



North Orange County Community College District

BUDGET ALLOCATION HANDBOOK 2013

April 2013 Update



North Orange County Community College District Budget Allocation Handbook 2013

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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 in the Evaluation of the Allocation Model section 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, and 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 the School of 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.

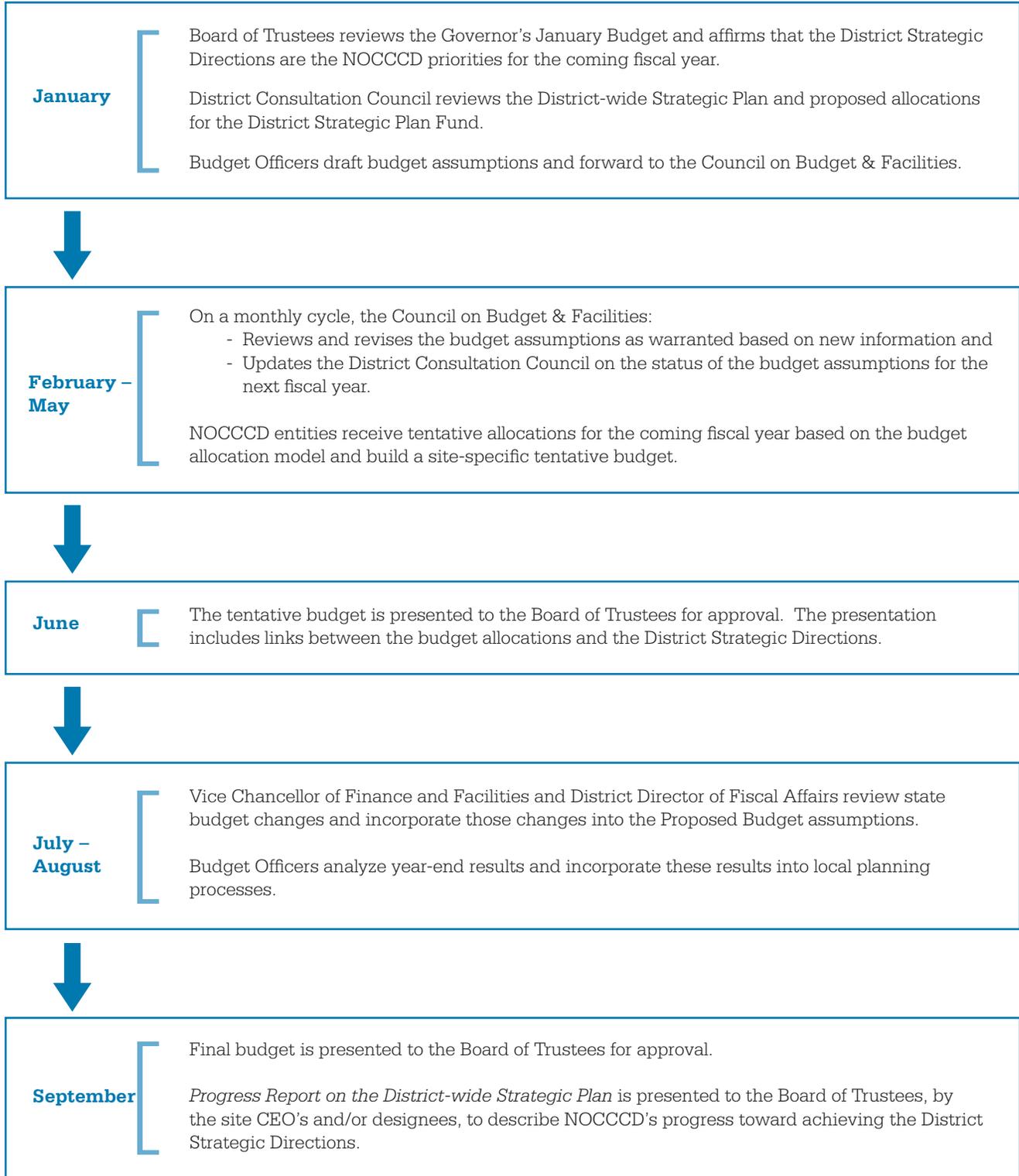
In addition to making recommendations related to NOCCCD fiscal resources and facilities, the purpose of the CBF is to:

