

**3.4. The institution develops, maintains, and enhances its educational services and operational functions through the effective use of fiscal resources. Financial resources support and sustain the mission and promote achievement of success for all students. (ER 18)**

*Fiscal resources in the form of the state general fund allocation, grant and categorical allocations, capital improvement bond funds, and local revenues at Crafton Hills College are used to develop, maintain, and enhance education services and operational functions. The general fund is budgeted each year to fund the foundational educational and operational programs as shown in the disbursement of the funds through salaries, benefits and the operational budgets (Ev. Resource Allocation Model/Multi-Year Forecast, Final Budget Summary Report to the Budget Committee). Programs 2024). The general fund allocation is disseminated throughout the College by program (Ev. 2024-25 Budget Report by Program). Adequate reserves are maintained to fund a minimum of 2 months of expenses as required by the State (Ev. Resource Allocation Model/Multi-Year Forecast). Grant and categorical allocations are aligned with appropriate expenditures (Ev. Equity Plan, Guided Pathways, SWP Plans) and reported as required by the source of the funding (Ev. NOVA reports and SWP reports).*

*Crafton Hills continues to improve campus operations with the renovation and construction of several facilities that are planned for within the Facility Master Plan and funded through both the Measure CC and Measure M capital improvement bond funding (Ev. FMP 2021 priority project list approved by the Board of Trustees 8/12/21). Additionally, State deferred maintenance funding in former years facilitated several maintenance projects included in our submitted five-year scheduled maintenance plans (Ev. Deferred Maintenance Projects; Five-Year Deferred Maintenance Plan).*

*In addition, several programs have been and continue to be enhanced with the support of resources and College commitment. For example, mental health support has been expanded with a reorganization within student services, including the hire of an associate dean position (formerly a coordinator position) to better inculcate mental health support to the students in the classroom (Ev. Mental Health Services Presentation In-Service Fall 2025). Also, the College has renovated available space into a Multi-Cultural Center to increase belonging and provide additional spaces for student gathering (Ev. Opening of the Multi-Cultural Center). Institutional planning, collaboration, and fiscal resources is what made these enhancements possible.*

*The above mentioned plans along with annual program review resource requests are the bridge between the connection to the college's Educational Master Plan, mission, and funding. Through planning and resources allocated accordingly, the College sustains the mission and promotes student success.*

*demonstrates responsible stewardship of its financial resources by ensuring that budgetary decisions are made in alignment with institutional priorities and the mission of the College. Fiscal resources are carefully managed to support high-quality instruction, student services, and faculty and staff needs, while also sustaining a positive learning environment. Budget decisions are made collegially, with updates shared regularly by senior managers, ensuring that the campus community is informed and engaged. These efforts have enabled the College to expand course offerings, improve student support, and grow its physical and technological capacity to meet evolving student needs.*

*CHC utilizes fiscal resources (grants, unrestricted and restricted general funds, Foundation support, etc.) to serve students through expanding course offerings (CTE courses during evening and weekends), (Evidence: Grant Applications “V”, expansion of service in mountain communities), dual enrollment (dual enrollment plan), expanded the basic needs pantry, mental health support, welcome tables, snack stations throughout campus, Foundation support for programs and students (emergency funds, program support, grants, scholarships, testing and certification fees, transfer application fees). Utilizing funding to support students by removing barriers in access to technology (hotspots and chromebooks).*

*Despite external fiscal challenges, such as reduced growth funding under the Student Centered Funding Formula (SCFF), Crafton Hills College continues to provide expanded instructional offerings, particularly in distance education, while maintaining classroom efficiency and increasing student options.*

3.5. The institution's mission and goals are the foundation for financial planning. Financial information is disseminated to support effective planning and decision-making and provide opportunities for stakeholders to participate in the development of plans and budgets.

*The College's 2023-2028 Educational Master Plan (EMP) is "how" the college's mission and goals are the foundation for planning and links the actions outlined in the plan to the mission (Ev. [EMP p.7-9](#)). The plan includes several key results to continually improve and achieve the goals outlined in the plan. As related to this Standard, Strategic Direction 5, Supporting Action 2, Key Result 1 is to "Develop budget reduction priority guidelines... ." The CHC Budget Committee developed these guidelines, which were reviewed and approved by the College Council (Crafton Council) in May 2024 (Ev. Budget Principles and Guidelines for Budget Increase and Reduction) illustrating how the College obtains input on budget processes and how the EMP guides financial planning that is linked to the College's mission.*

*The College maintains a strong commitment to transparency and broad participation in fiscal planning in several ways. Consistent with Administrative Procedure (AP) 6200 (Budget Preparation), the Board of Trustees provides staff with initial direction concerning the distribution of resources for the next fiscal year's budget prior to March 1 (Ev. [AP6200](#)). SBCCD's budget is prepared in accordance with Title 5 Regulations, the California Community Colleges Budget and Accounting Manual, and all other related State and federal laws and regulations. To meet these mandates, the College works closely with District Fiscal Services while establishing the annual budget, which incorporates institutional plans and campus-wide input.*

