

SANTA BARBARA COMMUNITY COLLEGE DISTRICT
PRINCIPLES OF BUDGET DEVELOPMENT

There are numerous examples of organizations that have become ineffective because of a lack of sound fiscal planning. Organizational leaders should assure (Drucker) that organizations have: a capacity for survival; structural strength and soundness; and, the ability to survive a blow, adapt to sudden change, and avail itself of new opportunities.

The delineation of principles applied in developing the College's budget is intended to protect SBCC's viability—as an institution capable of fulfilling its educational mission for the greater Santa Barbara community. Providing students with quality educational and student services consistent with our mission and State funding is the objective sought through applying these principles.

Principles:

1. The college will maintain a balanced, comprehensive non-credit and credit program with an emphasis on courses and services to matriculating students. The college must balance its budget, i.e. ongoing expenses must be supported by ongoing income and reserve of 5 percent maintained.
2. It is recognized that the faculty and staff are SBCC's greatest resource. The faculty and staff will need to participate in identifying solutions and increasing efficiencies. Staff development activities to increase the capability of faculty and staff to contribute, e.g. using technology to increase effectiveness, will be supported.
3. The FTE cap must be met. If it is not, the fiscal problems will worsen. Consistent with the ability to meet our mission, a higher WSCH/FTE will be a major factor in considering program retention.
4. Categorical funds, e.g. DSPS, EOPS, and staff development, must be spent in accord with the program guidelines.
5. All Federal, State, and local legal mandates shall be complied with, e.g. collective bargaining agreements, etc..
6. One-time funds will not be used to fund essential ongoing programs or activities.
7. Utility, liability and property insurance, salary steps, and reserve expense increases are projected annually, and allocations made early in the budget development process (preliminary budget) to meet those mandated expenses.
8. For non-state income (out-of-state fees, interest income, lottery), a conservative estimate is made, e.g. a three-year historical trend is used to establish a base and adjustment made for current negative conditions such as a drop in the interest rate.

continued . . .

9. The District equipment non-technological inventory is estimated at \$12.6 million. To assure the College's capacity to provide quality programs, this inventory should be replaced in a timely fashion. Assuming items have an average estimated life of ten years; thus, \$1.2 million is needed annually to maintain current levels; that is a minimum goal. Under no circumstance should the replacement go below a 15-year replacement criterion (\$800,000). To achieve this, lottery income will continue to be used primarily for the systematic and timely replacement of the District equipment inventory. (Board Policy #3, 1991-92, 8/22/91)
10. The district technology inventory is estimated at \$3 million. As defined in the 6/27/96 Board Agenda, Item 6.1, beginning in 1996-97, an annual target allocation of \$600,000 will be established for equipment replacement of the computer inventory. Funding will come from 1) lottery revenues, 2) State instructional equipment funding, and 3) end-of-year balances. Also in 1996-97, an annual target of up to \$250,000 will be provided for five years to fund new computer initiatives and complete development of the computer infrastructure. Funding will come from 1) State instructional equipment funding, 2) end-of-year balances, 3) grants or donations, and 4) strategic partnerships.
11. There is a responsibility to maintain the College's buildings and grounds. To achieve this, year-end balances in accounts (except categorical) will be transferred to the Construction Fund for maintenance projects. A minimum level of funding to maintain College buildings and grounds is projected to be \$600,000/year. (Board Policy #2, 1991-92, 8/22/91)

CLH:ba
2/26/97

[FISCAL: Bud-Prin.97]

SANTA BARBARA CITY COLLEGE

BUSINESS SERVICES

DATE: February 27, 1997
TO: Dr. Peter R. MacDougall, Superintendent/President
FROM: Charles L. Hanson, Vice President, Business Services
SUBJECT: 1997-98 PROPOSED BUDGET DEVELOPMENT SCHEDULE

Planning Budget	November 20
Principles of Budget Development Board Fiscal Committee	March 6
Mid-year Adjustment 1996-97 Budget with P1 information	March 20
Preliminary Budget with P1, Governor's Budget 1997-98	March 25
Consultation Process	April/May
Departmental Changes/Adjustments	May
Tentative Budget	June 12
Board Approval of Tentative Budget	June 26
Adoption Budget	August 28
Adopted Budget submitted to Chancellor's Office	September 10

CLH:ba
(FISCAL: Bud-Dev2.27)

Santa Barbara Community College District

1996-1997 General Fund Adopted Budget -- Additional Funds

First Principal Apportionment (11,785 FTES) (1)

