

# Budget Development Instructions

Fiscal Year 2016-2017

## Introduction

El Paso Community College's annual budget corresponds to its District goals. The 2016-2017 budget will be a rollover of 2015-2016 budget with reallocation of budgeted line items.

## Budget Guidelines

The following amounts represent each executive area's current 2015-2016 budget allocations for all institutional and self-supporting programs totaling \$132,348,646:

<u>Executive Area</u>	<u>Budget</u>
President's Office	\$ 1,599,513
Research & Accountability	1,376,993
Workforce & Continuing Education	5,817,531
Self-Supporting Programs	2,957,831
Instruction & Workforce Education	57,911,248
Self-Supporting Programs	565,580
Student Services	10,119,373
Self-Supporting Programs	193,808
Financial & Administrative Operations	33,315,320
Physical Plant	8,655,382
Self-Supporting Programs	682,169
Information Technology	8,508,666
Self-Supporting Programs	22,500
Foundation, Development & External Relations	<u>622,732</u>
Total	<u>\$132,348,646</u>

## Institutional Budget

Each executive area is required to remain within its current budget as reflected on Budget Forms 1 & 2 (*see Budget Development Steps section*).

### **Institutional Budget (Contd.)**

Funds may be reallocated by the executive area among orgs, accounts or budgetary pools (e.g. part-time salaries, supplies, travel, and equipment). When funds are reallocated, they must be cross referenced from where they come from to where they went. Any excess in Overhead budgets can only be reallocated to other Overhead budgets unless approved by the President. Full-time salaries are not subject to reallocation unless specifically approved by the President. Also, to establish a full-time position from other funding sources will require presidential approval. Funding for the position will need to be identified.

When a position becomes vacant and is reallocated to other needs thru the budget process, only the entry level value of the position can be reallocated. The savings will remain with the District unless otherwise approved by the President. New orgs may be created and other orgs may be closed allowing the executive area to reallocate the newly available funds. The only requirement is that no executive area may submit budgets for its individual orgs that total more than the current budget for that executive level. Vacant positions are included in the recruitment pool as part of the budget of the respective Vice President.

Budget Transfers initiated during current fiscal year are only **temporary** so continued funding must be addressed either thru the reallocation or the new request processes.

### **Travel**

For budgeting purposes, travel will not be distinguished between in-town, out-of-town or foreign. Instead, the travel will be budgeted in the travel pool. However, the actual expenses incurred during the year will be charged to the travel accounts and reflected as such on the month-end accounting reports. Local travel expenses include mileage reimbursements, conference registrations, and parking expenses for in-town. Mileage reimbursement is 50.5 cents per mile for in-town travel.

### **Equipment**

The capitalization policy defines equipment as any single item with a unit cost of \$5,000 or more. Additionally, equipment items are expected to have a useful life of at least one year and are not considered consumable products. Any item costing less than \$5,000 should be budgeted in the supplies account. The \$5,000 minimum does not apply to library books. Exceptions to the \$5,000 threshold are items that are considered sensitive to personal conversion (ex: printers, fax machines, digital cameras, scanners, etc.) These items should be classified as fixed assets regardless of the cost. For a more detailed list, please check with Property Management Control. **Equipment purchases must be justified to the appropriate Vice President.**

## **New Requests for Additional Funding**

Overhead budgets (utilities, insurance, benefits, software, etc.) will be the **only** ones considered for additional funding above the roll-over budget and should be submitted on the Additional Budget Request form along with back-up information. If you have critical needs (state mandated, safety or critical instructional needs), please use the Budget Requests for Critical Needs form. All blank forms are accessible thru the Budget Office website.

## **Self-Supporting Programs Budget**

The self-supporting programs have traditionally been reserved for programs or services that are self-supporting, i.e., the programs generate sufficient revenues to fully offset their annual expenses. Additionally, self-supporting programs have been used for new programs and allow the College to closely monitor the programs to determine their success at being self-supporting.

