

## BUDGET DEVELOPMENT

Each year, the Chancellor shall present to the Governing Board a budget, prepared in accordance with Title 5 and the California Community Colleges Budget and Accounting Manual. The schedule for presentation and review of budget proposals shall comply with state law and regulations and provide adequate time for Board study.

### Development Criteria

The budget development process shall meet the following criteria:

1. The annual budget shall support the District's strategic master plan and the colleges' educational and facilities master plans.
2. Assumptions upon which the budget is based are presented to the Board for review.
3. A schedule is provided to the Board at the November Board meeting each year that includes dates for presentation of the Tentative budget, required public hearing(s) Board study session(s), and approval of the adopted budget. At the public hearings, interested persons may appear and address the Board regarding the proposed budget or any item in the proposed budget.
4. Unrestricted general fund reserves shall be no less than two months of unrestricted general fund operating expenditures as specified in Business Procedure 18.01. Reserve levels shall be reviewed annually during the annual budget development process. If reserve levels fall below the minimum levels, the District shall develop a plan through the annual budget process to replenish the funds within three years.
5. Changes in the assumptions upon which the budget was based shall be reported to the Board in a timely manner.
6. Budget projections address long-term goals and commitments.

### Development Values

The budget development process will be carried out with a commitment to honesty, integrity, transparency, and an overall sense of collegiality. Fiscal prudence and conservatism will be exercised in the development and management of the budget. These values will be upheld by ensuring:

1. Discussions and actions are student centered.
2. Communication of financial information will be practiced to ensure dialogue among constituencies and honest portrayal of the District's financial condition.
3. Decisions on financial matters are data driven.
4. District budget practices are comparable to institutions of similar size and scope.
5. Items included in the budget will be based on need.

Education Code Section 70902(b)(5)  
Title 5, Section 58300 et seq.