- Ensure that NOCCCD resources are tied to the District Strategic Plan and the Comprehensive Master Plan
- Monitor NOCCCD's fiscal solvency
- Review and revise budget assumptions
- Review NOCCCD 5-year Construction Plan, Space Inventory Report, and 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 – SCE
- Vice Chancellor, Human Resources
- One faculty from each site appointed by the Academic/Faculty Senate – CC, FC, and SCE
- 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



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>

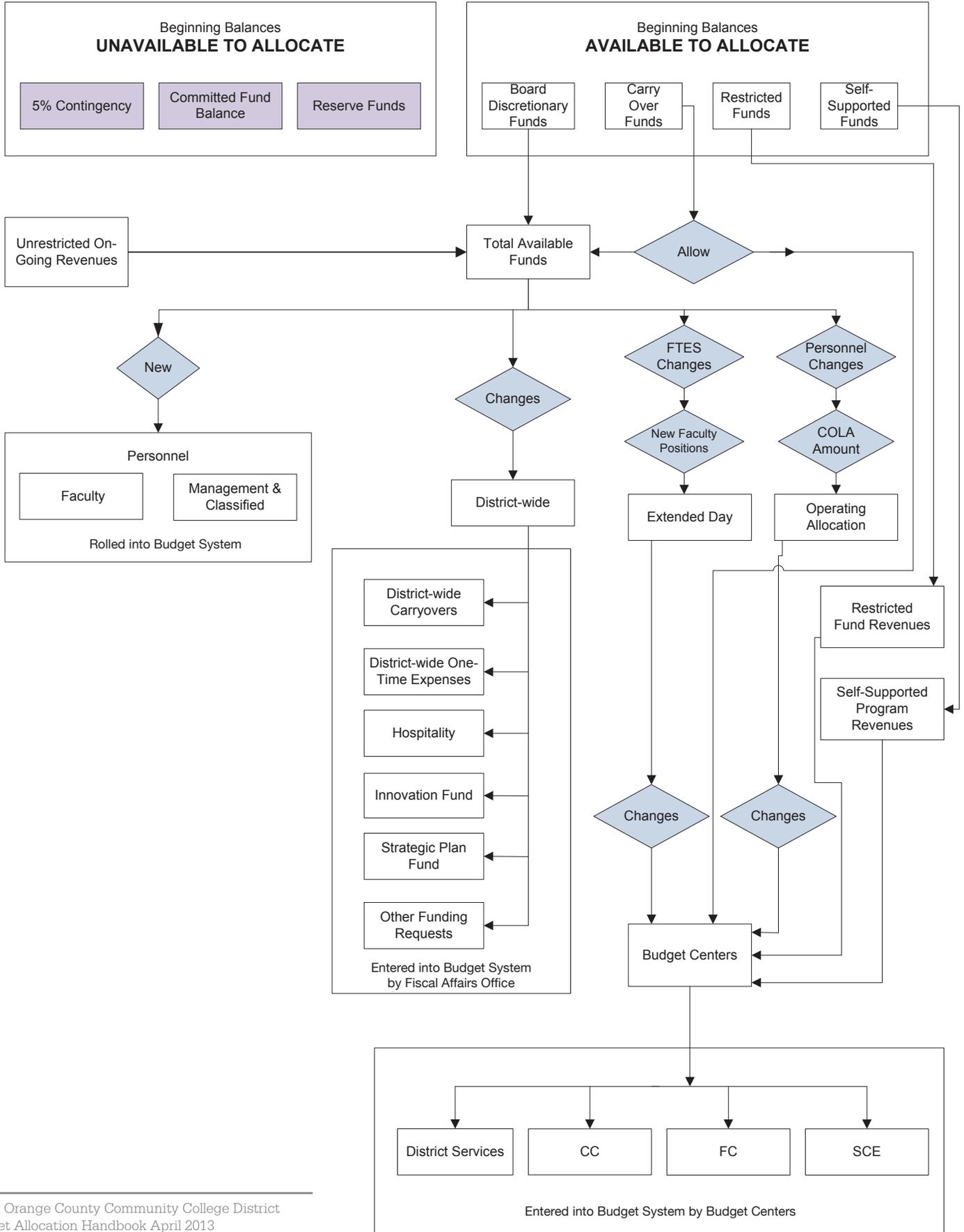
BOARD POLICY 6250 BUDGET MANAGEMENT

Board Policy 6250 provides general information related to 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 Trustees 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

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.

