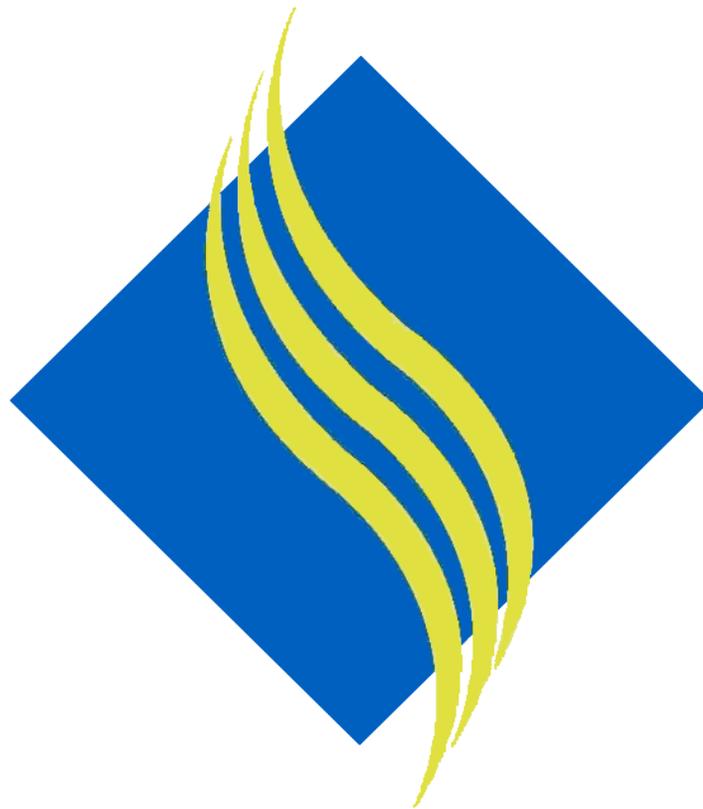


North Orange County Community College District  
**Budget Allocation Handbook**  
**2012**



Update Date: September 2017

**North Orange County Community College District  
Budget Allocation Handbook 2012**

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## ***INTRODUCTION***

The purpose of this *North Orange County Community College District Budget Allocation Handbook 2012* is to provide a detailed description of the process used by the North Orange County Community College District (NOCCCD) to allocate resources.

In addition to the detailed description of the NOCCCD budget allocation model provided in this document, there is a more general overview description of the NOCCCD budget allocation model in the *North Orange County Community College District 2012 Integrated Planning Manual*.

To communicate the NOCCCD budget allocation model to campus constituencies, this *North Orange County Community College District Budget Allocation Handbook 2012* will be available on the District's website. In addition, the Vice Chancellor of Finance and Facilities and the District Director of Fiscal Affairs will schedule annual campus-wide meetings at each site to communicate the NOCCCD budget allocation model. As this step will be repeated each year, the information presented to campus constituencies will also communicate any changes to the model that occurred as a result of the model's evaluation component described on page 14 of this document.

Contained within this Handbook is a general description of the NOCCCD Council on Budget and Facilities, the timeline and process for budget development, guiding board policies, and administrative procedures. The next section of the Handbook introduces a graphical overview of the budget allocation process followed by an explanation of each component within the graphic. Lastly, this Handbook provides an evaluation component that describes how NOCCCD works toward continuous quality improvement in budget allocation processes by assessing the effectiveness of resource allocations as they relate to the NOCCCD Mission and District Strategic Directions.

This *North Orange County Community College District Budget Allocation Handbook 2012* describes the components of the budget allocation model at the District level. Each of the NOCCCD entities, Cypress College, Fullerton College, and North Orange Continuing Education, also has a budget allocation model for the internal distribution of funds including evidence of how budget allocations are linked to campus and District planning.

## ***COUNCIL ON BUDGET AND FACILITIES***

The function of the Council on Budget and Facilities (CBF) is to make recommendations regarding policies, planning, and other matters related to NOCCCD fiscal resources and facilities. Recommendations from this governance group are forwarded to the District Consultation Council. After consideration of input from the District Consultation Council, and other recommendations, the Chancellor makes the final recommendation which is then submitted to the Board of Trustees for approval.

In addition to making recommendations related to NOCCCD fiscal resources and facilities, the purpose of the CBF is to:

- Ensure that NOCCCD resources are tied to the District Strategic Plan and the Comprehensive Master Plan
- Monitor the NOCCCD's fiscal solvency
- Review budget assumptions
- Review NOCCCD 5-year Construction Plan, NOCCCD Space Inventory Report, and NOCCCD scheduled maintenance priorities
- Review and discuss implementation of policies related to fiscal resources and facilities
- Coordinate practices as needed related to administrative services
- Serve as a forum for dialogue on ongoing fiscal and facilities activities and reporting
- Review and share information on the state budget including capital outlay funds
- Review the draft budget in its developmental stages

The members of the Council on Budget and Facilities are:

- Vice Chancellor, Finance and Facilities
- District Director, Fiscal Affairs
- VP of Administrative Services – CC and FC
- Manager, Administrative Services - NOCE
- Vice Chancellor, Human Resources
- One faculty from each site appointed by the Academic/Faculty Senate– CC, FC, and NOCE
- Two representatives appointed by CSEA
- United Faculty Representative
- Adjunct Faculty United Representative
- District Management Association Representative
- Confidential Employees Group Representative
- One student from each site appointed by Associated Students– CC and FC

## Timeline and Process for Budget Development

### January

Board of Trustees reviews the Governor's January Budget and affirms that the District Strategic Directions are the NOCCCD priorities for the coming fiscal year.

