

Procedure Title: Budget Preparation Procedure
Procedure Number: 01-2004-0005
Board Policy Reference: IV.F. Budgeting/Forecasting

Accountable Administrator: President
Position responsible for updating: Director of Business Services / BURSAR
Original Date: April 9, 2004
Date Approved by Cabinet: 04-25-12
Authorizing Signature: *signed original on file*
Dated: 04-25-12
Date Posted on Web: 11/1/13
Revised: 04-12
Reviewed: 10-13

Purpose/Principle/Definitions:

The Oregon Department of Revenue provides all local government budgeting oversight, laws, and direction through Oregon Revised Statutes (ORS 294.305 to 294.565), which are contained in a detailed statewide local budgeting manual. The Department has the statutory authority to ensure compliance with local budget law and all other laws relating to the imposition of property taxes by municipal corporations (ORS 294.490). Oregon Local Budget Law also:

- Establishes standard procedures for preparing, presenting and administering the budgets of Oregon's local governments.
- Encourages citizen involvement in the preparation of the budget before its formal adoption
- Provides a method of estimating revenues, expenditures and proposed taxes.
- Offers a way of outlining the programs and services provided by local governments and the fiscal policy used.

Budgeting in Oregon is a joint effort between the people affected by the budget and the appointed and elected officials responsible for providing the services. In Oregon, a budget is perceived as a financial plan containing estimates of revenues and expenditures for a single fiscal year. Each local government operates within a fiscal year beginning July 1 of one year and ending on June 30 of the subsequent year. These laws, principles, and guidelines, as amended over time and interpreted by various state entities with jurisdiction in these areas, set the parameters and guiding spirit of the budget process of BMCC.

Definitions:

1. Budget Committee: The Budget Committee of Blue Mountain Community College shall consist of the members of the Board of Education (Board), and an equal number of qualified appointees appointed by the Board. Appointees to the Budget Committee will, as closely as possible, be selected to best ensure representation from the geographical areas of the College District and must be qualified electors of the District.
2. Budget Officer: On an annual basis, the Board shall appoint a Budget Officer who has the responsibility for preparing the budget document.
3. Budget Calendar: The Budget Officer shall prepare annually, and present to the Board for its approval, a budget calendar. The calendar shall allow a sufficient length of time for preparation, review, and adoption of the budget by the close of the fiscal year.
4. Budget Governance Committee: This committee serves in a consultative capacity to the President for issues related to all college resources. It provides a forum for reviewing, evaluating, and establishing the college's planning and budget process. Consisting of at least one representative from each major group of constituents from the campus and a budget committee representative, this committee serves as an initial sounding board for new budget ideas, concepts, processes, and policies.

Guidelines:

In early fall, the President, and the Budget Officer (if different from the President) will, with the advice of the College Planning Council (CPC), determine the budget type (or types) to be used for the next fiscal year. The Budget Officer will produce a set of guidelines based on this decision and seek input on the guidelines from the Budget Committee, Operations Committee, and CPC. The final adjusted guidelines are presented to the President for approval along with a tentative budget calendar. The calendar and guidelines will be presented at the next available Board meeting.

Although the particulars of the guidelines will vary based on the above, budget packets (including a calendar and explanation of procedures) are distributed to all affected departments in early fall. Management will work closely with their work units, peers, and supervisors to develop initial budget requests. The finance staff will begin integrating the submitted budget information and will meet with management to discuss any issues or changes needed for the upcoming budget year. Finally, the President and a CPC level administrator(s) will review all budget requests as described below. The Budget Officer is responsible for compiling all of the requests into a single annual budget document. The guidelines presented by the President to the Board for that year will govern the exact process, but, at a minimum, the initial budget review process includes the following groups: Integrated Resource Committee, and the CPC.

Based on feedback provided by the above, a budget is presented to the Budget Committee (as defined above). The Committee reviews the budget document in detail,

accepts public input at a minimum of one meeting, changes the proposed budget as desired, and approves the budget document for submission to the Board.

When approved, the Board in turn conducts a budget hearing at which time additional public input is received. Following the hearing, the Board can make further changes, if it so chooses, and/or adopt the budget. After the Board adopts the budget, funds are then appropriated and taxes are imposed and categorized for the new fiscal year.

The published annual adopted budget is provided to the appropriate constituencies within the college in both printed and electronic form. Other parties may access the budget through the College Library, President's Office, Finance Office, or the college website, or may request a personal copy in writing.

Modifications to the budget can be made within the parameters of Oregon Local Budget Law. Procedures for modification vary based on the amount of variance requested, the percentage of modification as it relates to category of expenditure, fund changes, and type of modification required. The statute and Department of Revenue explicitly outline the procedure in each combination of circumstances.

Legal References:

ORS 294-305 to 294.565

ORS 294.490