

**SAN FRANCISCO COMMUNITY COLLEGE DISTRICT
POLICY MANUAL**

Title: BUDGET PREPARATION AND FISCAL ACCOUNTABILITY	Number: BP 8.01
Legal Authority: California Education Code Sections: 70902, 84740 et seq; Title 5, CCR, Sections 58300 et seq.	CCLC Number: BP 6200

The preparation and publication of an annual budget of all District funds shall be consistent with existing law and in accordance with a District budget calendar for review, tentative adoption, and final adoption. "Budget" includes any tentative, proposed, or final budget required by law.

The Chancellor, or other designee, shall prepare and submit to the Board such reports showing the financial and budgetary condition of the District, including outstanding obligations, as required by law and as necessary to apprise the Board of fiscal circumstances affecting policy decisions.

Budget development shall meet the following criteria:

- The annual budget shall support the District's master and educational plans.
- Assumptions upon which the budget is based are presented to the Board for review.
- A schedule is provided to the Board by January of each year that includes dates for presentation of the Preliminary Budget no later than May, Tentative Budget no later than June, ~~tentative budget~~, required public hearing(s), Board study session(s), and approval of the Final Budget no later than September 15 ~~final budget~~. At the Budget and Audit Committee and public hearings, interested persons may appear and address the Board regarding the proposed budget.
- Unrestricted general fund reserves shall be maintained between 5% and 9%. The District is committed to a multi-year budget plan meeting the State Chancellor's Office recommendations and Government Finance Officer Association Standard recommendations.
- Changes in the assumptions upon which the budget was based shall be reported to the Board in a timely manner.
- The Budget projections shall address the district's long-term mission, goals and commitments.
- The Board of Trustees shall be provided information by the Chancellor or designee to oversee the budget through regular and frequent Budget Updates at the Board Budget and Audit Committee and the full Board of Trustees meetings. The information may include current Fiscal Year projections, anticipated revenue, usage of one-time funds, and state budget developments.
- The adopted budget for the following Fiscal Year shall include a Multi-Year Budget Plan for the next three to five Fiscal Years. The Multi-Year Budget Plan will be used to plan for the long-term sustainability of the college, project budget trends, revenue needs, and budget shortfalls.
- Whenever it is anticipated or believed that the ending reserves for the Fiscal Year will be less than what the budget began with or a deficit is developing, the Board of Trustees must approve the redeployment of reserves or deficit by a two-thirds vote.
- The Board shall be presented annually with a balanced budget that reflects

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- expectations of current year financial projections and any projected surpluses or deficits shall be reported to the Board in the subsequent month.
- The Board shall receive independent analysis on a periodical basis on the state of the financial affairs at the College.
 - The Chancellor shall issue an administrative procedure that provides how this policy will be implemented.

Recommended by Participatory Governance Council: Month Day, Year Approved by Board of Trustees: Month Day, Year	Page 2 of 2
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