



# BUDGET ENHANCEMENT PROCESS

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# OBJECTIVES

- Define resource categories
- Define funding sources
- Determining if a cost is allowable
- Understanding a one-time request vs. an ongoing request
- Reviewing existing budgets to make the most of your request

# REFERENCE MATERIALS

- California Community Colleges Budget and Accounting Manual

<https://www.cccco.edu/-/media/CCCCO-Website/Files/Finance-and-Facilities/budget-and-accounting-manual-2012-edition-ada.ashx?la=en&hash=8D0B20749805F8DFEA3C3AFD2FDF0096A5361EB2>

- Chancellor's Office California Community Colleges Guidelines, Definitions, and Allowable Expenditures

[https://www.cccco.edu/-/media/CCCCO-Website/About-Us/Divisions/Division-of-Workforce-and-Economic-Development/WEDD-RFA/RFA16-191/Files/x\\_AppendixCGuidelinesDefinitionsandAllowableExpenditures.pdf](https://www.cccco.edu/-/media/CCCCO-Website/About-Us/Divisions/Division-of-Workforce-and-Economic-Development/WEDD-RFA/RFA16-191/Files/x_AppendixCGuidelinesDefinitionsandAllowableExpenditures.pdf)

- To Gift or Not to Gift (Public Funds)

<https://www.fcmat.org/PublicationsReports/CASBO%20-%20Gift%20of%20Public%20Funds%20-%204-5-18.pdf>

- Imperial Valley College Chart of Accounts

<https://www.imperial.edu/faculty-and-staff/administrative-services/forms/>



# RESOURCE CATEGORIES

- Advertisement – Costs associated with public relations and marketing through different media outlets (print ads, radio or TV broadcasts, online or direct mail).
- Staffing – Costs associated with salaries and benefits of persons employed by the District to perform duties in an assigned position.

# RESOURCE CATEGORIES

- Facilities – Costs associated with maintenance and repairs to buildings and other types of facilities (fixing broken floor tiles or replacing old carpet, replacing a sink in a classroom lab, etc.).
- Technology – Costs associated with telecommunications, data processing, and data management systems or services (i.e. telephones, computer networks, internet, fiber optics, etc.).

# RESOURCE CATEGORIES

- Professional Development and Travel
  - Professional Development – Costs associated with necessary expenses for District representatives to improve or learn new techniques (i.e. fees for workshops, webinars, classes, etc.).
  - Travel – Costs associated with per diem or actual necessary expenses for District representatives to attend meetings or conferences (i.e. registration fees, transportation, meals and lodging).



# RESOURCE CATEGORIES

- Supplies and Equipment
  - Supplies: Costs associated with items that have a useful life of less than one year or are easily expendable, broken, damaged, or lost in normal use (i.e. office supplies, food and food service supplies, medical supplies, etc.)
  - Equipment: Costs associated with assets having a useful life of more than one year other than land and buildings (i.e. computers, software, furniture, etc.).



# RESOURCE CATEGORIES

- Capital Expenditure – Costs associated with the acquisition of capital assets or additions to capital assets totaling \$5,000 or more (sites and site improvements, buildings, fixtures, equipment, vehicles, etc.).
- Miscellaneous – Operating costs not identifiable within any other category listed.





# MAJOR FUNDING SOURCES

- General Fund
  - Unrestricted (fund 11xxx) used to account for resources available for the general purposes of District operations and support of its educational program.
  - Restricted (categorical funds 12xxx-19999) used to account for resources available for the operation and support of the educational programs that are specifically restricted by laws, regulations, donors, or other outside agencies as to their expenditures.

# DETERMINING IF A COST IS ALLOWABLE

## Public Scrutiny Test

- Used to determine if an expenditure is appropriate.
- How would the tax-paying public view the expenditure?
- Is the expenditure necessary to support the activities of the District?

