Budget Planning Process

March 2018
Southeastern Technical College
Annual Budgeting Process

Each division of Southeastern Technical College is responsible for developing an annual budget and operational program of work. The program of work is based on the following:

- Annual improvement plan known as SPIRIT (Strategic Planning, Improvements, Results, and Implementation through Teamwork)
- Southeastern Technical College Strategic Plan and Mission Statement
- Evaluation results from Perception of Services Assessment Reports
- Evaluation results from the Technical College System of Georgia Peer Accountability Review
- Input from local occupational advisory committees
- Faculty-staff surveys
- Divisional goals and objectives
- Customer evaluations
- Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) Principles
- Federal grant indicators
- Program certification standards
- Graduation and employer surveys
- Program accrediting agency standards

The budgeting process involves every unit of the College and includes evaluating, planning, budgeting and implementing. The elements of the annual budget and operational program of work include: division goals, resources required, and evaluation of current year budget. Each division goal references a specific strategic institutional goal and includes a budget request in the division’s annual SPIRIT plan if the division is requesting a budget item that is not a
customary item in the division's budget. The budgeting and operational planning process is evaluated annually by Southeastern Technical College’s Executive Council to ensure that the process effectively supports the College’s mission and objectives.

Budget Calendar and Process

Procedure One (April – May)

Using the current year division unit’s SPIRIT, and the Southeastern Technical College Strategic Plan, Goals, and Objectives, the employees of each division evaluate their operational needs and goals for the next fiscal year and report the budgetary needs required to complete the goals to their supervisor/VP during a one-on-one meeting held sometime in April or May. Each employee should submit an estimated budget that will cover costs associated with completing their operational needs and goals. It is at this time that each person has the opportunity to submit equipment, travel, and supply needs to their vice president/supervisor. The vice president uses the tools below to incorporate the employee’s budget requests into the division’s annual budget.

- Southeastern Technical College Strategic Plan and Goals
- Southeastern Technical College Mission Statement
- Division SPIRIT, which ties to the College’s Strategic Plan
- Division Budget, which links to the Division SPIRIT

Each department reviews its departmental operational objectives at the end of the fiscal year and determines the success with which the department was able to reach its stated objectives, along with any modifications made for the coming year for those objectives not successfully completed. The vice president should include the budget requests from his/her division’s SPIRIT in the total budget request along with the printout of the budget item showing justification and referencing a strategic goal and objective.
Once the vice president has compiled his/her budget request using the Southeastern Technical College Budget Request Form, it is forwarded to the Vice President for Administrative Services for analysis and compilation.

**Procedure Two (May)**

The Vice President for Administrative Services compiles the data, estimates projected local revenue based on anticipated enrollment, and verifies federal and state fund allocations. The Vice President for Administrative Services gathers input from the President, Vice President for Student Affairs, Vice President for Academic Affairs, and the Vice President for Institutional Effectiveness regarding anticipated enrollment for the upcoming year. The President decides the level of enrollment in which to base anticipated tuition and fee revenues and the Vice President for Administrative Services compiles the budget based on those projections. Total fund availability is calculated and compared with the funds requested to determine if enough monies are obtainable to fulfill every budget request.

**Procedure Three (May)**

The President and Vice President for Administrative Services hold a meeting by May 15. This meeting includes review of the budgets submitted by the executive team of the College and gives each division the opportunity to answer questions regarding their budget needs. This will allow the opportunity to analyze information, prioritize large purchases and allocate departmental budgets. The Vice President for Administrative Services brings reports showing the very latest expenditure/encumbrance amounts for all budgets for comparisons to budget requests to ensure realistic goals are set. The President and Vice President for Administrative Services analyze each department budget request and operational plan to ensure the budgets reflect the mission and strategic plan of the College. Estimated tuition and fee revenue, based on enrollment trends, prior year revenues, and any other external factors as well as state allocations are
considered during this phase of the budget process. In May of each year, all college Presidents and their VPAs are presented with the Budget Allocation Worksheet. This document outlines what each college will receive for the upcoming budget year in terms of state allocations and bond funds. All college budgets are approved by the governing board, the State Board of the Technical College System of Georgia, at the May board meeting.

**Procedure Four (May)**

If the President approves and funds requested are below or equal to estimated revenues, then the college budget is forwarded to the local Board of Directors for their review. If there are not enough monies available to fund all budget requests, the President meets individually with the vice presidents to discuss and evaluate budget priorities. The President will conduct a final review and approve the budget allocations, making any changes deemed necessary. The college budget is then returned to the Vice President for Administrative Services for presentation to the local Board of Directors, distribution to the department heads/Vice Presidents, and for input into the College’s financial system, Peoplesoft. Vice Presidents may retain unfunded budget requests until funds become obtainable.

**Procedure Five (July)**

Final reports, for the year just ended, are produced showing actual revenues and expenses compared to the original department budgets. The budgeted amounts for the current year are compared to actual end-of-year totals to ensure realistic budget goals have been set. If it is determined that changes need to be made to the upcoming year’s budget based on this evaluation, the Vice President for Administrative Services takes these changes to the President for approval.
Procedure Six (Monthly)

Administrative Services compiles a monthly budget report for each department’s budget. The report is sent to each unit and shows the approved budget amounts, expenditures, encumbrances, funds available and revenues received for each individual budget. Upon request, two financial queries are also electronically sent to the project administrators for each division. The first query shows all expenditures charged to the budget for the fiscal year. The second query details every purchase that has been ordered but not received. These two queries should tie exactly to the project administrators’ purchase requests and any discrepancies should be immediately reported to the Vice President for Administrative Services. The use of these two monthly queries and monthly budget reports allow the College units and administration to monitor all budgets in a timely manner.

The local Board of Directors is given summary budget reports on a monthly basis. These reports document encumbrances, expenditures and revenues as of the previous month. This monthly presentation keeps Board members abreast of the financial position of the College.

Procedure Seven (Quarterly)

At least quarterly, the President and Vice President for Administrative Services, meet to scrutinize each line of every budget for accuracy. If expenditures exceed the targeted percentage for that point in time, the expenditures are analyzed to determine if there is a legitimate reason why. Also at this time, locally generated revenues, such as tuition and fees, are evaluated to determine if actual revenues are keeping pace with projections. If it is determined that locally generated revenues are falling short, tuition and fee funded budgets will be adjusted and action will be taken to bring spending more in line with the new estimates.