COLA adjustment		\$2,283
Base adjustment		74,587
New facilities growth		1,058,756
General growth		1,560,722
M & O catch up growth		117,347
Regular M & O growth		95,655
Less projected State deficit (1.1%)		(380,813)
Basic skills and Gain		
\$558,839 budgeted, \$361,019 received		(197,820)

Other mid-year unrestricted revenue

Interest		\$230,000
Non-resident fees		77,800
Miscellaneous		27,024

Less recommended commitments

Expenses related to increased enrollment growth (Board action 12/12/96)		(477,175)
Transfers (see attachment)		<u>(1,250,111)</u>

Uncommitted additional funds \$938,255


Projected uncommitted ending balance 641,322
 One time unused growth funds 641,322

Available for data base conversion \$1,579,577

(1)			<u>Adjusted Available</u>
	Enrollment Data Adjustment (3/10/97) (11,417 FTES)		
	Shortfall range		
	Best Case 165 FTES	(471,735)	\$1,107,842
	Worst Case 368 FTES	(956,187)	\$623,390

SANTA BARBARA CITY COLLEGE

BUSINESS SERVICES

DATE: November 19, 1996
TO: College Planning Council 
FROM: Charles L. Hanson, Vice President, Business Services
SUBJECT: 1996-97 BUDGET REVISIONS

The 1996-97 state growth figures allow the District to increase funded enrollment growth by about 5 percent for the current fiscal year. This enables the credit enrollment to increase by 579 FTES. The college has determined that we should increase our credit enrollments; therefore, several efforts are underway to make/exceed our funded levels. Saturday classes will be increased, a second summer session is under consideration, the class schedule is again being mailed to all area residents, and our marketing efforts have expanded.

To expand enrollments there are associated costs which must be allocated to offer these additional courses/sections. The new costs will be covered by the state revenues provided for in the enrollment growth funding. During the current fiscal year enrollment growth expense augmentations will be required as follows:

Certificated hourly salaries (579 FTES)		\$378,641
Readers (5% increase)		3,395
LRC tutors (5% increase)		9,843
Publications (enlarged Spring Schedule)		4,300
Multimedia Arts & Technologies hourly classified		30,000
Multimedia Arts & Technologies supplies		10,000
Learning Support Services LTA (new position)		35,000
Saturday registration (3 days)		
Security student hourly	\$ 210	
Counseling classified hourly	910	
Info. Resources Div. classified hourly	850	
DSPS counseling	910	
Learning Support Svcs classified hourly	2,000	
Admissions/registration classified hourly	<u>1,116</u>	<u>5,996</u>
Total		\$477,175

On December 12, 1996, the Board will be requested to revise the 1996-97 budget to increase revenues and expenses by \$477,175. Any other changes in revenues or expenses will occur after receipt of the P1 (Chancellor's Office first apportionment report) in February 1997. As usual, a mid-year budget adjustment will occur in March 1997.

CLH:ba
c Business Services
CSEA
Instructors' Association
Dr. MacDougall

SANTA BARBARA COMMUNITY COLLEGE DISTRICT

RECOMMENDED MID YEAR TRANSFERS

From General Fund to:

Fund 28	Equipment Replacement Fund	\$150,000
Replacement of Equipment	Data Conversion Equipment	300,000
Fund 49	Scheduled/Deferred Maintenance	555,111
Rehabilitation	Additional Projects:	
	Welding Shop	160,000
	Computer Cabling	35,000
Fund 01	Vacation Reserve to partially offset accumulated vacation liability	<u>50,000</u>
	Total	<u>\$1,250,111</u>

Santa Barbara City College

TO: Cabinet
FROM: Peter R. MacDougall *PRM*
DATE: February 12, 1997
SUBJECT: College Project Management - How to Set Priorities and Achieve Tasks with a "Reasonable" Workload

A. Areas in Need of Attention

1. Managing the Implementation of the College Plan and New Initiatives

Project management by Lupita for the *College Plan* project. Work will be with the Vice Presidents and their reps, and the College President.

2. New Initiatives: The college-wide approach to managing new initiatives will be pursued by the Cabinet with George Tamas.