## Three primary criteria for determining allowable costs:

- 1) Substantiate that the cost was necessary and reasonable for proper and effective administration of the allocations.
- 2) The cost must be allocable to the funding source activities.
- 3) The cost must not be a general expense required to carry out the fiscal agent's overall responsibilities (supplanting).

# TYPES OF REQUESTS (ONE-TIME VS. ONGOING)

Questions to consider:

- Will the good or service require costs in addition to those needed to initially implement or acquire it (i.e. maintenance/service contracts, annual subscription fees, software updates, etc.)?
- What is the useful life of this good or service?

# BUDGET REVIEW

- You should review your existing budgets to determine if you can reallocate funds before requesting an enhancement.
  - You cannot increase the overall operating budget in the unrestricted general fund, but you can transfer funds between the 4000, 5000, 6000, and 7000 accounts.
  - Compare actual expenses to the budget using a year to year comparison over three to five fiscal years.
  - Determine if there are any accounts in which you do not spend, or have consistent remaining balances.
  - Use these accounts to reallocate your budgets.

Account	Sum of FY 18/19 BUDGET	Sum of FY 18/19 YTD	Sum of FY 18/19 AVAIL	Sum of FY 19/20 BUDGET	Sum of FY 19/20 YTD	Sum of FY 19/20 AVAIL	Sum of FY 20/21 BUDGET	Sum of FY 20/21 YTD	Sum of FY 20/21 AVAIL	Average Available Balance
⊕ 4455	-	-	-	1,000.00	242.44	757.56	-	-	-	252.52
⊕ 4460	4,407.56	4,351.12	56.44	4,149.70	3,221.93	927.77	4,000.00	3,571.46	428.54	470.92
⊕ 4466	1,692.44	1,692.44	-	1,800.00	1,730.98	69.02	1,800.00	1,854.99	(54.99)	4.68
⊕ 5110	-	-	-	84,700.00	28,655.00	56,045.00	52,500.00	19,205.00	33,295.00	29,780.00
⊕ 5210	587.23	242.86	344.37	400.00	36.80	363.20	400.00	86.96	313.04	340.20
⊕ 5220	9,916.81	9,161.50	755.31	1,000.00	511.46	488.54	1,000.00	250.00	750.00	664.62
⊕ 5620	-	-	-	113,650.00	112,957.37	692.63	-	9,230.23	(9,230.23)	(2,845.87)
⊕ 5622	-	-	-	-	54,500.00	(54,500.00)	37,000.00	-	37,000.00	(5,833.33)
⊕ 5640	-	-	-	-	-	-	-	399.38	(399.38)	(133.13)
⊕ 5650	-	-	-	-	-	-	113,650.00	109,680.89	3,969.11	1,323.04
⊕ 5710	-	-	-	35,000.00	25,410.00	9,590.00	26,450.00	26,118.00	332.00	3,307.33
⊕ 5740	-	-	-	-	-	-	-	189.96	(189.96)	(63.32)
⊕ 5813	-	-	-	-	-	-	-	656.45	(656.45)	(218.82)
⊕ 5815	567.59	567.59	-	73,640.00	41,724.56	31,915.44	73,640.00	56,977.26	16,662.74	16,192.73
⊕ 5890	378.80	378.80	-	900.00	537.50	362.50	900.00	-	900.00	420.83
⊕ 6490	8,759.08	8,162.51	596.57	-	-	-	-	-	-	198.86
⊕ 6502	-	-	-	800.00	799.95	0.05	-	-	-	0.02
⊕ 6590	-	(141.95)	141.95	-	-	-	-	-	-	47.32
<b>Grand Total</b>	<b>26,309.51</b>	<b>24,414.87</b>	<b>1,894.64</b>	<b>317,039.70</b>	<b>270,327.99</b>	<b>46,711.71</b>	<b>311,340.00</b>	<b>228,220.58</b>	<b>83,119.42</b>	



# QUESTIONS?

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THANK YOU FOR ATTENDING!