District Consultation Council reviews the District-wide Strategic Plan and proposed allocations for the District Strategic Plan Fund.

Budget Officers draft budget assumptions and forward to the Council on Budget & Facilities.



### February - May

On a monthly cycle, the Council on Budget & Facilities:

- Reviews and revises the budget assumptions as warranted based on new information and
- Updates the District Consultation Council on the status of the budget assumptions for the next fiscal year.

NOCCCD entities receive tentative allocations for the coming fiscal year based on the budget allocation model and build a site-specific tentative budget.



### June

The tentative budget is presented to the Board of Trustees for approval. The presentation includes links between the budget allocations and the District Strategic Directions.



### July - August

Vice Chancellor of Finance and Facilities and District Director of Fiscal Affairs review state budget changes and incorporate those changes into the Proposed Budget assumptions.

Budget Officers analyze year-end results and incorporate these results into local planning processes.



### September

Final budget is presented to the Board of Trustees for approval.

*Progress Report on the District-wide Strategic Plan* presented to the Board of Trustees, by the site CEO's and/or designees, to describe NOCCCD's progress toward achieving the District Strategic Directions.

## ***BOARD POLICIES AND ADMINISTRATIVE PROCEDURES***

### ***BOARD POLICY 6200 Budget Preparation***

Board Policy 6200 provides specific criteria for the North Orange County Community College District's budget development process. Board Policy 6200 may be accessed via the following link on the NOCCCD website: <http://www.nocccd.edu/Policies/PDFs/6200.BP.pdf>

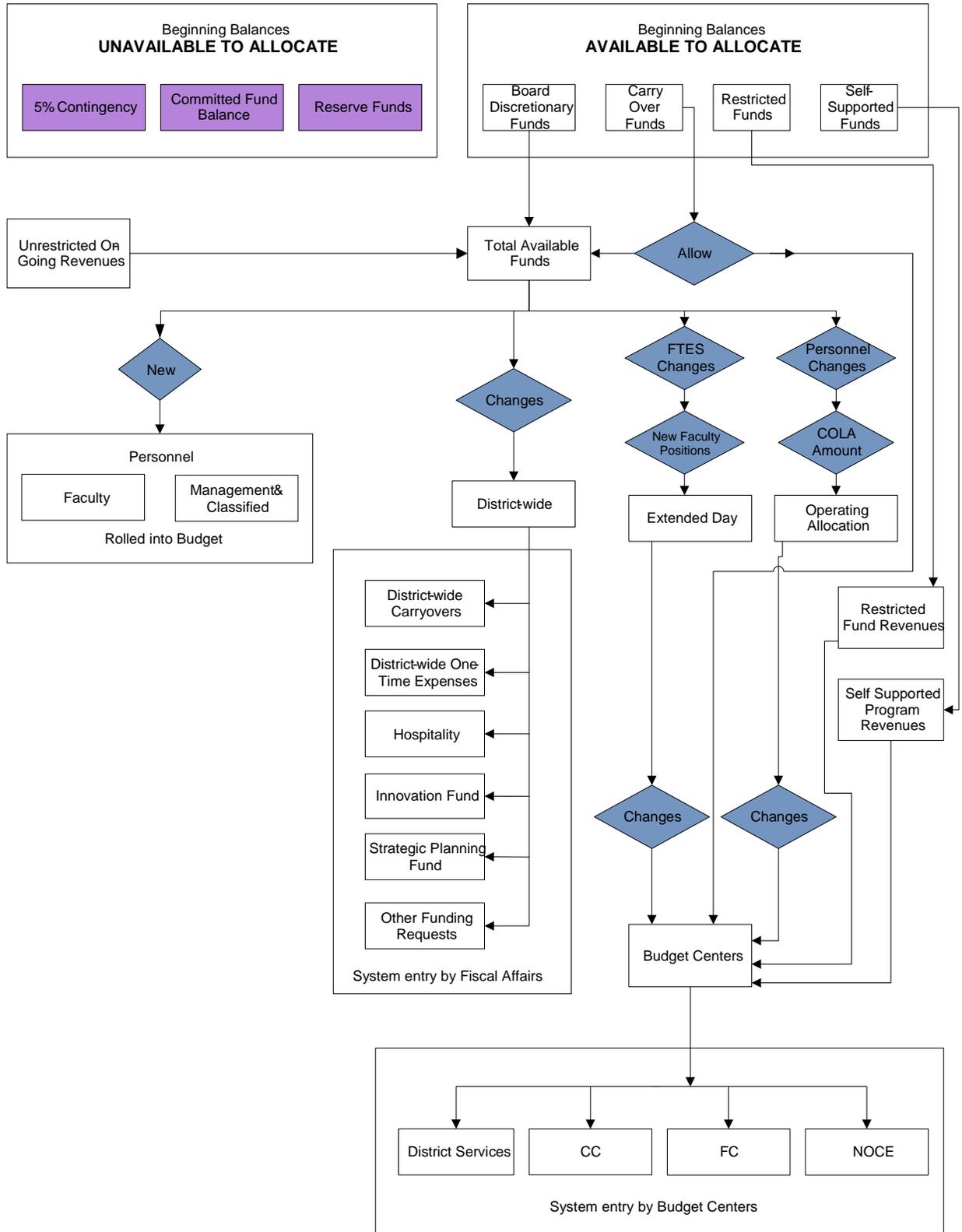
### ***BOARD POLICY 6250 Budget Management***

Board Policy 6250 provides general information related to the budget management and budget revisions. Board Policy 6250 may be accessed via the following link on the NOCCCD website: <http://www.nocccd.edu/Policies/PDFs/6250.BP.pdf>

### ***ADMINISTRATIVE PROCEDURE 6250 Budget Management***

Administrative Procedure 6250 provides procedures for Board of Trustee approval for budget transfers. Administrative Procedure 6250 may be accessed via the following link on the NOCCCD website: [http://www.nocccd.edu/Policies/PDFs/6250.AP\\_031604.pdf](http://www.nocccd.edu/Policies/PDFs/6250.AP_031604.pdf)

# NOCCCD BUDGET ALLOCATION MODEL FLOWCHART



## ***NOCCCD BUDGET ALLOCATION MODEL NARRATIVE***

### ***Budget Concepts and Principles***

Budget allocations align with the NOCCCD Mission Statement and link District Strategic Directions and District Objectives to the resources needed to accomplish these institutional goals.