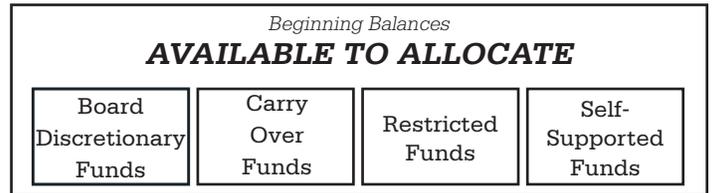
The major principles that guide the budgeting process are to:

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.

NOCCCD BUDGET ALLOCATION MODEL NARRATIVE (CONT'D)

–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 the continuing operations of NOCCCD.

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

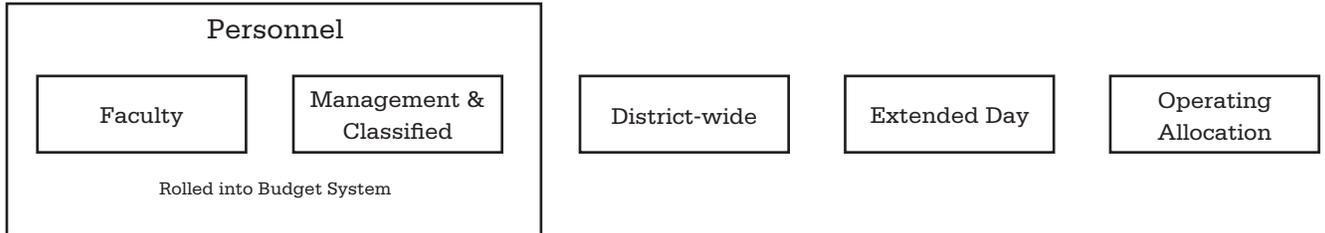
Total Available Funds

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.

NOCCCD BUDGET ALLOCATION MODEL NARRATIVE (CONT'D)

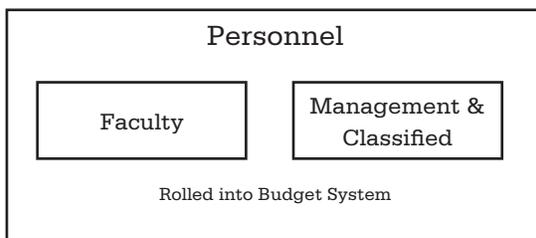
Expenditures



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

- Personnel: The salary and benefits for permanent employees of the NOCCCD, 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, waste disposal, and retiree medical benefits.
- Extended Day: Funding allocations to Cypress College, Fullerton College, and the School of 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



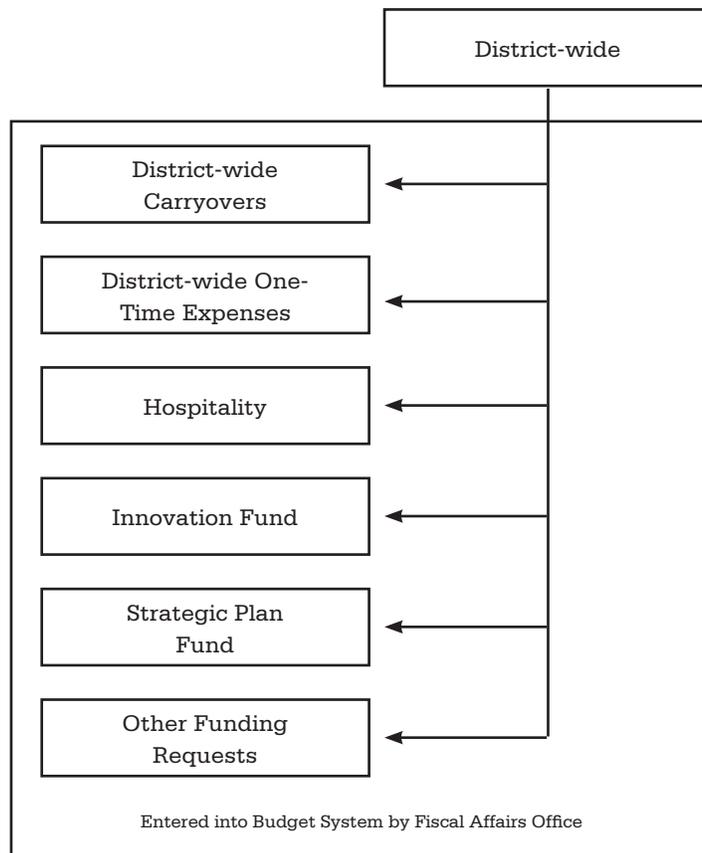
As the first step in the budget allocation process, budget is allocated to fund the salary and benefit costs of existing permanent personnel positions. Personnel expenses account for over 85% of NOCCCD's annual operating budget. Given that education is a high-touch, relationship-based endeavor, personnel 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 the NOCCCD budget are closely monitored by the Fiscal and Human Resource Departments and are "rolled" into the budget from the budgetary 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 will make an adjustment through the processes established in Board Policy and Administrative Procedure 6250, Budget Management.

