



## Principles and Guidelines for Budget Increase and Reduction

~~November 2020~~ April 2024

Considering the potential volatility and uncertainty of future budgets, the following principles and criteria are intended to guide the campus in allocating resources to align with the mission of the Campus.

### Budget Increase and Reduction Principles:

- Fund core programs and services required for students to succeed
  - Current law defines CCC's ~~core~~ **primary** mission as providing academic and vocational instruction ~~at the lower division (freshman and sophomore) level~~. Under this mission, community colleges **prepare students for transfer to four-year institutions and grant associate's degrees and certificates through career and technical training programs**. Other important statutory missions include **providing opportunities for workers to update their job skills**. (Cal. Ed. Code § 66010.4)
- Follow collegially developed processes.
- Maintain **fiscal** transparency through participatory governance.
- ~~Create a budget that aligns with FTES allocation and CCCCO Vision for Success metrics, while also factoring in potential State growth funding. Budget to the allocated FTES and CCCCO Vision for Success metrics with consideration to possible additional State growth funding.~~
- Develop an annual ~~balanced~~ budget with consideration to the district-wide allocation and planned expenses.
- Develop a fiscal reserve on campus to mitigate future uncertainties and support strategic initiatives. Develop reserves for future uncertainties.
- Consider the ongoing costs of new **funding** commitments.
- Use the best known ~~information data for to develop~~ budget estimates. ~~When uncertain~~ Without applicable data, use conservative estimates.
- Have a systematic process and a long-range plan for funding future liabilities; ~~Develop a long-range plan to address future liabilities.~~
- Continue to provide input into the Resource Allocation Model to consider economy of scale issues.
- ~~Use o~~ One-time funds ~~used~~ only for one-time expenses.
- Honor collective bargaining agreements as they relate to budget increases and reductions.
- Adjust to the ~~expansion and contraction~~ changes in of categorical funding ~~resources~~ with consideration to impacts on the General Fund.
- Review and consider budgetary recommendations from consultants as applicable. ~~(Example: 2014 College Brain Trust study).~~

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### Guidelines:

The CHC Budget Committee recommends the following criteria be used to guide specific general fund budget adjustments:

- Provide course offerings in accordance with the “Guidelines for Prioritizing Course Offerings in Situations Where Crafton Either Needs to Reduce or Increase Sections” as developed by the Enrollment Strategies Committee.
- ~~As funding changes occur, recommend modifications to the district assessment within the Resource Allocation Model to minimize its impact on the student-centered college budget. Evaluate and adjust the district assessment as part of the Resource Allocation Model to minimize impact on the student-centered college budget.~~
- ~~In an effort to~~To maintain transparency, ~~we will~~ obtain input from all constituencies on budgetary directions through collegial consultation.
- ~~Budget reductions may be identified~~Prioritize budget expenses by ~~serv~~ by utilizing the following strategies in applying the above principles and guidelines: ~~see level as follows:~~
  - ~~Identify potential reductions to campus overhead and contingencies.~~
  - ~~Consider alternative funding sources to support any potential General Fund reductions.~~
  - ~~Align instructional and student services budgets at state and district funded levels.~~
  - ~~Review cost of services and evaluate essential service levels.~~
  - ~~Vice Presidents and managers discuss with faculty and staff possible budget reductions.~~
  - ~~Consider adjustments to class scheduling to consolidate into certain buildings to reduce utility costs.~~
- ~~—To assist with discussions, areas, divisions, and departments may utilize the following definitions to help determine budget priorities:~~

Service Level 1 Expenses – Highest Priority

- Non-discretionary expenses required to meet the needs of students, faculty, and staff to meet the annual budget and regulatory mandates. Necessary expenses to maintain minimum course and program requirements. (Examples: instructional supplies and equipment essential to conduct classes, mandated student services, costs to meet safety regulations, regulatory fees, mandated agency fees, accessibility mandates, mandated conferences/staff development to maintain licensure and accreditation)

Service Level 2 Expenses

- Discretionary expenses not required under statute or mandate needed to maintain the minimum level of operations/services. However, these are high priority expenses that contribute to student success and the maintainability of the college. These are high priority expenses that do not violate regulations if not funded, but are needed to facilitate instruction/operate/service the campus (Examples may include: non-critical supplies/services/equipment, ~~high-priority~~ marketing and outreach expenses, and tutoring, outreach,)

Service Level 3 Expenses

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- Discretionary expenses to improve service and the physical environment. (Examples may include: elective conferences, mileage--unless required by contracts, ~~non-critical marketing~~, contingency budgets)

Service Level 4 Expenses – Lowest Priority

- General Fund expenses not included in Levels 1, 2, 3 above (Examples may include: elective events not directly supporting the college).

◆ ~~Incorporate and utilize annual planning and program review priorities for funding when discretionary resources are available.~~

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Reviewed and Accepted by Crafton Council:

Originally Adopted: November 2020

Revised: TBD

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