Budget Award Program – Best Practices in Budgeting for Student Success

Government Finance Officers Association

ICCCFO Conference, October 15, 2014
GFOA Budget Award Program

- Participants

- Purpose of the award program

- GFOA
Supporting Student Success Through Resource Alignment Pilot Program
Why is this Important?

- Focus on Student Success
- Continued Financial Pressures
- Accreditation
- Performance Based Funding
- Citizen and Board Expectations
Identifying best practices in Community College budgeting

- Leveraging the budget process to align resources to achieve improved student success.
Budgeting Principles and Policies

Have a set of budgeting principles and policies before the budgeting process begins

- Developed collaboratively with the executive authority to propose a budget and those with legislative authority to approve it
- Use goals to drive the budget process
- Use data to make decisions
- Consider both the inputs and the outcomes of proposed budget decisions
- Regularly re-examine patterns of spending and change them when they no longer make sense
- Take a long-term perspective
- Be transparent
Budgeting Principles and Policies

For example…

• “Maintain a minimum 15% Ending Fund Balance for the Budget Year”
• “Make progress in the Board’s goal to fund the GASB 45 obligation by 2020”
• “Make progress on the Board’s goal to raise the district’s student transfer rate to 39% by 2020.”
Define Goals and Identify Gaps to Improve Student Achievement

Use “SMARTER” Goals

S – Specific
M – Measurable
A – Achievable
R – Relevant
T – Time-bound
E – Exciting
R – Resourced
Develop Strategies to Close the Gaps

After district goals and gaps have been identified, the College must find ways to close the gaps

- Research policies and practices that have proven effective for improving student achievement
- Start the budgeting and planning process early enough to consider new ways of thinking
- Determine the role the research might play in the College’s plan and budget for improving student achievement
Develop Strategies to Close the Gaps

For example…

• Helping Students Plan for Success
  - New approaches to placement
  - Mandatory orientation
  - Academic goal setting and planning

• Initiating Success
  - Accelerating developmental education
  - First-year experience programs
  - College success course
  - Learning communities
Develop Strategies to Close the Gaps

For example…

• Sustaining Success
  - Tutoring
  - Supplemental instruction
  - Encouraging class attendance
  - Proactive identification and referral
  - Experiential learning beyond the classroom

• Ongoing curriculum development

• Professional development is aligned with strategies to improve student success
Prioritize Spending to Enact Strategies

• Prioritizing Expenditures
  - Have an inventory of current expenditures (programs)
  - Be aware of potential new expenditures
  - Aligning the program with the college’s strategies and goals
  - Cost effectiveness of the program
Prioritize Spending to Enact Strategies

• Special Issues in Prioritizing Programs
  - Support of stakeholders
  - Prioritize new programs
  - Review of underperforming programs
  - Innovation fund
Prioritize Spending to Enact Strategies

For example…

- Strategic/Ed. Master Plan and Goals (focused on programs and services)
- Staffing Plan
- Facilities Plan
- Technology Plan
- Financial Plan
Participate in Budgeting for Student Success

• Draft Best Practices – July 2014
  • Available at http://www.gfoa.org/cc-bestpractice-draft

• Enhance & Implement
  • Pilots using best practices to develop 2014-2015 budget
  • Application for the inaugural Distinguished Budget Presentation Award for Schools for 2016-2017 budget

• Education & Training
  • Training, webinars, e-learning, and other resources on education budgeting.
Advisors and Pilot Members

Pilot Participants
- Blinn College (TX)
- City Colleges of Chicago (IL)
- Coconino Community College (AZ)
- Elgin Community College (IL)
- MiraCosta College (CA)

Advisors
- Houston Community College
- San Bernardino Community College District
- American Association of Community Colleges
- Portland Community College
- Maricopa Community Colleges
- Coconino Community College
- College of DuPage
- Harper College
- City Colleges of Chicago
Questions?

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Twelve Draft Best Practices in Community College Budgeting

Prepare & Develop Inputs to the Budget Process

1. Adopt/Re-Affirm budgeting principles and policies to guide the budget process
2. Examine internal and external forces that impact the budget
Define Goals & Identify Gaps

3. Develop goals for the College and its sub-units

4. Determine the gaps between the goals and current state, and identify the root causes of the gaps
Develop Strategies to Achieve the Goals

5. Research proven policies and practices
6. Develop strategies
Prioritize Spending to Enact the Strategies & Allocate Resources

7. Prioritize spending to enact the strategies
8. Allocate funds based on the results of the prioritization process
9. Create a budget document that communicates how resources have been allocated to enact the strategies
Check Performance

10. Monitor and evaluate outcomes from budgeting decisions
Enhanced Budgeting Practices

11. Establish criteria and measures for success of the budget process

12. Allocate costs of shared support services to sub-units to better understand the true cost of offering services