

Title: Annual Budget Development, Approval and Management	Number: 3.02.0311.1
Approved by the Board of Governors Date: March 15, 2011	Implementation Date: March 15, 2011
History: Scheduled Review Date: March 2014	Origin: Fiscal Services

DEFINITION:

A budget is a plan of operations which includes the proposed expenditures for a specific period or purpose and the proposed means of financing them. The HLSCC budgetary process concerns itself with the development of an operating budget request to the Government for the year beginning January 1 and ending December 31; and with the allocation and responsible management of resources that are approved by the House of Assembly of the British Virgin Islands.

BACKGROUND:

To accomplish a state budget document, the Office of the Premier requires H. Lavity Stoutt Community College to submit its annual operating budget request, within the guidelines and forms which it prescribes, generally on or before August 31st each year. To comply with this requirement, The College budget is developed by analysis and compilation of unit budgetary requests. The Premier subsequently reviews the request with College leaders and prepares a budget request that is defined to mean the appropriations proposed as set forth in the budget document. The budget document becomes the basis for all budgetary hearings in the House of Assembly.

Internal budgets are developed by budgetary unit heads, reviewed or revised by the Executive Committee comprised of the President, Vice President, Associate Vice President and Bursar. Following the President's approval, the budget is submitted by the President to the Board of Governors for its approval prior to forwarding to the Premier.

PURPOSE:

- a) To establish an institutional framework in the form of leadership parameters and expectations and technical guidelines for the development of department level budget requests;
- b) To provide for the participation of all employees in assessing results, and defining future goals, hence resource needs, that help to accomplish institutional priorities;
- c) To provide a systematic and consistent format and schedule by which annual department level budget requests are submitted for consideration;
- d) To provide an informed and largely objective means by which budget requests are reviewed and agreements reached concerning funding priorities that will be submitted to the Government for consideration; and that will be allocated to departments.

CONSIDERATIONS:

1. It is the responsibility of the President, in consultation with the Vice President, to clearly develop and communicate executive guidelines to managers with the common framework within which budget requests should be developed for the year. These include, but are not limited to special priorities to be addressed, the environment and projections concerning government priorities and availability of resources, and other special considerations internal to College planning.
2. Budgets are subject to continued review and analysis. They should be developed with defensible facts, in the context of institutional priorities and College as well as departmental goals for the year, in consideration of outcomes of previous year goals, and within reach of projected revenues. This is necessary in order to develop sound arguments that reflect accountability for the use of public resources.
3. The participation of College employees is essential to developing a full understanding and accountability for the use of College resources. It is the responsibility of the Heads of Departments to engage staff at all levels in the assessment of the outcomes of department goals and in the identification of annual goals that will achieve the priorities of the College. A representative committee of College employees – the Joint Strategic Planning and Resource Allocation Committee is further responsible for providing input to the President concerning the effective expenditure of resources. The Executive Committee makes the final budget determinations as will be presented to the Board for its approval.
4. The annual budget process is implemented by means of a detailed schedule of activities and within timeframes that provide for timely development and decisions leading to the allocation and management of operational resources.
5. Financial management is a major responsibility of senior administrators. Administrators are evaluated, at least in part, on the management of the resources over which they have control, and on their ability to manage within the "current level" funds and on their ability to achieve new levels of efficiency and service delivery within fixed resources.
6. Accountability for sound and prudent financial management applies to all sources of College funds.

PROCEDURE:

The Integrated Planning, Budgeting and Resource Allocation Schedule (attached)