NOCCCD uses an incremental approach to budgeting. The process each year begins with the previous year's base budget, with adjustments as necessary, based on projections of available revenue for the current year.

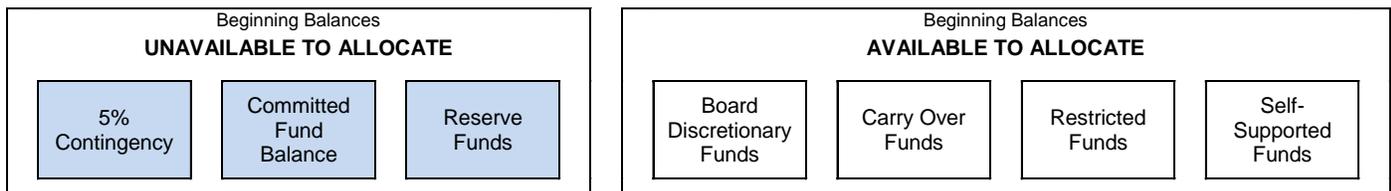
The major principles that guide the budgeting process are to:

1. Balance on-going expenditures with on-going revenues;
2. Maintain a 5% reserve for economic uncertainties; and
3. Maintain appropriate autonomy for each NOCCCD entity to use resources in a manner that best addresses the individual entity's needs.

A key component of the budget model is the establishment of a District-wide FTES target that approximates the expected FTES funding by the state. Once established, FTES targets are monitored closely to ensure there is no detrimental impact on future apportionment revenues.

### ***Building Blocks of the Budget Allocation Model***

#### **Beginning Balances**



The starting point in the budget process is the prior year's ending balance, which becomes the current year's beginning balance.

The beginning balance is comprised of the following:

#### **Unavailable to Allocate:**

- **5% Contingency:** Unrestricted general funds that have been reserved as required by Board Policy 6200.
- **Committed Fund Balance:** Unrestricted general funds that have been committed to a particular purpose by formal action of the Board of Trustees prior to fiscal year-end, in accordance with Governmental Accounting Standards Board (GASB) Statement 54.
- **Reserve Funds:** Resources which are not readily available for expenditure, such as inventory, prepaid expenses, and revolving cash.

**Available to Allocate:**

- **Board Discretionary Funds:** Unallocated one-time funds.
- **Carryover Funds:** One-time funds that have been set aside for District-wide expenditures (such as staff development, facility emergencies, safety, and election expenses) and funds that have been previously allocated to budget centers but have not yet been expended. The District’s budget practice related to carryover funds is that once funds have been allocated to a budget center, the budget center may keep any conserved funds from one year to the next. This excludes any savings generated from items funded by the District, including full-time faculty positions, benefits, and District-wide expenses. It is possible that a budget center may accumulate significant resources over a number of years.
- **Restricted Funds:** Unexpended categorical funds and program funds in which expenditures are restricted by law, such as health services, parking, restricted lottery, veterans’ services, and financial aid administrative allowances.
- **Self-Supported Funds:** Self-Supporting program funds that are carried forward from the previous year are maintained at each budget center.

**Unrestricted On-going Revenues**

Unrestricted On-Going Revenues

Unrestricted on-going revenues constitute the primary source of funding for NOCCCD continuing operations. These revenues are derived mainly from the following sources:

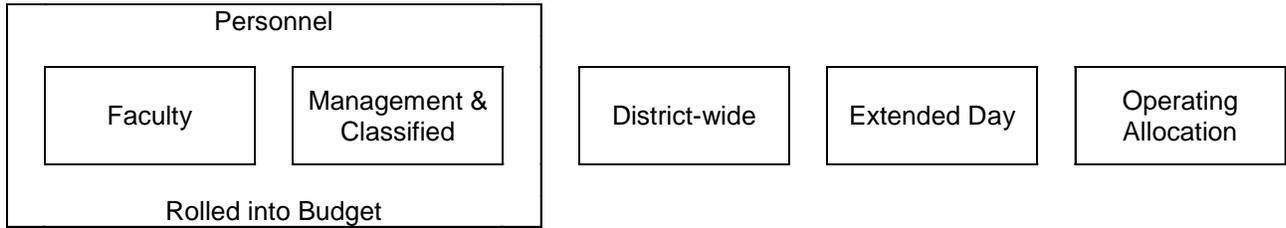
- State apportionment, enrollment fees, and growth funding
- Property taxes
- Unrestricted lottery income
- Part-time faculty funding
- Non-resident tuition
- Fee waiver administrative allowance
- Interest and miscellaneous income

**Total Available Funds**

Total Available Funds

Total estimated available resources are made up of unrestricted on-going revenues, board discretionary funds, and carryover funds, and are used to fund expenditures throughout the District for the current budget year. In some cases, total available funds are used to supplement expenditures as restricted fund revenues and self-supported program revenues are also used to fund expenditures throughout the District as further explained in the Restricted Funds and Self Supported Programs section of this handbook.

