

Board Policy 2.16: COLLEGE BUDGET

The purpose of the College Budget is to:

- Align annual operations objectives and actions with the College's strategic plan; its vision, mission, diversity statement, and strategic objectives and initiatives (Board Policy 1.0).
- Optimize the limited financial resources available to meet the goals of the College;
- Serve as the College's formal financial plan.

The Board of Trustees is responsible for maintaining the overall fiscal health of the college. The Board has final authority for the adoption of the budget.

The college President shall work closely with the Vice President for Administrative Services (Assistant Treasurer to the Board) and recommend a balanced budget in accordance with the strategic plan College ensuring that:

- Assets are sufficient and appropriate to the mission;
- Assets are maintained/not allowed to depreciate or become obsolete;
- Assets are applied to achieve mission, support strategic objectives, and respond to priorities of key constituencies, and,
- The primary focus is on long-term shaping and maintenance of asset structure rather than short-term economic cost of the asset.

The College President has the overall responsibility for monitoring the budget and ensuring that the total annual budget is not exceeded.

It is the policy of the Board that the budget process be transparent and inclusive, allowing input from Trustees, administration, staff, and community members.

The Board shall set a goal for the amount of cash reserves available to carry over for future years. Cash reserves should be adequate to meet future unforeseen demands, long term goals, and emergency needs. Use of cash reserves for budgeting or transfer of cash reserves during the year for unforeseen or emergency expenditures must be approved in advance by the Board.

The policy of the Board is to include consideration of a long term perspective in the budgeting plan and process. Priorities, with estimated costs and ties to the strategic plan, shall be outlined for a minimum of 5 years. A required capital outlay plan shall be projected for a minimum of 3 years.

The College President shall set an annual "contingency fund" amount. This fund is used in cases where the adopted budget is inadequate to meet the required expenses of various functions and departments. Changes to the contingency fund (by transfer to or from other functions or departments) should be approved by the Board, as this is considered to be a substantial change to the adopted budget.

Intra-functional and inter-departmental transfers may be made to cover unexpected expenses, as long as the total expenses per function does not exceed the established budget. However, all budget transfers shall conform to established Budget Transfer Guidelines that are periodically reviewed and updated.

There should not be any planned “slush” funds present within the budget understood to be intentionally overstated and available for unforeseen emerging circumstances that should otherwise be met and funded by the contingency fund.

Budgets shall be aggregated and evaluated annually and any over expenditure conditions shall be identified and reported at the appropriate level within the organizational chain of command.

Monitoring the budget is important to ensure that the financial, operational and capital plans that were developed and approved for implementation as part of the budget processes are being implemented. Budget monitoring is crucial for an organization to be able to enforce accountability related to spending. Regular, comprehensive monitoring of the budget allows EWC to evaluate service level provision, ensure any new initiatives are making expected progress towards goals/expectations, learn more about trends and other deviations that may impact future operations, and finally demonstrate transparency by sharing findings from this regular monitoring.

Budget monitoring must include examination of a broad set of functions in order to fully inform what actions need to be taken if significant deviations are found.

Budget monitoring should include analysis of a diverse set of indicators to best inform the analysis and facilitate evaluation of EWC’s overall performance. EWC will establish comprehensive budget monitoring that includes the following key items:

- Revenues
- Expenditures
- Personnel
- Non-personnel
- Operations
- Capital
- Economic Trends
- Performance Measures

The College’s operating budget is prepared annually, detailing revenues and expenditures. The budget is prepared to coincide with the fiscal year of the College, July 1 to June 30. The Board of Trustees has the ultimate responsibility for approving the annual operating budget.

Administrative Rule 2.16.1: ANNUAL BUDGET CYCLE PROCESS

In the budget development process outlined below, Eastern Wyoming College follows the Annual Budget Cycle Process. The budget document provides a financial plan for fiscal year revenues and expenses, outlines initiatives and implements controls for spending authority. Budget planning at EWC will be a transparent and participative process that involves all campus constituencies.

Phase 1: Preparation of the Proposed Budget

1. Historical budget data, revenue and enrollment projections are distributed to department heads/program directors and budget managers for review.
2. Budgets are prepared by departments with assistance from their Vice President.
3. The Vice Presidents will utilize their key leadership areas to prioritize requests before forwarding them to the Vice President for Administrative Services and the President. Budget managers who report directly to the President will submit their budgets directly to the President. The President will work cooperatively with budget managers when requests are revised before forwarding them to the Vice President for Administrative Services.
4. The President, in collaboration with the Vice Presidents will review and prioritize, add and/or reduce recommendations, align requests with the strategic directions and share the priorities with the Board of Trustees at a work session in the fall.
5. The President provides guidance to the work of the Vice President for Administrative Services and communicates budget information to campus constituencies.
6. Distribute proposed Preliminary Budget college-wide prior to presenting to the Board of Trustees.

Phase 2: Approval of Preliminary Budget by the Board of Trustees

1. The EWC Board of Trustees will review and/or revise the Preliminary Budget in a work session or retreat prior to the May board meeting.
2. At the May board meeting, the Trustees will take official action regarding the Preliminary Budget.
3. At the May board meeting, the Vice President for Administrative Services will request authorization from the Board of Trustees to schedule public hearings concerning the current fiscal year final budget and renewal of any special mill levies for the new fiscal year.

Phase 3: Adoption of the Fiscal Year College Budget

1. The Vice President for Administrative Services will publish a Notice of Budget Hearing in the official newspaper of the College District. The hearing is held at the July Board of Trustees meeting.
2. The Board of Trustees will formally adopt the budget at the July board meeting on or before the third Wednesday of July.
3. The Vice President for Administrative Services submits a copy of the complete budget in the required format to the Goshen County Clerk and the Wyoming Community College Commission per the Wyoming Uniform Municipal Fiscal Procedures Act.

Administrative Rule 2.16.2: BUDGET PLANNING TIMELINE

Month	Action
August/September	Prepare budget planning materials to department heads/program managers and budget managers.
September	President and Vice President review strategic initiatives and assumptions. Prepare for retreat to review strategic plan and develop recommendations for consideration by the Board of Trustees.
September/October	Review strategic initiatives and assumptions with the Board of Trustees at a retreat. The President and Vice Presidents work with the Trustees to develop a tentative set of planning and budget assumptions.
October	Submit tentative set of planning and budget assumptions to department heads/program directors and budget managers.
November through February	Department heads/program directors and budget managers develop budgets based on the College and departmental strategic plans.
February	Department heads/program directors and budget managers submit their budget request form(s) to the appropriate Vice President. Direct reports to the President will submit their budget request form(s) directly to the President.
March	The Vice Presidents and the President review requests, develop priorities based on the College and strategic priorities, and recommend budget priorities to the President.
April	The President and Vice President for Administrative Services finalize Preliminary Budget based on Community College Budget Model and dollars to be allocated. Distribute proposed Preliminary Budget college wide.
May	Presentation and discussion of the Preliminary Budget with the Board of Trustees during a work session or retreat prior to the May board meeting. Board of Trustees approve Preliminary Budget at the May board meeting.
June	The Vice President for Administrative Services advertises public hearings in the District newspaper; previous FY Final Budget, renewal of mill levies, and new FY Budget.
July	Presentation of the College Budget and final approval by the Board. Submission of adopted Budget to Wyoming Community College Commission and Goshen County Clerk.