NOCCCD BUDGET ALLOCATION MODEL NARRATIVE (CONT'D)

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 and the campus presidents, 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 Appendix A of this handbook, which provides a detailed process of the NOCCCD Personnel Budget Procedures.

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, in accordance with the procedures described in Appendix A of this handbook.

-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:

NOCCCD BUDGET ALLOCATION MODEL NARRATIVE (CONT'D)

- 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 funds are allocations to the various budget centers to be used for the specific 13 hospitality-related activities defined in Board Policy 6350, Hospitality.
- 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.
- Strategic Plan Fund provides resources to support achievement of the District and campus strategic plans. A further description of the purpose and procedures concerning the Strategic Plan 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 entered into the budget system by the District Fiscal Affairs Office.

-Extended Day and Operating Allocations

Extended Day	Operating Allocation
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Extended Day

The allocations to the extended day budgets for the colleges and the School of 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.

NOCCCD BUDGET ALLOCATION MODEL NARRATIVE (CONT'D)

-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.

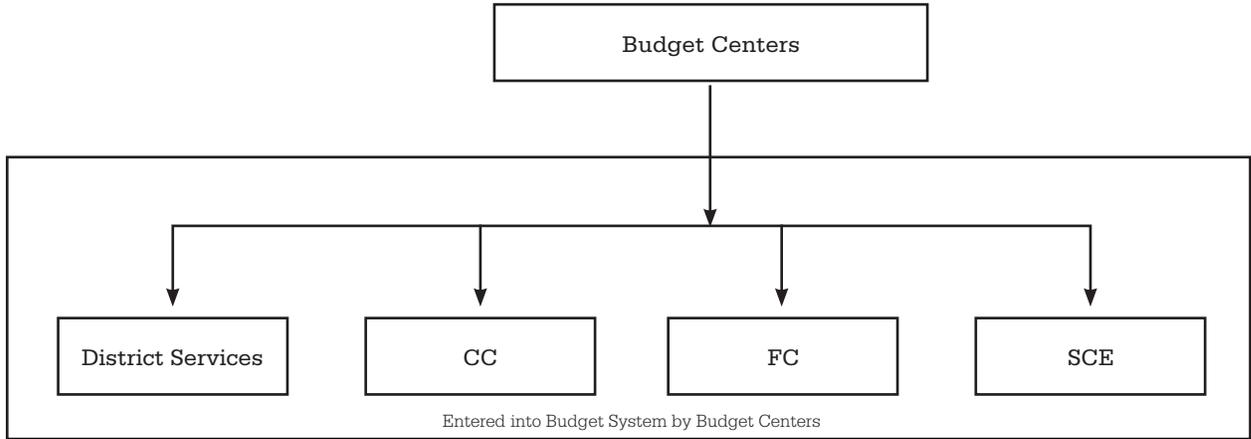
Restricted for Specific Purposes – These include grant programs such as EOPS, DSP&S, Matriculation, Basic Skills, and other federal, state, and local grants and contracts. The amounts applicable to each budget center are generally dependent upon the grantees' directives. Allocations can also be based 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.

NOCCCD BUDGET ALLOCATION MODEL NARRATIVE (CONT'D)

Budget Centers



The NOCCCD budget model recognizes four “budget centers” for the purpose of budget allocation and expenditure: District Services, Cypress College, Fullerton College, and the School of 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 School of 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 entered into the budget system 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 the 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 assess the effective use of financial resources and use 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 Annual 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

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.

Noninstructional 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 the sections above.

APPENDIX A – PERSONNEL BUDGET PROCEDURES (CONT'D)

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 the sections 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).

APPENDIX A – PERSONNEL BUDGET PROCEDURES (CONT'D)

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 the sections 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 the 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 the sections 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.

APPENDIX A – PERSONNEL BUDGET PROCEDURES (CONT'D)

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

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 the 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.

