

# LaGuardia Community College Budget Process Calendar

(Budget Planning for the Upcoming Fiscal Year July 1 - June 30)



## APRIL

The Budget Office begins preparing the college-wide Tax-Levy Budgets.



## MAY/JUNE

Budget Director gathers input from Department Liaisons, identifying potential needs, questions and concerns, in order to establish draft budgets for departments.



## JUNE

Projected budgets are reviewed with the VP of Administration in consultation with the College Senate Budget and Finance Committee. Recommendations and budgets are presented to Executive Leadership for review and approval.



## JULY

Initial budgets are issued to the Division Heads and Division Budget Liaisons.



## AUGUST/SEPTEMBER

The College's financial plan is prepared by the Budget Director, then shared and reviewed with the College Senate and a governing Student Body. The Financial Plan is then sent to the CUNY Central Budget Office.

## OCTOBER - JANUARY - MARCH

The Budget Office coordinates with Division Budget Liaisons to determine additional OTPS needs.



Community College



### **Overall Summary:**

Each April the Budget Office begins preparing the college-wide tax-levy budgets by calculating all Full-time, Part-time and Other Than Personnel Services projected expenses. Once the expense data is compiled, the Budget Director coordinates with department liaisons to identify potential needs to finalize budget drafts. The potential budget projection is then reviewed with the VP of Administration as well as the College Senate Budget Finance Committee. The Budget Office and the Vice President of Administration make note of the recommendations from the College Senate. The potential budgets and recommendations are then presented to the President and Executive Leadership for review and approval. Once the budgets are final, the Budget Office enters the data into the college's financial systems for tracking and reporting purposes. The Budget Office then sends each Division Head and Division Budget Liaison a summary and detailed line-out of their operating budget.

### **Full-Time Personnel:**

The Budget Office calculates the Personnel Services (PS) cash needs for each full-time employee. PS cash needs are based on collective bargaining amounts for step-increases, yearly contractual raises, department transfers, divisional transfers, merit increases, longevity, education, and assignment differentials, in addition to any other full-time PS budget cash needs.

### **Part-time Personnel - Adjuncts (Teaching & Non-teaching):**

The college has both Teaching and Non-Teaching Adjunct categories. The majority of Teaching Adjuncts are expensed in Academic Affairs. Non-Teaching Adjuncts assist in "other" projects, that include but are not limited to advising, and the completion of special projects. Teaching adjunct budgets are calculated based on a 3-year average, while factoring in Full Time Enrollment (FTE) based on an increase or decrease in student head count. Non-Teaching adjunct budgets are also based on a 3-year average while considering the current fiscal year needs.

### **Part-Time Personnel – Civil Service:**

The college employs part-time workers for various departmental help that include college assistants that perform office duties, and assist students. In addition, temporary services includes other help that include custodial, modeling, IT and other departmental support. Temporary Services budgets are based on a 3-year expense average factoring in current enrollment increases or declines.

### **Other Than Personnel Services:**

Other Than Personnel Services (OTPS) budgets are held with the Budget Office and distributed on a request, and on an as-needed basis. A line item with a projected budget amount for each division is allocated in the college's "special projects division" for tracking and transparency purposes. At the beginning of the fiscal year, the Budget Office sends out a memo outlining the process to access these funds. The request must be sent to the division head or budget liaison for approval. The item(s) or services must be essential and necessary for the department to function and meet the department or unit's goals.

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The request is then sent to the Budget Office, along with an approval and reason for processing. Once the funds are allocated, the Budget Office informs the requestor the funds are available for use.

Recurring or “fixed” OTPS expenses are estimated based on previous year’s activities and added to the department’s budgets. Some of these items include copier maintenance, telephone services, maintenance worker contract, and B-building rent.

**Self-supporting Operations (ACE & Technology Fee):**

During the preparation of the college’s Tax-Levy Budgets, the college Budget Office also prepares, in coordination with the Adult & Continuing Education (ACE) and Information Technology (IT) divisions, the ACE and Student Technology Fee budgets that are based on projected expenses. Both ACE and Student Technology Fee are self-supporting and can only spend to the extent of cash collections. A spreadsheet with projected expenditures are sent to the ACE and Tech fee directors to ensure sufficient budget is provided for operations, and ensuring they can collect sufficient revenue to cover their expenditures. Throughout the year, ACE processes a cash transfer to the Central Office to cover their actuals and projected expenses, in addition to a 17.5% overhead expense. The Student Technology Fee revenue is a fee that is collected as part of the student tuition through the college’s Bursar Office. The Budget Office monitors cash transfers and collections, as well as monitors spending. Our goal is to ensure these areas do not over-extend their financial position.

