

BLUE RIDGE COMMUNITY & TECHNICAL COLLEGE

BUDGET PACKAGE

FISCAL YEAR 2021

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OVERVIEW OF FY 2021 BUDGETING PROCESS

The Finance Office will guide and direct the budgeting process. Budgeting for fiscal year 21 will utilize a zero based budgeting technique, in which every dollar requested must be supported by written justification. The justification is a narrative explaining why the proposed expenditure is programmatically or administratively necessary and how it is calculated. While it is acceptable to use prior spending patterns as a guide for estimating future expenses, it is not acceptable to use this history as the justification. Finance will provide payroll data and select account code costs, such as telephone and rent.

Budget templates for each organizational unit and FY21 Budget Request Forms have been provided to the Executive Staff member who is responsible. Each template must be accompanied by a Budget Request form. Forms for new position requests, capital renovations, new technology, and new initiatives are only required if requesting these items.

All budget request submissions will be reviewed and evaluated by a Budget Committee, which is a subset of Executive Staff and agreed upon by the President and CFO. This committee will formulate final recommendations and present them to the Executive Staff for final acceptance. This committee will also review and consider various analyses, tuition and fee increases, state appropriation changes, payroll adjustments, and any item that may affect the budget.

INSTRUCTIONS FOR COMPLETING FORMS

1. Budget Request

- a. Complete the blue section with Fund and Organization information. Examples of entries include:
 - i. Fund Description: Tuition & Fees, Lab Fees, Course Fees
 - ii. Fund Code: 1282, 1287, 1284
 - iii. Organization Description: Human Resources, Nursing, EDET
 - iv. Organization Code: 1210, 5141, 5133
- b. Complete a section for each account for which funds are being requested. Amounts requested must agree to the amounts in the organization budget template. Select a Budget Priority Category (1 – 5) and in the Justification field, explain how this request fits into the selected category. Include any relevant information that may be helpful when the Budget Committee is reviewing the request. Space for calculations is included if providing a calculation or list is helpful in understanding the total. For example, when calculating memberships, include the membership organization, the employee or department receiving the benefit, cost and membership period. Monthly expenses should list the vendor, cost per month and number of months required, followed by the total.

Membership example:

Calculations (if needed)	SHRM	J. Smith	\$ 50.00	Jan 2018 – Dec 2018
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Monthly expense example:

Calculations (if needed):	Vendor	Cost/Mo	# Months	Total
	GST, Inc.	\$ 685.00	12	\$ 8,220.00
	Allied Waste	\$ 550.00	12	\$ 6,600.00
				\$ 14,820.00

- c. When completing a form for a revenue generating fund, enter the estimated revenue in an Account Description section where an expense would normally be listed. The Budget Priority Category may be left blank. The Justification section should explain the source of revenues. A calculation should be present to substantiate the projected revenues.

Calculations (if needed):	# of Sections	Students/Section	Course Fee	Total Fees
Lab 101	3	25	\$ 35.00	\$ 2,625.00
Lab 201	5	15	\$ 70.00	\$ 5,250.00
				\$ 7,875.00

2. Faculty and Staff Budget Request

- This form is designed to be distributed to all faculty and staff within the organization to facilitate and encourage communication in the budgeting process.
- Managers should decide which requests to include in their final budget request submission.
- Completed forms will be retained by Finance as evidence for use in the HLC accreditation process.

3. New Position Request

- This form is used to communicate the need for a new position. It is not used to project filling a vacant position. New position requests must include a department organization chart with the potential new position identified.
- Complete all fields on the form. Please seek assistance from the Finance Office if needed.
- Fringe benefits should be calculated using the following percentages:
 - Full time position up to \$35,000: 40% x annual salary
 - Full time position over \$35,000: 30% x annual salary
 - Part time position: 8% x estimated annual wages
- Ancillary items should include the following *minimum* estimates:
 - Furniture \$1,000
 - Computer 1,500
 - Phone 300
 - Supplies 200
 - Prof. Dev. 500
 - Total \$3,500
- Additional space requirements for new positions must be identified. If renovations are required to accommodate new personnel, these changes must be submitted as a capital renovation request.
- Proposed funding source is the Banner fund (ie. 1282, 1283) or "grant" if the grant fund is not currently established.
- Requests must include a budget priority category and justify its alignment with the strategic plan. Also list negative consequences if the request is not approved for FY21.

4. Capital Renovation Request

- a. If this is related to a new position or new initiative request, indicate this in the description field. Otherwise, include a general description of the project.
- b. The proposed location is not a guarantee of the final location, but will be taken into consideration if the request is approved.

5. New Technology Request

- a. Technology requests should include a breakout of direct costs, service agreements, and any necessary infrastructure cost of upgraded utilities or structures. This category includes new labs, new software programs to be housed in IT Services servers and other significant projects. Use a separate form for each request.
- b. Complete the fields that apply to the request.
- c. Budget priority category and strategic plan alignment must be completed.