APPENDIX A – PERSONNEL BUDGET PROCEDURES (CONT'D)

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 – NOCCCD INNOVATION FUND



**NORTH ORANGE COUNTY
COMMUNITY COLLEGE DISTRICT**

Greatness. Achieved.

INNOVATION FUND

2012-2013

Revised Fall 2012

NOCCCD INNOVATION FUND

The purpose of the NOCCCD Innovation Fund is to create a culture of innovation to support the strategic directions of the District. The tenets of the District's Strategic Directions and Vision and Mission Statements guide the District's planning processes. The establishment of the NOCCCD Innovation Fund demonstrates the District's commitment to excellence by supporting innovative initiatives proposed by District employees.

The NOCCCD Innovation Fund was designed to encourage and provide financial support for faculty and staff in developing and implementing new ideas, methods or practices that will improve the quality and efficacy of education, programs, and services throughout the District. Proposals supported by this endeavor will complement the District's Vision and Mission Statements and the Strategic Directions.

By definition, "Innovation" within the context of the program means, the introduction or implementation of new ideas, new practices, or changes in methods that strive to reach the highest levels of teaching, scholarship, and policy impact, and that promote excellence in all aspects of the District.

The process is purposefully straight-forward to encourage all employees of the District to participate. The Innovation Fund is designed to support concepts of many types, size, focus, and locations, with this restriction - all successful proposals should be designed to test or support innovation that fosters student success and the mission of the District.

North Orange County Community College District Vision, Mission, Values and Strategic Directions

Vision

Our college community is the celebrated choice of diverse learners shaping the future.

Mission

The mission of the North Orange County Community College District is to serve and enrich our communities and inspire life-long learning by providing education that is exemplary, relevant, and accessible.

Values

Service, Excellence, Success, Adaptability, Professionalism, Stewardship, Respect, Inclusiveness

NOCCCD INNOVATION FUND *(CONT'D)*

Strategic Directions

- 1) The District will annually improve the rates of completion for degrees, certificates, diplomas, transfers, transfer-readiness requirements, and courses.
- 2) The District will annually make progress toward eliminating the documented achievement gap among race/ethnicity groups.
- 3) The District will annually improve the success rate for students moving into:
 - a. The highest level possible credit basic skills courses in mathematics, English and English-as-a-Second Language from noncredit basic skills instruction in the same discipline and
 - b. College level courses in mathematics, English, and English-as-a-Second Language from credit basic skills courses in these disciplines and
 - c. The next higher course in the sequence of credit or noncredit basic skills courses in mathematics, English and English-as-a-Second Language
- 4) The District will implement best practices related to planning, including: transparent decision-making processes, support of strategic and comprehensive planning activities at campus and district levels, and the allocation of resources to fund planning priorities.
- 5) The District will develop and sustain collaborative projects and partnerships with the community's educational institutions, civic organizations, and businesses.

Overview of Process

The Innovation Fund is an annual allocation process. Each year the District budget process will determine the total funding allocation for proposals to be completed in the next academic year. Successful and approved projects for the next academic year may begin implementation following the end of the spring semester.

The maximum allowable annual funding allocation per proposal is twenty-five-thousand dollars (\$25,000.00).

The projects selected are to be completed in the subsequent academic year.

Administration of the funding of successful proposals will be handled through standard District fiscal procedures. The District Director, Equity and Diversity will report the outcomes of the awarded proposals or projects, both narrative and financial, to the Board of Trustees at the conclusion of the academic year.

Prior to the end of the funding cycle, each imitative or project will have a one-page evaluation that includes a narrative and financial evaluation (Appendix A). Previously funded innovative projects or programs may be eligible for renewal based on review by Chancellor's Staff. Project evaluation summaries will be available on the District website for public review.

NOCCCD INNOVATION FUND *(CONT'D)*

Criteria and Guidelines

The criteria are based on the District's five strategic directions and include all aspects from initial exploration of concepts through the institutionalization or completion of funded projects.

Funding from this program may supplement existing sources of funding, including augmentation of grants funds.

Initiatives within the scope of this program include new approaches to educational pedagogy and teaching strategies, designs of new projects or programs to enhance student success, opportunities to share or learn in other academic environments including collaborations with other institutions and, technological projects or initiatives that enhance organizational efficiencies. May include initiatives to upgrade equipment, cultivate skills, and/or improve operational functions within the District.

Who Is Eligible to Apply

All permanent employees (faculty, staff, or management) of the District who desire primary or supplemental funding. Temporary employees or ancillary organizations to the District are not eligible.

