

Santa Monica Community College District
Board of Trustees
Budget Objectives and Principles

Adopted: May 1, 2012
Revised: June 7, 2016
May 16, 2017
December 3, 2019

COMMITMENT

The College is committed to student access, equity and success, and service to the community.

OBJECTIVES

- I. Develop a budget plan that brings available ongoing revenues and expenditures into balance effective with the adoption budget for 2022-2023.

- II. Protect the College's ongoing operation by maintaining a fund balance for the District of 7.5% or more going forward from 2019-2020.

The following budget principles have been developed in response to the changing environment, including enrollment trends and funding formulas.

PRINCIPLES

1. Make effective use of the College's established planning structures and processes to recommend specific actions to reach the stated commitment and objectives, following the principles listed below. The College President shall provide direction on how these recommendations will be evaluated and the timelines necessary to arrive at a set of final recommendations for any particular budget cycle.

2. Encourage the generation of revenue through entrepreneurial and asset management activity, and through innovative recruitment strategies that focus on resident and nonresident students.

3. Maintain course offerings that are responsive to community and student needs, and that are consistent with local and State priorities of equity and student success. Any reductions in services or credit classes shall be made consistent with the principles, priorities, and implementation of Guided Pathways and increasing equity.

4. Review ongoing and future planning initiatives in terms of their long term advantages to the College in meeting public demand for classes and services, improving Vision for Success outcomes and Student Centered Funding Formula metrics, or to provide new revenues. Modify, defer, or abandon as appropriate those for which the costs outweigh their potential for furthering the College's core missions and goals. Programs will not be eliminated or reduced without careful review.

5. Ensure that enrollment targets are consistent with state funding opportunities, and, to the degree that they are the basis for revenue projections, can realistically be achieved.

6. Develop a budget process that manages expenditures based on analysis of program need; realistic expectations of revenues; updated financial information; enrollment, and performance measurements.
7. Consider freezing requests for increases in discretionary budget items.
8. Use staff attrition and/or existing vacancies as one means of generating savings where possible, or as an opportunity for reorganization to increase efficiency.
9. Make cost reductions strategically.
10. Budget planning should attempt to avoid layoffs of permanent employees. If necessary, the District may seek salary freezes, furloughs, salary reductions, and other temporary or ongoing adjustments.
11. Develop strategies to address employee health and benefit increases as well as future retiree health and pension liabilities.
12. The Board maintains its commitment to increasing the ratio of full-time faculty over time.
13. Continue to seek external sources of funding, such as grants, to support the College's core missions.
14. Seek new partnerships with businesses.
15. Increase lobbying efforts at the state level for additional funding for community colleges.
16. Expedite changes that may produce lower costs over time such as energy saving retrofits, alternative energy sources, reduction or consolidation of facility usage, etc.