility (“Org budgets”). During budget development, administrators are considering two broad categories of expenditures:

1. Fixed Expenditures (Regular employees)
2. Discretionary Expenditures (Hourly employees, supplies, travel, equipment, etc.)

The VPAS and CBO meet with each Org Administrator in April to review proposed budgets for the next fiscal year. Prior to meeting with the VPAS and CBO, the Org Administrator should identify budget needs for their area(s) of responsibility. Here is the budget development process for an Org Administrator to create a timely and realistic budget for their respective area of responsibility:

Budget Development for Fixed Expenditures	
Review position control (April)	<p>Administrators receive a copy of the position control worksheet for their respective areas of responsibility. Review each position and verify the FTE and labor distribution. This also includes verifying the correct account numbers. Please make corrections on the worksheet, and note any vacant or missing positions.</p> <p>Common errors identified in this process include: Wrong account numbers, incorrect labor distribution (for positions with salaries charged to multiple accounts), incorrect banking or release time for faculty.</p>
Budget Development for Discretionary Expenditures	
Review current year budget (March)	<p>Review and reflect on current year budget. Are there areas you under- or over-budgeted? Were there expenditures this year that were not budgeted (e.g., conferences)? What are the top priorities for resource allocation within your respective area of responsibility?</p>
Identify budget needs (March-April)	<p>When developing next year’s budget, work with department/division staff and faculty to identify budget needs. This can be a time consuming process, but is critical to ensure all necessary expenditures are identified. Consider the following types of expenditures:</p> <ul style="list-style-type: none"> • Hourly employees (subs, short term, student assistants) • Overtime or Comp time for regular employees (not encouraged, but there are special instances) • Instructional supplies • Non-instructional supplies • Duplicating • Advertising and marketing • Contract services • Maintenance costs • Subscriptions and memberships • Travel (conferences, mileage reimbursements)
Develop targets (FTES, load) (March-April)	<p>This is a critical component of our college budget development process. Instructional administrators should identify department load and FTES targets and review historical data to enable appropriate allocations for hourly faculty.</p>

All on-going expenditures should be considered, including annual maintenance of equipment. Equipment, technology, facilities or other requests that require additional one-time resources should be included in Program Review, or as a Resource Request during the PR process for programs that are in a non-PR year.

The budget development process is how we allocate our resources for the subsequent fiscal year. Org budgets should reflect actual and necessary expenditures. If there are substantial increases in year-to-year expenditures, the increases will be reviewed by the VPAS and may require additional follow up by the Org Administrator.