Proposal Selection Timeline

- Applicants will submit a one page project description and funding request form to the District Director, Equity and Diversity by March 1 of each academic year. (Appendix B)
- The Innovation Fund Ad Hoc Workgroup will review, score, and recommend to the Chancellor's Staff those projects to be funded by April 1 of each academic year.
- Chancellor's Staff will forward their final recommendations for funding to the Board of Trustees at the first meeting in May of each academic year.

Innovation Fund Ad Hoc Workgroup

The Innovation Fund Ad Hoc Workgroup serves as a recommending body to the Chancellor's Staff. The District Director, Equity and Diversity will facilitate the process and Chair the Workgroup.

Three Faculty Senate Representatives (one from each Senate), three classified staff (one from Fullerton College, Cypress College, and School of Continuing Education), one confidential staff, three managers (one from FC, CC, and SCE), three students (one CC, FC, and SCE), one representative from the District Office staff. (See attached)

The Innovation Fund Ad Hoc Workgroup will adjudicate the submitted proposals for potential funding. If it is determined by the Workgroup that there are no sufficient proposals worthy of funding it is not incumbent on the Workgroup to recommend the award of any or all of the funds in any given year. Funds may carry over to the next academic year.

NOCCCD INNOVATION FUND *(CONT'D)*

Requests are reviewed and scored for their innovative qualities and relevance to the District Strategic Directions. The Innovation Fund Ad Hoc Workgroup is not bound to meet any specific pre-set concept; proposals are assessed on their individual and innovative merit.

Innovation Fund Workshops

The Innovation Fund Ad Hoc Workgroup will provide workshops during the Fall semester throughout the District. These workshops are designed to assist potential applicants with information and guidelines for the development of Innovation Fund proposals

Approved by DCC October 22, 2012

2012-2013 INNOVATION FUND APPLICATION



NORTH ORANGE COUNTY
COMMUNITY COLLEGE DISTRICT

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1. Name of Innovation Fund Project: _____

2. Contact Information _____

Initiator / Primary Contact _____

Title _____

College / Site _____

Phone _____

E-mail _____

Supervising Manager / Administrator _____

Other individuals working on this initiative _____

3. Executive Summary – **please attach a request for funding summary statement** (*will be used as a statement in publication – 200 words or less*)

4. Project Description (Goals, steps to achieve goals, etc.) _____

5. Brief Statement of Project/Initiative's Support of the NOCCCD Strategic Directions _____

6. Projected Measurable Outcomes _____

7. Projected Time Line _____

8. Specific Use of Funds _____

Total Amount Requested from Innovation Fund \$ _____

Signature of Primary Contact _____

Signature of Immediate Management Supervisor/VP _____

Please note: No electronic applications will be accepted – be sure to attach the executive summary to this cover page.

2012-2013 INNOVATION FUND APPLICATION



NORTH ORANGE COUNTY
COMMUNITY COLLEGE DISTRICT

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Overall Rating Score: _____

Name of Project: _____

Primary Contact: _____ Campus/Site: _____

Instructions:

You must assign the proposal an Overall Rating Score of not less than 1 point. Please be certain that the Overall Rating Score is filled in at the upper right of this page. After reading the proposal, you may assign an individual score to each of the five criteria, by multiplying by the value by the weighting number; then enter the total points. $V \times W = P$

The rubric is used to score each application for potential funding by Chancellor's Staff.

	Value = 0	Value = 1	Value = 3	Value = 4	X Weighting	Points
Project Title/ Cover Page Executive Summary	Missing or Incomplete	Activities minimally address Innovation Fund objectives	Activities address objective; needs, purpose and links to planning are evident	Completely describes the needs, purpose and activities; strongly links to appropriate plans	2	

Comments: _____

	Value = 0	Value = 1	Value = 3	Value = 4	X Weighting	Points
Project/ Program Description of Activities and Details	Missing or Incomplete	Activities minimally address Innovation Fund objectives	Activities address overlap between goals/objectives for proposal and objectives for the college and/or district	Completely describes new, unique, ideas, practices or methods in support of Institutional excellence	4	

Comments: _____

	Value = 0	Value = 1	Value = 3	Value = 4	X Weighting	Points
Projected Tangible/ Measurable Outcomes	Missing or Incomplete	Outcomes are included and are minimally measurable	Outcomes are included, measurable, and appropriate	Outcomes are included, measurable, appropriate, and strongly integrated with activities	2	

Comments: _____

INNOVATION FUND PROJECT REVIEW (COMPLETED AT THE CLOSE OF THE FUNDING CYCLE-USED AS A SUMMARY STATEMENT TO THE BOARD OF TRUSTEES)



NORTH ORANGE COUNTY
COMMUNITY COLLEGE DISTRICT

Greatness. Achieved.