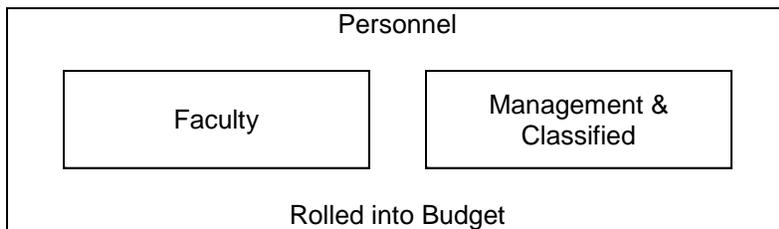
**Expenditures**



Expenditures constitute NOCCCD’s annual operational expenditures. These expenditures are primarily comprised of the following categories:

- **Personnel**: The salary and benefits for permanent employees of the District, including regular and contract faculty, management, classified, and confidential staff.
- **District-wide**: Costs that serve all of the budget centers, including insurance expenses, attorney and audit fees, election expenses, utility costs and waste disposal, and retiree medical benefits.
- **Extended Day**: Funding allocations to Cypress College, Fullerton College, and the North Orange Continuing Education for part-time faculty and full-time faculty overload expenditures.
- **Operating Allocation**: Funding provided to the budget centers for discretionary expenditures, including supplies, equipment, services, and non-classified hourly staff.

**Personnel Allocations**



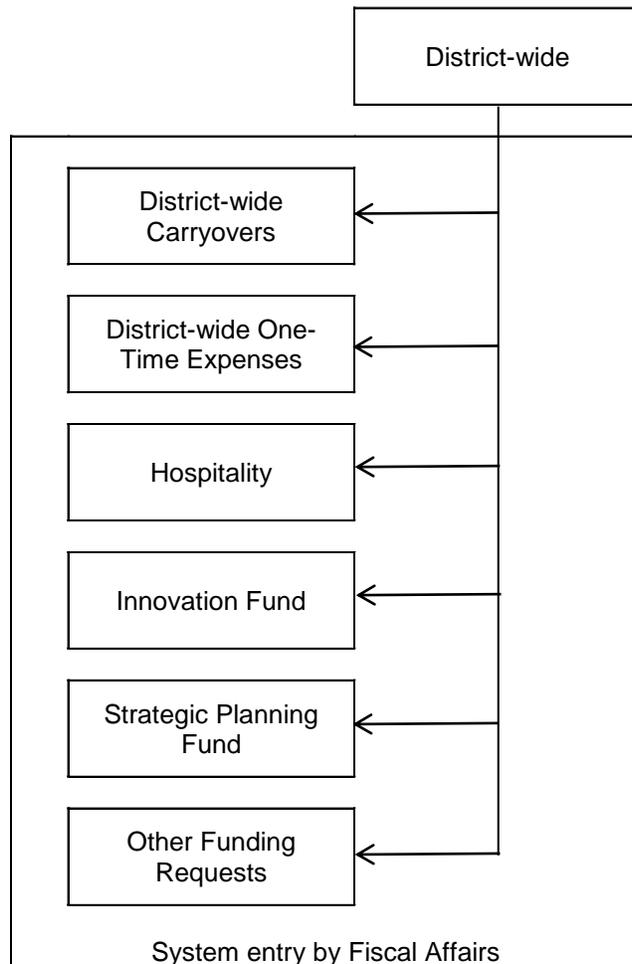
As the first step in the budget allocation process, budget is allocated to fund the salary and benefit costs of existing permanent personnel positions. Personnel expenses account for over 90% of NOCCCD’s annual operating budget. Given that education is a high-touch, relationship-based endeavor, personnel are essential to achieving the educational mission of the District. Personnel expenses capture the base salary and benefit categories specific to each individual employee. Therefore, the personnel costs for all permanent positions within NOCCCD budget are closely monitored by the Fiscal and Human Resource Departments and are “rolled” into the budget from the NOCCCD’s position control system, which means that the individual budget centers do not have discretion over these allocations and cannot modify these balances during the budget input process. If adjustments to the “rolled” balances are warranted, the Fiscal Affairs department makes the actual adjustment through the processes established in Board Policy and Administrative Procedure 6250, Budget Management.

In accordance with the provisions of the NOCCCD’s Tenure-Track Faculty Hiring Policy, the need for

additional full-time faculty positions, and the number of positions to be allocated to each campus, is determined, in consultation, by the Vice Chancellors, the campus presidents, and NOCE Provost, with final decision made by Chancellor's Staff, in accordance with established campus practices. Changes in the number of full-time faculty positions will result in budgetary adjustments as described in the Personnel Budget Procedures section of this handbook.

With appropriate approval, the budget centers may add or eliminate management, classified, and confidential positions based on their individual needs. Budget center operating allocations are adjusted for these changes as described in Appendix A of this Handbook; which provides a detailed process of the NOCCCD Personnel Budget Procedures.

### District-wide Expenses



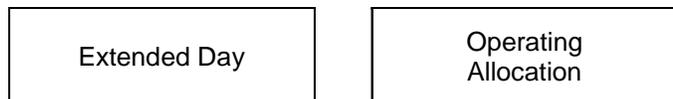
Many District-wide expenses are required and are not subject to discretion, such as utilities, attorney and audit fees, and retiree benefit expenses. However, certain District-wide expenses involve an allocation component, contingent upon available resources:

- **District-wide Carryovers** represent remaining balances of previous one-time District-wide allocations which are for a specific project/purpose. These include allocations for such things as safety budget, educational/facilities master plan, supplemental retirement plan annuity, etc.

