Annual Planning and Budgetary Planning Process

One of the methods of promoting institutional effectiveness is through the allocation of resources in a manner that is reflective of College mission, institutional goals and community needs. Because budgeting has a direct influence on plans, commitments, and performance measures at FKCC, it is imperative that it is conducted in a manner that involves broad-based participation within the College.

The most effective method for achieving this is to fully integrate the budgeting process with the annual unit planning process. By incorporating planning for the budget into the annual planning process, budget managers and unit directors are able to more effectively demonstrate that they are developing budgets that are consistent with their unit goals and objectives as well as the College’s goals and strategic objectives.

Therefore, the unit planning and budgeting planning processes are conducted simultaneously on an annual basis, from approximately March to May. It is during this time that the unit directors identify their new unit goals, objectives, expected outcomes, and assessment criteria for the next fiscal year (July 1st through June 30th). They also develop and justify their budget package for the next fiscal year. This planning is based on results from the assessment of the current annual unit plan as well as results from the program or unit review that was conducted during the previous semester.

For the most part, FKCC’s units begin budget development from a zero base and justify their recurring expenses based on activity from the previous year. This method has proven to be the most effective and stable budgeting strategy for the past two years. However, budgeting priorities that are in excess of the unit’s traditional budget, such as new equipment, additional travel, or new personnel resources, must be integrated into the annual unit plan. This process ensures that new or additional resource requests support the college’s goals and objectives.

The following is the process for annual planning and budgeting:

**Planning Meeting (February):**
- Budget Planning Committee discusses college-wide funding priorities based on the direction provided by the strategic objectives outlined in the Strategic Plan. The funding priorities are disseminated to Executive Staff and college supervisors.

**Annual Plan (March):**
- Unit Managers meet with Supervisors (Deans, Directors, VP’s, Provost) to discuss annual plan and (possible) need for additional funding. Supervisors direct unit managers in the development of annual goals and those budget requests that are potential priorities for the unit and that align with the Budget Planning Committee’s designated priorities. (This prevents unit managers from requesting additional budget items that have no possibility of being funded.)

> **Although a supervisor may recommend that a budget request be incorporated into an annual plan, it does not guarantee funding.**

Funding of additional budget requests is based on whether the college has extra resources after establishing the operational budget.

- Unit Managers also bring their budget packages with them to this meeting in order to review justification of expenses with their Supervisor.
- Complete unit plan and list and prioritize any new additional budget requests that were approved by Supervisor
- Utilize assessment data (where applicable) to demonstrate need for additional budget request
• Identify assessment criteria for evaluating effectiveness of request (if granted funding). Not all budget requests will be approved by the Budget Planning Committee for potential funding. However, it is still important to include all supervisor-approved additional budget requests in the annual plan so that the unit manager has documentation of the request. This documentation helps to identify the number of times the item was requested and also can demonstrate longitudinal assessment of the need for this request, which assists in prioritization.

Budget Request Form (March):
• Complete the appropriate budget request form(s) and attach to the annual plan with attachments (where applicable)

Submission to the Office of IE and review by the IE Committee (April):
• After a unit manager develops the annual plan and budget requests, they are reviewed by the Institutional Effectiveness Committee to ensure relatedness to College goals and objectives, specificity, and measurability. If changes are recommended, they are given to the appropriate Supervisor to work with unit manager to complete changes. If approved, they are posted online by the Office of Accreditation and Assessment. Budget requests are forwarded to the Executive Director of Finance and Information Services.

Additional Budget Request Review (April):
• The Executive Director of Finance and Information Services coordinates additional budget requests and shares with the Budget Planning Committee. Budget Planning Committee prioritizes all budget requests with a standard rubric and prioritizes based on results. All additional budget requests are selected for funding based on the degree to which they are related to the strategic goals and objectives and also on whether they are supported by appropriate data.
• Budget Planning Committee recommendations are forwarded to Executive Staff and the President.

Final Funding Decisions (May):
• Made in May by Executive Staff when the Executive Director of Finance and Information Services notifies them of the state funding balance.
• Supervisors notify unit managers of funding decisions and status of their additional budget requests.

Final Budget Approval (May):
• Received from College President in May

Board of Trustees (June):
• Budget is submitted to the Board of Trustees for approval in June

Beginning of New Fiscal Year (July):
• Plans for 2010 to 2011 go into effect