1. Name of Innovation Fund Project: _____

 2. Contact Information _____
Initiator / Primary Contact _____
Title _____
College / Site _____
Phone _____
E-mail _____
Supervising Manager / Administrator _____
Other individuals working on this initiative _____

 3. Summary Review - Please attach additional pages, reports, etc. as needed _____

 4. Financial Summary - Please attach additional pages, reports, etc. as needed _____
Total amount awarded \$ _____
Expenditure report detailing use of funds: _____

 5. Statement of project's support of the District's Strategic Directions - Please attach additional pages, reports, etc. as needed _____

 6. Rate success of project/program 5 = Very Successful to 1 = Not Successful _____
 7. Intention to institutionalize project and funding Yes _____ No _____
- Signature of Project Coordinator _____



NORTH ORANGE COUNTY
COMMUNITY COLLEGE DISTRICT

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STRATEGIC PLAN FUND: PROCESS AND SELECTION CRITERIA

Approved District Consultation Council, September 24, 2012
Revised District Consultation Council, November 26, 2012

STRATEGIC PLAN FUND *(CONT'D)*

Purpose

The Strategic Plan Fund is designed to be used to fund District-wide Strategic Plan Objectives/Action Plans as well as campus Strategic Plan initiatives. The funds for both District-wide and campus Strategic Plan initiatives will be requested, granted and evaluated using the same process. The funds for the District-wide Objectives/Action Plans and campus Strategic Plan initiatives will be allocated by the District Consultation Council.

Process for Strategic Plan Fund Allocation

1. District Consultation Council approval of process
2. Solicitation of proposals
3. District Consultation Council review and score proposals
4. District Consultation Council recommend allocation of funds for proposals

Proposal Elements

A written proposal is to be submitted for funding of District-wide Strategic Plan and campus Strategic Plan initiatives. That proposal will include:

1. Identification of a member of District Consultation Council to be the key contact for the proposal. This individual may speak to the proposal or bring those necessary to answer questions regarding the proposal to District Consultation Council when proposals are considered.
2. Identify the District Strategic Direction/Objective/Action Plan and/or campus Strategic Plan initiative to be the focus of the proposal.
3. Identify the one-time and/or ongoing costs of the proposal. Include personnel, maintenance, facilities and infrastructure costs in the on-going costs of the proposal.
4. Identify the measurable outcomes.
5. Describe the impact to all entities of the District.
6. Provide a timeline of the activities to be completed.
7. Describe where the proposal has been discussed (District and/or campus).
8. Indicate if this is a currently funded project with reason for funding consideration.
9. Identify the evaluation process for continuous improvement

Selection Criteria

1. Does this project supplant existing activities?
2. How will this proposal address the identified Strategic Direction?
3. How will the project address campus specific Strategic Plans and/or District Strategic Plan Objectives?
4. Is this project sustainable? Include personnel, maintenance, facilities and infrastructure considerations. If this project is not to be sustained, please so indicate.
5. How will students benefit from this project? What is the nature of the student impact? How many students will the project impact?

APPLICATION PACKET

Dear Interested Applicant,

In this packet you will find a timeline, application and instructions for applying for the Strategic Plan Fund. Strategic Plan Fund dollars are not to be used to supplant. However, funds may be used for projects whose funding has ended. The recently developed planning processes defined the purpose and usage of the Strategic Plan funds. Below are the applicable excerpts:

- The NOCCCD 2012 Integrated Planning Manual indicates that:

“Proposals for resources from the Strategic Plan Fund require that the project contribute to achievement of a District Strategic Direction.”

- The following is the description of the NOCCCD Strategic Plan Fund purpose as described in the NOCCCD Budget Allocation Handbook 2012:

“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.”

Attached are the requisite forms to be used which include:

- Strategic Plan Fund Request Form which includes identification of a Project Leader who is accountable for monitoring the use of these funds and for completing the Strategic Plan Fund Progress Report and a District Consultation Council key contact who is a member of District Consultation Council and can speak to the proposal or bring those necessary to answer questions regarding the proposal as needed.
- Strategic Plan Fund Progress Report to report on how funds were used and what they accomplished.