- **District-wide One-Time Expenses** represent annual current year one-time District-wide allocations. Examples of these allocations include such things as scheduled maintenance funds which are allocated in consideration of facility needs at each campus, based upon the recommendation of the Council on Budget and Facilities and the District Consultation Council; and staff development funds which are administered by the District’s Staff Development Committee.
- **Hospitality** are funds allocated to the various budget centers to be used for the specific thirteen hospitality-related activities as defined in Board Policy 6350, Hospitality.
- The **Innovation Fund** provides resources to support proposals that cultivate a climate of innovation and creativity. Proposals supported by this endeavor complement the District’s vision and mission statements and the strategic plan. Information on the District Innovation Fund is contained in Appendix B of this handbook.
- The **Strategic Planning Fund** provides resources to support achievement of the District and campus strategic plans. A further description of the purpose and procedures concerning the Strategic Planning Fund is included in Appendix C of this Handbook.
- Other funding requests may be recommended by any member of the Council on Budget and Facilities and/or by any NOCCCD employee via their respective Council on Budget and Facilities representative(s). If the Council deems that the proposal is reasonable given available resources and has merit based on the NOCCCD vision, mission and Strategic Plan(s), the request will be forwarded to the District Consultation Council for consideration.

District-wide expenses are closely monitored by the Vice Chancellor of Finance and Facilities and the District Director of Fiscal Affairs. Therefore, this portion of the District’s budget is input by the District Fiscal Affairs Department.

**Extended Day and Operating Allocations**



**Extended Day**

The allocations to the extended day budgets for the colleges and North Orange Continuing Education are based on the prior year’s allocation, with adjustments for part-time faculty salary increases and changes in FTES targets. The allocations are also adjusted for changes in the number of full-time faculty as described in Appendix A of this handbook.

**Operating Allocation**

The operating allocations for each budget center are based on the prior year’s allocation, with approved augmentations for cost of living allowance (COLA) and/or growth funding, and with adjustments for any personnel changes as described in Appendix A of this handbook.

**Restricted Funds and Self-Supported Programs**

Restricted  
Fund Revenues

Self-Supported  
Program Revenues

### Restricted Funds

Restricted funds include program revenues that have restrictions codified in regulation or law, or funds that can only be used for specific purposes.

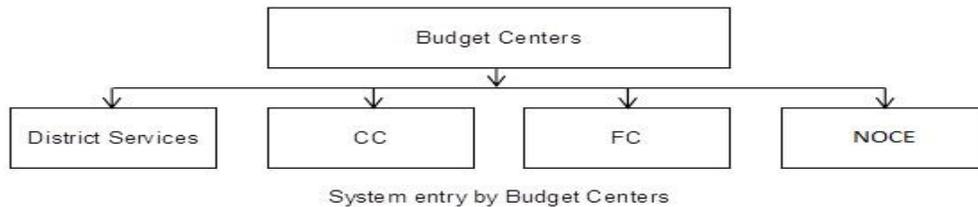
*Legally Restricted* – These include funds with legal restrictions imposed by State and Federal governments such as health services, parking, veterans services, and financial aid administrative allowances. The amount applicable to each budget center is based upon the amount of fees generated or the level of services provided.

Restricted for Specific Purposes – These include grant programs such as EOPS, DSP&S, Matriculation, Basic Skills, and other federal, state, and local grants and contracts. The amounts applicable to each budget center are generally dependent upon the grantees' directives. Allocations can also be based upon the number of eligible students served, a competitive application process, or an internal allocation based upon recommendations by the Council on Budget and Facilities. Other funds restricted for specific purposes include such things as restricted lottery and instructional equipment allocations. These amounts are allocated to the campuses based upon target FTES amounts.

### Self-Supported Programs

Self-supporting programs are maintained at each budget center with the assumption that the resources generated will remain with the activity in order to cover the related expenditures. These programs include such things as facility rentals, swap meet, community education courses, lab fees, and production centers.

## ***Budget Centers***



The NOCCCD budget model recognizes four “budget centers” for the purposes of budget allocation and expenditure: District Services, Cypress College, Fullerton College, and the North Orange Continuing Education.

The District Services budget center comprises all budgetary information for the Finance and Facilities, Human Resources, Equity and Diversity, Public Affairs, and Information Services departments, and for the Chancellor’s office.

The Cypress College, Fullerton College, and North Orange Continuing Education budget centers comprise all budgetary information for these institutions.

The individual budget centers have discretion over their budget center allocations. The specific allocation processes for each budget center are determined by the respective budget center’s allocation model and planning processes. Therefore, this portion of the NOCCCD budget is input by the administrators and staff at each respective budget center.

## ***EVALUATION OF THE BUDGET***

### ***Evaluation of the Allocation Model***

In October of each year, the Council on Budget and Facilities will evaluate the allocation model for both process and those allocations that are formula driven and will prepare a report to the District Consultation Council. Some examples of formula-driven allocations are backfill rates, FTES targets, and operating allocation increases for COLA and growth funding. Each budget center will provide input via their respective representative(s) on the Council on Budget and Facilities.

### ***Closing the Loop – Budget Allocation is linked to District Strategic Directions***

In order to meet the Accreditation Standard III.D3, which requires that the District/Institution(s) systematically assesses the effective use of financial resources and uses the results of the evaluation as a basis for improvement, several components are included in the budgeting process:

- All expenditures related to the Strategic Plan Fund will be tracked separately to provide Budget/Financial information to the Project Leader for inclusion in their year-end report.
- Budgeted expenditures related to each District Strategic Direction will be tracked separately using a unique identifying Budget Code in order for financial information to be presented as part of the Board Budget Report as well as the annual evaluation of the District's accomplishments toward implementing the Strategic Directions.