**Restricted (Uncontrollable) Tax-Levy Budgets:**

In addition to the controllable, unrestricted tax-levy budget, the budget office prepares budgets with restricted programs and “grant” funding to assist in meeting their programmatic goals. The budget office uses the prior year’s budget allocation as a starting point for the new fiscal year until an actual allocation is provided by the University. This allows the programs to begin operations at the beginning of the fiscal year. The budget office contacts the restricted program’s area to determine their needs in areas other than the full-time budget. Full-time budgets are determined in the same manner as the unrestricted tax-levy budget. For some programs, the budget director must verify and sign-off on a mid-year and year-end financial report that is submitted to the University Program Director.

**Expenses & Revenue (College-wide):**

The Budget Office estimates expenses for the college and projects the initial allocation amount by CUNY based on previous year’s activities. Some of these activities can include increases/decreases in State and City funding. In order to maintain State and City funding allocation levels, the college is responsible for meeting a designated revenue target established by CUNY. We then compile both the projected initial allocation, “available resources” and the estimated expenses on the college’s Operating Budget to determine the college’s surplus or deficit. The Operating Budget is reviewed and discussed with the Vice President of Administration, who then meets with the College Senate for consultation and recommendation. The VP of Administration then meets with the President and Executive Leadership who review, and discuss to ensure budgets are aligned with the college’s mission and strategic plan priorities. The Vice President would then instruct the Budget Director to make any budget modifications set forth by the President and Executive Leadership.

After the President’s approval, the Budget Office enters all data into the college’s financial systems, and prepares the Initial Budget Allocation memos. The memos consist of the division’s overall approved

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budget, and are provided with budgets by category such as PS, OTPS, Temp Services, etc., a summary of how the budgets were determined, in addition to process updates. The memos are emailed to the Division Heads - Vice President, Associate Dean and the Budget Liaison of the respective area during the first week of July to allow divisions to begin their operations.

**CUNY Financial Plan:**

During the month of August and September at the request of the University Budget Office (UBO) the college begins preparing a balanced 3-year financial plan that is presented to the University Board of Trustees. The financial plan includes revenue collections, CUTRA reserve, projected annual FTE, additional resources, tax-levy expenditure projections, hiring plan and self-supporting (ACE & Technology Fee) expenditure projections. The Financial Plan is a dynamic tool that helps the Budget Office and college leadership to monitor resources and expenditures and to provide a view on the financial health of the college.

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## Glossary:

**Cash needs** – the amount of budget needed to cover the cost of a full-time employee. Depending on the employee’s contractual increment (if PSC) will determine the cash needs. The cash needs does not necessarily equate to an employee’s salary amount. Example: If an employee earns an annual salary of \$50,000 a year and starts on January 1, their cash needs for the Fiscal Year would be \$25,000. Since the beginning of the FY starts on July 1 and ends on July 30 they will only earn a half-year salary.

**City University Tuition Reimbursement Account (CUTRA) Reserve** – Excess tuition revenue above the college’s revenue target that is added to the college’s reserve, up to 4% of the college’s operating budget.

**Controllable Unrestricted budget** – pertains to the college’s base operating budget that is allocated through the City of New York based on allocations by City and State, and student enrollment.

**Division Budget Liaison** – a designated person by a department head that has access and/or authority over budgets.

**Division Head** – a person that oversees a division or sub-division. A Division Head includes Vice Presidents, and Associate Deans. The Department Head mainly includes any person on the Executive Compensation Plan (ECP) and must be at the top on the organizational chart of the division.

**Fiscal Year (FY)** – the fiscal year begins on July 1 and ends on July 30 of each year.

**FTE (Full-Time-Enrollment)** – A standardized measure of enrollment equal to a full-tie load of credits and hours. Undergraduate FTEs are calculated as the sum of credits associated with course enrollment divided by 15.

**Line-out** – an itemization of expenses.

**Operating Budget** – The projected revenue, budget and expenditures for a fiscal year.

**Other Than Personnel Services (OTPS)** – any expense not related (“Other Than”) to payroll such as building maintenance, office supplies, furniture, catering, subscriptions, travel, etc.

**Personnel Services (PS)** – any expense related to payroll, including full-time and part-time salaries, overtime, differentials, etc.

**Restricted budget** – budgets that pertain to additional funding provided to the college for a specified purpose. Restricted budgets include program funding that include ASAP, College Now, College Discovery, etc. Restricted budgets are earmarked funding that must be used for the sole purpose as indicated by the program or other funding proposal.

**Revenue Target** – the amount of money the college must collect in order to maintain State and City funding levels. The revenue target is made up of Financial Aid Payments, Student Tuition Payments, etc.

**Self-funded** – applies to Student Technology Fee & Adult and Continuing Education (non-credit courses). Both Student Technology Fee and Adult & Continuing Education are revenue driven. Unlike tax-levy there is no State or City support.

**Tax-Levy** – includes State and City funding and student tuition payments.

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**Technology Fee** – a fee that is collected as part of the student tuition to improve computer and technological services for students.

**Temporary Services** – are PS expenses that include titles of college assistants, adjuncts or any other part-time title.