The timeline for the process is as follows:

- Application Period: December 1 – January 31
- Awards Made: February – March
- Progress Report – June 1 of the year following the project

APPLICATION PACKET

Selection criteria are defined in the NOCCCD 2012 Budget Allocation Handbook as:

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

Further, the District Consultation Council approved Strategic Plan Fund: Process and Selection Criteria delineates for specific criteria to be:

- Does this project supplant existing activities?
- How will this proposal address the identified Strategic Direction?
- How will the project address campus specific Strategic Plans and/or District Strategic Plan Objectives?
- Is this project sustainable? Include personnel, maintenance, facilities and infrastructure considerations. If this project is not be sustained, please so indicate.
- How will students benefit from this project? What is the nature of the student impact? How many students will the project impact?

Applications are due to **Deborah Ludford by January 31** and will be evaluated by the District Consultation Council for funding. Contact Deborah Ludford at 714-808-4866 if you have any additional questions.

PROJECT REQUEST FORM *DEADLINE: JANUARY 31*

Project Leader _____

District Consultation Council Key Contact: _____

Location _____

Description to include the following:

1. Identification of a member of District Consultation Council to be the key contact for the proposal. This individual may speak to the proposal or bring those necessary to answer questions regarding the proposal to District Consultation Council when proposals are considered.
2. Identify the District Strategic Direction/Objective/Action Plan and/or campus Strategic Plan initiative to be the focus of the proposal.
3. Identify the one-time and/or ongoing costs of the proposal. Include personnel, maintenance, facilities and infrastructure costs in the on-going costs of the proposal.
4. Identify the measurable outcomes.
5. Describe the impact to all entities of the District.
6. Provide a timeline of the activities to be completed.
7. Describe where the proposal has been discussed (District and/or campus).
8. Indicate if this is a currently funded project with reason for funding consideration.
9. Identify the evaluation process for continuous improvement.

Amount \$ _____

PROGRESS REPORT *DEADLINE: JUNE 1*

Project Leader _____

Location _____

Funding received:

1. Description _____

2. Amount \$ _____

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

Attach evidence that indicates that the Action Plan or initiative was accomplished.

Describe future plans for this project and how it is being sustained. Include personnel, maintenance, facilities and infrastructure considerations. If this project is not to be sustained, please so indicate.

Describe the impact to students.

Identify the evaluation process for continuous improvement.

REQUEST EVALUATION FORM

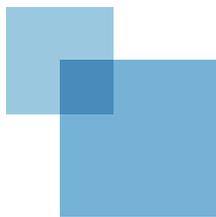
Is the proposal complete?

Item	Included (Yes/No)
Amount requested	
Identification of a member of District Consultation to be the key contact for the proposal.	
Identify the District Strategic Direction/Objective/Action Plan and/or campus Strategic Plan initiative to be the focus of the proposal.	
Identify the one-time and/or ongoing costs of the proposal. Include personnel, maintenance, facilities and infrastructure costs in the on-going costs of the proposal.	
Identify the measurable outcomes.	
Describe the impact to all entities of the District.	
Provide a timeline of the activities to be completed.	
Describe where the proposal has been discussed (District and/or campus).	
Indicate if this is a currently funded project with reason for funding consideration.	
Identify the evaluation process for continuous improvement.	

Is the application complete enough to score: (Y/N) _____

Selection Criteria Scoring:

Criteria	Score (1=Poor, 5=Excellent)	Comments
Does this project supplant existing activities?		
How will this proposal address the identified Strategic Direction?		
How will the project address campus specific Strategic Plans and/or District Strategic Plan Objectives?		
Is this project sustainable? Include personnel, maintenance, facilities and infrastructure considerations. If this project is not to be sustained, please so indicate.		
How will students benefit from this project? What is the nature of the student impact? How many students will the project impact?		
Total		



District Office
1830 West Romneya Drive
Anaheim, CA 92801-1819
<http://www.nocccd.edu>

Cypress College
9200 Valley View Street
Cypress, CA 90630
<http://www.cypresscollege.edu>

Fullerton College
321 East Chapman Avenue
Fullerton, CA 92832
<http://www.fullcoll.edu>

School of Continuing Education
1830 West Romneya Drive
Anaheim, CA 92801-1819
<http://www.sce.edu>