## ***APPENDIX A – PERSONNEL BUDGET PROCEDURES***

### ***Budgeting Full-Time Faculty Positions***

#### **FILLED POSITION**

A position which is not vacant on July 1 will be budgeted for the next fiscal year at the incumbent's class and step of the Regular Contract Faculty Salary Schedule, including class and step advancement increments.

#### **VACANT POSITION**

##### Position Vacancy

A position that is vacant on July 1 will be budgeted for the next fiscal year, until deleted, at the mid-range of the Regular and Contract Faculty Salary Schedule; currently Class D, Step 08.

If the position is filled with a permanent replacement by the start of the fall semester, the budget will be adjusted from Class D, Step 08 to the actual replacement class and step.

If the position is filled with a permanent replacement after the start of the fall semester, the budget will remain at Class D, Step 08, as provided above. If the replacement class and step exceed the budgeted class and step, the District will fund the difference. The position will be budgeted at the actual replacement class and step for the subsequent fiscal year.

A position that becomes vacant subsequent to July 1 as the result of a resignation, retirement, termination or promotion will remain budgeted for the fiscal year at the class and step of the employee vacating the position. If the position is filled with a permanent replacement during the fiscal year and the replacement class and step exceed the budgeted class and step, the District will fund the difference. The position will be budgeted at the actual replacement class and step for the subsequent fiscal year.

Unexpended funds in the position account at the end of the fiscal year will revert to District-wide carryovers.

##### Temporary Replacement Costs During Period of Vacancy

The budget center will be funded for temporary hourly FTE replacement costs during the period of vacancy as follows:

##### Instructional Position

The District will transfer from the position budget to the budget center's 13000 account an amount based on the vacancy FTE, calculated at the Column II, Step 1 rate per instructional unit on the Adjunct Faculty Salary Schedule (credit position), or at the Column I, Step 1 rate per hour for noncredit instruction on the Adjunct Faculty Salary Schedule (noncredit position). Unexpended funds in the position budget account at the end of the fiscal year will revert to District-wide carryovers.

##### Non-instructional Position

The District will transfer from the position budget to a designated 14000 account an amount based on the vacancy FTE, calculated at the Column II, Step 1 rate per hour for counseling and librarian assignments on the Adjunct Faculty Salary Schedule. Unexpended funds in the position budget account at the end of the fiscal year will revert to District-wide carryovers.

#### Position Vacancy Due to Unpaid Leave of Absence

A position that is vacant due to an unpaid leave of absence will be budgeted for the fiscal year at the incumbent's regular class, step and percent of employment. Unexpended funds in the position account at the end of the fiscal year will revert to District-wide carryovers.

The budget center will be funded for temporary hourly FTE replacement costs during the period of vacancy as provided in section above.

#### Position Vacancy Due to Sabbatical Leave of Absence

A position that is vacant due to a sabbatical leave of absence will be budgeted for the fiscal year at the incumbent's regular class, step and percent of employment. Unexpended funds in the position account at the end of the fiscal year will revert to District-wide carryovers.

The budget center will be funded for temporary FTE replacement costs during the period of vacancy. Sabbatical replacement costs will be charged directly to the appropriate replacement budget:

11300 Sabbatical Replacement, Contract Instructor  
13400 Sabbatical Replacement, Hourly Instructor  
12350 Sabbatical Replacement, Contract Counselor  
14300 Sabbatical Replacement, Hourly Counselor  
12450 Sabbatical Replacement, Contract Librarian  
14400 Sabbatical Replacement, Hourly Librarian

#### Position Vacancy Due to Phase-In Retirement

A position that is vacant due to participation of an employee in the reduced workload program (phase-in retirement) will be budgeted for the fiscal year at the incumbent's class, step and reduced-load percent of employment.

The budget center will be funded for temporary hourly FTE replacement costs for the percentage of employment that is phased into retirement, during the period of vacancy as provided in section above.

#### Position Vacancy Due to Paid Load Banking Leave of Absence

When an overload assignment is load banked, the budget center's 12000, 13000, or 14000 allocation, as appropriate to the assignment, will be reduced in an amount equal to the cost for the assignment.

When load banking leave is taken using the load banked assignment, the budget center's 12000, 13000 or 14000 allocation, as appropriate to the assignment, will be augmented in an amount equal to the cost of the load banked assignment used for the leave.

#### Position Vacancy Due to Paid Medical Leave

A position that is vacant due to an employee's use of paid medical leave will be budgeted for the fiscal year at the incumbent's regular class, step and percent of employment.

The budget center will be responsible for funding the cost of temporary replacements while an employee is using paid leave.

#### **ADDITION OF NEW POSITIONS (NO EXISTING VACANCY)**

New mandated positions (e.g., required to maintain the District's full-time faculty obligation pursuant to regulation), if approved, will be funded by the District. The budget center's 12000, 13000 or 14000 allocation, as appropriate to the position, will be reduced by an amount based on the position FTE, as follows:

### Instructional Position

The District will deduct from the budget center's 13000 allocation an amount based on the position FTE, calculated at the Column II, Step 1 rate per instructional unit on the Adjunct Faculty Salary Schedule (credit position), or at the Column I, Step 1 rate per hour for noncredit instruction on the Adjunct Faculty Salary Schedule (noncredit position).