6. New Initiative Request

- a. New initiatives are defined as programs that represent a service not currently provided by the institution. Examples of new initiatives are new academic or administrative programs. They should not be viewed as incremental changes based on existing services or changes in workload.
- b. Requests should include the following information:
 - i. Relation to strategic plan and mission
 - ii. Proposed timeline
 - iii. Implementation strategy
 - iv. Outcome assessment plan
 - v. Required resources, communicated through appropriate request forms
- c. All request forms submitted for a new initiative should be clearly identified as part of the initiative request.

TIMELINE FOR BUDGET DEVELOPMENT

Date	Task	Personnel
11/26/2019	Email Budget Request form to all faculty and staff	Miller
11/30/2019	Budget Instructions; T: Drive - Workbooks, Narrative Forms	Miller
12/9/2019	Schedule out grant personnel using actual payroll expenses	Payroll, LeGore, Miller
12/18/2019	Prepare Budget Templates (Blank)	LeGore, Miller
12/18/2019	Email due date reminder to Faculty and Staff for Budget Request forms	Miller
12/20/2019	Faculty and Staff Budget Requests due to Org Managers	All
12/20/2019	Distribute Fees worksheets for review and updates	LeGore, Miller
1/11/2020	Strategic Plan Discussion	Executive Staff
1/18/2020	Projected Payroll Budget Due; Scenarios	Payroll, LeGore, Miller
1/18/2020	Final fixed cost estimates due	A/P, Purchasing
1/18/2020	Draft One: Departmental Budgets due	Executive Staff

1/18/2020	Fees worksheets due	Executive Staff
1/21/20 - 1/25/20	Budget Committee Reviews Dept Budgets	Budget Committee
1/21/20 - 1/25/20	Transfer 'approved' budgets into templates	LeGore, Miller
1/21/20 - 1/25/20	Review and Compile Program and Special Fees; Determine Revenue, update budget templates	LeGore, Miller
1/21/20 - 1/25/20	Budget Analysis as necessary	LeGore, Miller
1/30/2020	Review of Draft One; Determine need for Draft Two	LeGore, Miller
2/6/2020	Soft pitch Tuition & Fee projection and program fees to Board	Miller
2/15/2020	Draft Two (If Needed): Departmental Budgets due	Executive Staff
2/18/20 - 2/22/2020	Budget Committee Reviews Dept Budgets, Other Reductions; Tuition Increase	Budget Committee
2/18/20 - 2/22/2020	Budget Analysis as necessary	LeGore, Miller
2/29/2020	Budget Committee presents Budget Data (Tentative Appropriation funding) to Executive Staff; Determine if more data collection is needed to make final decisions	Executive Staff
3/1/2020	BOG Presentation Developed	LeGore, Miller
3/6/2020	BOG: Presentation and Approval of Fees and Tuition Increase	Miller
March	Construct final budget (including P&L) with Board approved Fees, T&F rate	LeGore, Miller
Early April	Tuition & Fee Requests due to Council 2 weeks after Legislative Session Adjourns	LeGore, Miller
April	Enter Expenditure Schedules in OASIS (may wish to wait until Council approves increase)	LeGore, Miller
5/1/2020	Expenditure Schedules Due to State (Firm date will be communicated from HEPC)	LeGore, Miller
5/1/2020	BOG: Present Budget; Request Approval, if not received prior approval	Miller (Title 133 Series 2)
June	Budget Approval by Council; CTCS provides forms for budget presentation	LeGore, Miller
6/14/2020	Prepare Banner Budget Load	LeGore, Miller
7/1/2020	Load Banner Budgets	LeGore, Miller

BUDGET PRIORITY CATEGORIES

1. **Mandated External:** This category includes budget requests for costs that must be paid as a result of requirements imposed by an external entity. These costs will be paid even if the College does not allocate resources for them. For example, a utility provider may increase its rates.

2. Mandated Internal: This category includes budget requests for costs that must be paid as a result of requirements imposed internally by previous actions of the College. These costs will be paid even if the College does not allocate resources for them. For example, custodial supplies must be purchased for a new classroom building.
3. Safety: This category includes budget requests that address significant and specific safety issues. For example, a fire proof cabinet may be needed to store flammable supplies.
4. Internal Priority: This category includes budget requests for initiatives that have been identified as institutional priorities by the President, Executive Staff, and/or the strategic planning process. If funding is not allocated in the budget process, it is likely that these initiatives will be postponed until resources become available.
5. Mission & Strategic: This category includes budget requests for initiatives that align with the institutional mission and strategic plan, but have not been identified as a priority.
6. Other: This category includes budget requests that are not assigned to other categories.

FORMS FOR REQUESTS

See attached Excel documents.

- a. Budget Request
- b. Faculty and Staff Budget Request
- c. New Position Request
- d. Capital Renovation Request
- e. New Technology Request
- f. New Initiative Request