*The District utilizes budget development software (i.e., Questica) as a tool to plan, detail, and develop the entire campus budget. Historical budget information is readily accessible for managers and staff to analyze through the Financial 2000 software and through the Oracle budget management software. Department chairs, managers, and staff have access to these tools. At the beginning of each developmental budget period, the Vice President of Administrative Services distributes instructions about the procedure, timeline, and budget assumptions for each division and department to complete its budget or budgets (Ev. Developmental Budget Instructions).*

*During the developmental budget process, deans meet with faculty chairs to discuss departmental budget adjustments from the prior year, input the department budget in Questica, and then submit it to the Vice President of Administrative Services for review and approval. Using input from program review and classified staff, managers develop and submit their budgets through Questica to their division vice president for review and approval. Once all budgets have been submitted, Administrative Services reviews developmental budgets and develops comparison reports to review with the College President before he submits the developmental budget to the District for incorporation into the District-wide budget.*

*Both the planning and program review process, coupled with the developmental budget process, provide all campus constituencies opportunities to have input into their budgets and plans. The Planning and Program Review Committee reviews department plans, including resource requests, which are prioritized and incorporated into the developmental budget as funds are available. Departmental managers are responsible for managing their budgets throughout the year with oversight by the division vice presidents and Administrative Services. The College Budget Committee meets regularly to review and recommendations on budget development and management (Ev. [Budget Committee Meeting Minutes](#)).*

*These practices allow stakeholders at all levels to contribute to financial planning and understand how resources are distributed.*

3.6. The institution ensures the integrity and responsible use of its financial resources and regularly evaluates its fiscal outcomes and financial management practices to promote institutional mission fulfillment.

*The College upholds budgetary accuracy and financial integrity through the implementation of comprehensive financial management systems, including Financial 2000, Questica, and Oracle. These platforms support the systematic execution of fiscal processes such as purchase requisitions, budget transfers, and budget adjustments, each of which follows established procedures and approval hierarchies (Ev. [Link to "How to" Guides](#)). District financial systems are designed to prevent expenditures or encumbrances that exceed approved budget allocations. Additionally, Oracle requires that all invoices be reviewed and approved by the originating department prior to processing, ensuring fiscal accountability and accuracy in all transactions.*

*District Fiscal Services and the College collaborate to establish timelines for fiscal operations, including the release and expenditure of funds and the completion of year-end financial closeout activities. The College's budget accurately reflects institutional expenditures (Ev. [Financial 2000 Budget Expenditure Report](#)). The District engages independent auditors on an annual basis and employs an internal auditor to review financial transactions, identify irregularities, and recommend corrective actions when necessary. This applies to all financial resources including bonds and District/College grants. Annual audit results consistently demonstrate that financial resources are appropriately allocated and utilized in accordance with governmental regulations, District policies, and generally accepted accounting principles. Audit findings are communicated to publicly and to the appropriate oversight board/committee as well as District Fiscal Services, the College, and management. Corrective measures are implemented in a timely manner, and the audit report is formally presented during a public meeting to the Board of Trustees, reinforcing transparency and accountability in fiscal operations.*

**3.7. The institution ensures financial solvency. When making short-range financial plans, the institution considers its long-range financial priorities and future obligations to ensure sustained fiscal stability. (ER 18)**

*The College leverages financial planning tools, multi-year projections, and district reserves to support fiscal stability and sustainability. The District's annual budget includes a five-year, long-range financial plan that incorporates enrollment management projections, salary and benefit costs, and revenue projections based on the Governor's Enacted Budget. The Unrestricted General Fund Multi-Year Forecast includes a budget over the next five years that maintains a minimum Unrestricted General Fund balance of approximately two months of expenditures.*

*Each year, the District assesses CHC the funds necessary for the payment of liabilities and future obligations to ensure sufficient funds are available. These liabilities and future obligations include Other Post-Employment Benefits (OPEB). The amount of these obligations is determined by the Governmental Accounting Standards Board (GASB) Statements 74 and 75 for public sector employers to identify and report their Other Post-Employment Benefits (OPEB) liabilities.*

*Back in 2014, District Fiscal Services, in collaboration with the District Budget Committee, established a Futurist trust to fund future OPEB benefits (Ev. PARS Trust Fund Report to Board Finance Committee). The District's Futurist Trust (the Trust) is an irrevocable governmental trust for the purpose of funding certain post-employment benefits other than pensions. The District has created a Retirement Board of Authority consisting of District personnel to oversee and run the Futurist Trust. The District has a contract with the Benefit Trust Company as a fiduciary to manage its assets and investment policy development. Keenan & Associates is the program coordinator for the Futurist Trust, providing oversight of the Futurist program and guidance to the District. In 2024-25, this trust fund covered X percent of the District's anticipated total OPEB liability (Ev. Futurist Trust Report).*

*Additionally, the support of the local community through bond initiatives has allowed Crafton Hills to enhance facilities by implementing projects outlined in the Facilities Master Plan. Currently, CHC is implementing projects funded with the passage of Measure CC in 2018. These projects were carefully identified and prioritized in the 2017-2022 Facility Master Plan with consideration to total cost of ownership. Thus, the projects are replacement and renovation projects to protect against overspending CHC's limited budget and ensure that financial resources remain sufficient over the long-term yet improve the space utilization of the college (Ev. FMP approved Bond Construction Project List 2017 and reprioritized 8/12/21).*