### Noninstructional Position

The District will deduct from the budget center's 12000 or 14000 allocation an amount based on the position FTE, calculated at the Column II, Step 1 rate per hour for counseling and librarian assignments on the Adjunct Faculty Salary Schedule.

Other new positions, if approved, must be funded by the budget center at Class D, Step 08 of the Regular and Contract Faculty Salary Schedule, plus benefits.

The District will deduct from the budget center's 12000, 13000, or 14000 allocation, an amount as specified above, as appropriate to the position. The budget center's operating allocation will be reduced in an amount equal to the remainder of the cost of the position.

## **REASSIGNMENTS**

### Reassigned Time

Where a faculty member is provided reassigned time for United Faculty duties pursuant to contract, the budget center will be funded for the temporary hourly FTE replacement costs during the period of the reassigned time as provided in section above.

Where a faculty member is provided reassigned time in conjunction with a grant and the reassigned portion of the faculty member's regular salary is funded by the grant, the budget center will be funded for the temporary hourly FTE replacement costs during the period of the reassigned time as provided in section above. The unexpended funds in the faculty position account at the end of the fiscal year will revert to District-wide carryovers.

Except as provided above, the budget center will be responsible for funding the cost of temporary replacements in all other circumstances for which a faculty member is provided reassigned time.

### Temporary Reassignment of Faculty Member to Interim Management Position

When a faculty member is temporarily reassigned to an interim management position within the District, the faculty position will be budgeted for the fiscal year at the incumbent's regular class, step and percent of employment. Unexpended funds in the faculty position account at the end of the fiscal year will revert to District-wide carryovers.

The budget center from which the faculty member has been reassigned will be funded for the temporary hourly FTE replacement costs as provided in section above. The budget center to which the faculty member is reassigned to the interim management position will be responsible for funding the cost of the employee's interim management position salary, from the existing management vacancy position and/or from other budget center funds.

## **OTHER**

Budgeting for full-time faculty positions in circumstances not described by this procedure will be determined by the Vice Chancellor of Finance and Facilities, in consultation with the Vice Chancellor of Human Resources, following a discussion at Chancellor's Staff, as deemed necessary based upon the circumstances of the matter.

## ***Budgeting Management, Classified, and Confidential Positions***

### **FILLED POSITION**

A position which is not vacant on July 1 will be budgeted for the next fiscal year at the incumbent's range and step of the appropriate salary schedule, including longevity, professional growth increments, and shift differential, if applicable.

### **VACANT POSITION**

#### **Position Vacancy**

A position that is vacant on July 1 will be budgeted for the next fiscal year at Step A of the appropriate salary range for the position, excluding shift differential, if applicable.

If the position is filled with a permanent replacement prior to establishment of the final budget, the position budget will be adjusted to the actual replacement step, including longevity, professional growth increments, and shift differential, if applicable.

If the position is filled with a permanent replacement after the establishment of the final budget, the budget will remain at Step A, as provided in section above. The budget center will be responsible for funding any costs which exceed the position budget for the fiscal year in which the replacement occurs. The position will be budgeted at the actual replacement step, including longevity, professional growth increments, and shift differential, if applicable, for the subsequent fiscal year.

Unexpended funds in the position account at the end of the fiscal year will revert to the budget center's carryover. The budget center will be responsible for funding the cost of temporary replacements during the period of the vacancy.

#### **Vacation Payoff**

The budget center is responsible for funding any vacation payoff in the fiscal year during which the vacancy occurs.

#### **Maximum Duration of Vacancy**

A vacant position must be replaced or eliminated within twelve (12) months of the last paid day of employment of the employee vacating the position. Exceptions must be authorized by the Vice Chancellor of Human Resources and the Vice Chancellor of Finance and Facilities.

#### **Position Vacancy Due to Unpaid Leave of Absence**

A position that is vacant due to an unpaid leave of absence will be budgeted for the fiscal year at the incumbent's regular range, step and percent of employment, including longevity, professional growth increments, and shift differential, if applicable.

Unexpended funds in the position account at the end of the fiscal year will revert to the budget center's carryover. The budget center will be responsible for funding the cost of temporary replacements during the period of the leave.

#### **Position Vacancy Due to Paid Medical Leave**

A position that is vacant due to an employee's use of paid medical leave will be budgeted for the fiscal year at the incumbent's regular range, step and percent of employment, including longevity, professional growth increments, and shift differential, if applicable.

The budget center will be responsible for funding the cost of temporary replacements while an employee is using paid leave.

## **RECLASSIFICATION**

### **Temporary Reclassification**

The budget center will be responsible for funding the cost resulting from the temporary reclassification of an employee, including benefits, longevity, and shift differential, if applicable, during the period of the temporary reclassification.

### **Permanent Reclassification**

The budget center will be responsible for funding the cost resulting from the permanent reclassification of an employee in the fiscal year during which the reclassification occurs, including benefits, longevity, and shift differential, if applicable.

For the subsequent fiscal year, the budget center's operating allocation will be reduced in an amount equal to the difference between the employee's range and step prior to reclassification and the employee's range and step after reclassification, including benefits, longevity, and shift differential, if applicable.

## **INCREASE IN PERCENTAGE OR MONTHS OF EMPLOYMENT**

### **Temporary Increase**

The budget center will be responsible for funding the cost resulting from the temporary increase of an employee's percentage or months of employment, including benefits, longevity, professional growth increments, and shift differential, if applicable, during the period of the temporary increase.

### **Permanent Increase**

The budget center will be responsible for funding the cost resulting from the permanent increase of an employee's percentage or months of employment in the fiscal year during which the increase occurs.