3. Reporting: We should agree on the use of software tools to both manage and report on projects.

B. Managing to Support Task Achievement/College Plan (Lupita Tannatt)

Lupita's Responsibilities

1. Define and Reach Agreement with P. MacDougall Regarding Tasks to be fulfilled. (Lupita's Project Responsibilities)

2. Establish for/with Individual Vice Presidents

- a. Project Timeframes
- b. Critical Paths
- c. Review and Adjustment of Timelines
- d. Identification of Obstacles and Problem Solving Support
- e. Resource Needs and Allocation: Need to identify and obtain as the need evolves by working with the President and Vice Presidents.

3. Reporting Management - Tool Sets

- a. Standardization: One suggested tool is Microsoft Project; provides for task decomposition. Report outcomes should provide a status report.

- Simple: Graphic/Interface
- Produce: Templates
- Identify Other Tools to be Used

4. Project Assessment/Evaluation and Determination of Next Steps

Carried out by Lupita. Will provide project management guidelines for the next two and three years.

PRM:sjc

cc: Mr. George Tamas

L. Tannatt

1 ☐ **SBCC Information Resources**

College Planning Council

March 11, 1997

2 ■ **Conversion Goals**

- Integration Of Databases And Applications
- Project Redesign Implementation
- Integration With Office Automation Tools
- Year 2000 Project Workload
- Programmer / Analyst Productivity

3 ☐ **Benefits To The College**

■ **Instructional**

- Student Access To Information
- Schedule Development & Publication
- Pre/Co-Requisite Enforcement
- Enrollment Planning & Management
- Integration Of Credit And Continuing Education Systems

■ **Administrative**

- Student Attendance Accounting
- Remote Application And Registration
- Electronic Forms And Workflow Automation
- Automated Refunds
- Database Integration

■ **Technology Infrastructure**

- Database
- Development Tools
- Ad Hoc Query & Reporting

4 ☐ **Cost Of Status Quo**

■ **Maintenance Of Existing Systems**

- 3 FTE / Year Ongoing

■ **Year 2000 Project Workload**

- 2 FTE / 2 Years (Student Systems And Human Resources)

■ **Project Redesign Implementation**

- Student And Curriculum - 10.85 FTE
- Finance - 2.0 FTE
- Human Resources - 4.85 FTE

■ **Integration Of Databases And Applications**

- 1 FTE / Year Ongoing

5 ☐ **Why Oracle Partnership**

- **Broad Spectrum Technology Expertise**
 - Database Vendor Leadership
 - Application Development Tools
 - Higher Education Vertical Market
- **Ability To Execute / Sustainability**
- **Applications**
 - CA Community College Implementation Model
- **Oracle Learning Architecture**
 - Instructional Management Framework
- **Office Automation Tools**
- **Network Computing Architecture**
- **Academic Alliance And Industry Training**

6 ☐ **Evaluation Framework**

- **System Functionality (Users)**
 - Key System Modules (Student, Finance, HR)
- **Technical Architecture (IRD, FRC)**
 - Tools, Database, Vendor, Deployment
- **Costs**
 - Product Prices
 - Labor (User, IRD, Vendor)
 - Non-Labor Costs
- **Ability To Execute / Sustainability**

7 ☐ **Evaluation Activities**

- **User Demonstrations / Evaluations**
 - 30+ Onsite Or External Demonstration Sessions
- **Technical Demonstrations / Evaluations**
 - 15 Onsite Or External Evaluation Sessions

8 ☐ **Next Steps**

- **Complete Evaluation Activities**
- **Conclude Pricing Negotiations**
- **Develop Project Implementation Plan**

oversight (coordination) for Strategic Partner interface with College staff.

B. College Plan, Implementation

As agreed to at the beginning of the year (to reduce the VP workload and maintain VP focus), achievement of specific objectives in the *College Plan* now (1996-97) become the annual plan for the Vice Presidents. The end-of-year review between the President and Vice Presidents will focus on the achievement of the objectives designated for each Vice President.

1. The achievement of the objectives is the responsibility of the Vice President.
2. Any problems in meeting the timelines for the objectives should be discussed with the President in a special meeting set up for that purpose by the Vice President well before the end of the year.

To assist (as contrasted with taking responsibility) the Cabinet, Dr. Lupita Tannatt will take on overall project monitoring. Her role is defined on the attached.

3. **Specific Action Steps**

- a. Cabinet members will ensure they understand the projects for which they are responsible.
- b. Identification and implementation of a process to achieve the objectives will be the responsibility of each cabinet member.
- c. Cabinet meetings can be used to identify and reach concurrence regarding how areas of the College will cooperate to achieve objectives.