Executive areas with self-supporting programs will receive Budget Forms 1 and 2 for every applicable fund. Part-time faculty positions assigned to self-supporting programs must be budgeted in these orgs. The self-supporting programs budget and the institutional budget will be submitted as one for Board approval. To determine the eligibility to create a self-supporting program budget, the budget head should refer to the self-supporting program guidelines. Budget heads should follow the same guidelines as the institutional budgets for planning purposes.

Self-supporting program budgets should have a realistic revenue amount. Most self-supporting programs are currently charged an overhead recovery rate of 15% based on the actual revenue generated by those self-supporting programs.

## **Budget Development Calendar**

As reflected on the budget development calendar, the FY 2016-2017 preliminary budget will be presented to the Board of Trustees in May, June and July. The budget will be presented for the Board's final consideration and adoption either in July or August to commence the new fiscal year in September.

## **Budget Office Website Link and Content**

<http://www.epcc.edu/BudgetOffice>

Contact Information  
Budget Documents and Forms  
Budget Development Instructions, Steps and Calendar  
Guidelines for Self-Supporting Programs  
Frequently Asked Questions  
Budget Workshops  
Banner Tutorials

## Budget Development Steps

1. Review Budget Form 1 (Expenditure Detail by Budget Head) and Budget Form 2 (Salary Detail by Budget Head) that were issued on October 21, 2015.
2. Review your Budget Form 1's actual expenditures for 2014-2015 and your budget for 2015-2016. This form may serve as a basis for developing the budget for FY 2016-2017. This process should be consistent with any guidelines set forth by your respective executive area's Vice President and current allocation.
3. **Note any changes to Budget Forms 1 and 2 in red ink. If there are no budget changes, budget heads should initial and date Budget Forms 1 and 2 to acknowledge that the forms were reviewed and indicate no changes.**
4. Contact the Budget Office to obtain a Banner organization number for a new institutional program or discipline for fiscal year 2016-2017. Prepare a Banner Fund/Organization/Account Maintenance Form to set up a new organization number or self-supporting program and attach a completed Budget Form 1 and 2. Submit the original authorized form to the Budget Office.
5. Make copies for your files and submit all originals to your executive area Vice President's office.
6. The Vice President's office will collect and compile all budget data and summarize it on the worksheet(s) provided via e-mail for their executive area. **All budget forms and worksheets must be submitted to the Budget Office** located at the Administrative Service Center (ASC), Building A, Room A160 **by 5:00 p.m. on Friday, March 4, 2016.**
7. The Budget Office will schedule meetings with each executive level Vice President to review their budget.

## **Proposed FY 2016-2017 Budget Development Calendar**

<b>October 21</b>	Budget Forms 1 and 2 are emailed to Budget Heads.
<b>February 1</b>	Budget worksheets are emailed to the President and Vice Presidents.
<b>February 1</b>	Budget Development Instructions are posted on the Budget Office's web site.
<b>February 12</b>	Budget Workshops are conducted for Budget Heads and their support staff.
<b>March 4</b>	2016-2017 Budget Requests and worksheets are due to the Budget Office.
<b>March-April</b>	Budget Office reviews and compiles the district's budget requests.
<b>April 18-22</b>	VP of Financial & Administrative Operations and the Budget Director meet with executive levels to review respective budgets.
<b>May 2</b>	Budget Office provides the VP of Financial & Administrative Operations with budget requests update.
<b>May 5</b>	President, VP of Financial & Administrative Operations, and the Budget Director review the preliminary budget including revenue projections.
<b>May/June/July</b>	Budget Workshop is provided for Board of Trustees on preliminary budget.
<b>July/August</b>	Budget presentations on proposed budget at scheduled Board Meeting. Approval of Certified Appraisal Roll by Board of Trustees. Board adopts next year's budget by August 31.
<b>September 1</b>	Fiscal Year 2016-2017 begins.
<b>September</b>	Board meets to adopt 2016 tax rate at scheduled Board Meeting.