For the subsequent fiscal year, the budget center's operating allocation will be reduced in an amount equal to the difference between the position percentage or months of employment prior to the increase and the position percentage or months of employment after the increase, calculated at the employee's range and step, including benefits, longevity, professional growth increments, and shift differential, if applicable.

## **ADDITION OF NEW POSITION (NO EXISTING VACANCY)**

A new position, if approved, will be funded by the budget center. The budget center's operating allocation will be reduced in an amount equal to the salary at Step A of the range for the position, plus benefits.

## **ELIMINATION OF POSITION**

If the elimination of a position is approved, the budget center's operating allocation will be augmented in an amount equal to the salary at Step A of the range for the position, plus benefits.

## **OTHER**

Budgeting for management, classified and confidential positions in circumstances not described by this procedure will be determined by the Vice Chancellor of Finance and Facilities, in consultation with the Vice Chancellor of Human Resources, following a discussion at Chancellor's Staff, as deemed necessary based upon the circumstances of the matter.

## ***APPENDIX B – NORTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT INNOVATION FUND***

### **North Orange County Community College District Innovation Fund**

Purpose: The purpose of the Innovation Fund is to create a District-wide culture of creativity in support of the District’s mission, vision and values. The fund will support innovation by the award of funds and/or supplementing existing available funds for “innovations”, meaning new ideas, practices or methods, that strive to reach the highest levels of teaching, scholarship and policy impact. The NOCCCD Innovation Fund was designed to promote excellence in all aspects of the NOCCCD. Thus, initiatives may range in focus from primary classroom support, to student success research, or any function of the District.

Amount: The Innovation Fund is an annual allocation process. Each year the District budget allocation process will determine the funding levels for proposals to be completed in the next academic year. Awards from this program may supplement existing or other sources of funding, including augmentation of grants funds. Funds are available in the following academic year.

Application Process: Applicants will submit a one page project description and funding request form by January 31<sup>st</sup> of each academic year. Applications are to be submitted on the NOCCCD Innovation Application Form. This program is restricted to employees of the NOCCCD.

Application Deadline: December 1<sup>st</sup> – January 31<sup>st</sup>

Selection Process: The NOCCCD Innovation fund Ad Hoc Committee will adjudicate proposals for potential funding. Requests are rated and selected for their innovative quality and relevance to the NOCCCD Strategic Plan. The Selection Committee is not bound to meet any specific pre-set concept; proposals are assessed on their innovative merit.

Selection Criteria: Funding requests are rated and selected for their innovative quality and relevance to the NOCCCD Strategic Plan. The criteria are based on the NOCCCD’s strategic directions and reach across all aspects of the District from initial exploration of concepts through the institutionalization or completion of funded projects.

**NOCCCD INNOVATION FUND  
Application**

Name of Applicant: \_\_\_\_\_

(Department or Office): \_\_\_\_\_

Location: \_\_\_\_\_

Request for funding summary statement (will be used as statement in publication - 200 words or less):

Total amount requested from Innovation Fund:     \$ \_\_\_\_\_

Specific use of funds:

Statement of project's support of the North Orange County Community College District-wide Strategic Plan:

## ***APPENDIX C – NORTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT STRATEGIC PLAN FUND***

### **North Orange County Community College District Strategic Plan Fund**

Purpose: To provide resources for the District and Campus Strategic Plans, NOCCCD will annually establish a Strategic Plan Fund. This fund provides additional evidence that the District is in compliance with the following ACCJC standard:

*I.B.4. The institution provides evidence that the planning process is broad-based, offers opportunities for input by appropriate constituencies, allocates necessary resources, and leads to improvement of institutional effectiveness.*

District and Campus Strategic Plans are supported through site-specific resource allocation processes. In addition to this funding, the Strategic Plan Fund may be used to fully fund needs related to achievement of an Action Plan or may be used to augment funds assigned to these Action Plans through the site-specific resource allocation processes.

Amount: The amount to be distributed from the Strategic Plan Fund will be established during the budget development process and is contingent on overall budget status. Funds are available in the following academic year.

Application Process: Applications are to be submitted on the Strategic Plan Fund Request Form. Applications are to include the identification of a project leader who is accountable for monitoring the use of these funds and for completing a progress report.

Application Deadline: December 1<sup>st</sup> – January 31<sup>st</sup>

Selection Process: Proposals are reviewed by the two most appropriate Coordinating Councils in January. The Councils' recommendations for funding are forwarded to the District Consultation Council who makes the final determination no later than February 15<sup>th</sup>.

Selection Criteria: The proposal must be for funding to address needed supplies, equipment, services, or training related to achievement of an Action Plan in either the District or a Campus Strategic Plan.

**Application**  
**North Orange County Community College District Strategic Plan Fund**  
**Deadline: December 1st**

Project Leader \_\_\_\_\_

Location \_\_\_\_\_

Funding request

- Description \_\_\_\_\_

- Amount \$ \_\_\_\_\_

Describe how the funds will be used to achieve a specific Action Plan. Attach an excerpt from the District or Campus Strategic Plan that includes the District Strategic Direction and the corresponding District or Campus Objective and Action Plan.

Describe how success will be measured. What evidence will be provided to show that this Action Plan was accomplished?

**Progress Report**  
**North Orange County Community College District Strategic Plan Fund**  
**Deadline: June 1st**

Project Leader \_\_\_\_\_

Location \_\_\_\_\_

Funding received

- Description \_\_\_\_\_

- Amount \$ \_\_\_\_\_

Describe how the funds were used to achieve a specific Action Plan.

Attach evidence that indicates that the Action Plan was accomplished.