The Integrated Annual Planning, Budgeting and Resource Allocation Schedule

TIMEFRAME	ACTIVITY	RESPONSIBILITY
February	Review College, community and government challenges and opportunities in order to determine College-wide goals and executive guidelines for annual planning and budget development.	Executive Committee ¹
February	On the basis of resource allocation and expenditure trends, other funding considerations, and long term institutional commitments, develop projected operational budget for the three year period ahead.	Executive Committee
April	Prepare and review Executive Planning and Budget Development Guidelines, and College level academic, administrative and student support goals for the year ahead with the appropriate Board Committee and Cabinet.	College President
April	Issue Executive Planning and Budget Development Guidelines, College Goals and Instructions/Schedule for department budget development to budget holders	Bursar
April	Conduct workshop for budget holders to assist with the preparation of the Budget Development. Workshop stresses the budget request in relationship to the department/individual goals.	Bursar
May	Prepare a balance budget for review by the Executive Committee.	Bursar
April	Complete <i>Abbreviated Programme Review</i> form for <u>each</u> degree or certificate programme	Department Head ... (support from Director, Planning & Inst. Effect.)
April	Prepare <i>Annual Department Level Planning & Assessment Record (DPAR) – Part 1</i> (i.e. not Results and Use of Results sections). (Consider <i>Executive Guidelines, results of prior year goal assessment, abbreviated programme reviews, comprehensive programme reviews and advisory committee recommendations, etc.</i>)	Department Head/ Director, with faculty/ staff.
By April 30	Identify needed resources for continuing operations - including implementing annual goals. Prepare and submit budget request and recommendations for improving departmental efficiency and cost savings. Attach completed DPARs	Department Head/ Director, with faculty/ staff.
	Review and recommend funding request priorities	Joint Strategic Planning

¹ The Executive Committee is made up of the President, Vice President, Associate Vice President and the Bursar.

TIMEFRAME	ACTIVITY	RESPONSIBILITY
May	(in the context of Guidelines, College-wide goals and Institutional Priorities) to the Executive Committee.	and Resource Allocation Committee
May	Review and prioritize department recommendations for improving efficiency and cost savings to the Executive Committee.	Joint Strategic Planning and Resource Allocation Committee
May	Review Joint Strategic Planning and Resource Allocation Committee recommendations in order to provide directions for development of College Budget Estimate.	Executive Committee
May	Employee contract/salary review and determinations	Executive Committee
May	Prepare preliminary line item College Budget Estimate or request	Bursar
June	<i>Respond to Revenue call</i>	<i>Ministry of Finance (BVI Government)²</i>
June	Approval of contracts and salaries	Board of Governors
June	Prepare Annual Institutional Effectiveness Indicator Report	Director- Institutional Effectiveness
July	Review draft budget with Executive Committee for additions/deletions/ or corrections.	Bursar
July	Revised line item College Budget after review by the Executive Committee	Bursar
July	Present draft budget to the Board of Governors for their review and approval.	President
July	Submit line item College Budget Estimate (along with Effectiveness Indicator Report) to the BVI Premier (Minister for the College)	College President
August	Revise the line item budget with Board of Governor's Recommendations for review by the Executive Committee.	Bursar
August	<i>Completion of First draft House budget</i>	<i>House of Assembly</i>
September - October	<i>Budget submission and review by the Executive and Legislative Councils respectively.</i>	<i>House of Assembly</i>
November	<i>Scheduled Standing Finance Committee Meetings (including College staff availability to respond to Committee inquiries)</i>	<i>Finance Committee of the House of Assembly</i>
November	<i>Attend Budget Day for passing of Budget at Legislative Council</i>	<i>Executive Committee</i>
November	<i>Attend Standing Finance Committee Meeting to respond to questions on the College's programmes</i>	<i>President & Bursar</i>

² A detailed Timetable for Completion of the Annual Budget Estimates and Schedule for the Standing Finance Committee (of the House of Assembly) is provided to the College each year.

TIMEFRAME	ACTIVITY	RESPONSIBILITY
	<i>and budget.</i>	
November	<i>Receive Approval of Fiscal Year Budget from the Premier's office</i>	<i>President</i>
December	<i>Budget debate</i>	<i>House of Assembly</i>
December	Receive advice of authorised annual College budget	College President
January	Review line item College budget, and prepare resource allocation to departments in relation to authorised College budget	Executive Committee
January	Brief budget holders concerning annual resource allocation, efficiency measures (including department award for efficiency) budget management expectations and goals implementation/assessment. Distribute department budget allocations.	Bursar
January	Implement new Fiscal Year approved budget	Bursar
January	Review Department DPARs and revise plans as needed based on resources allocated	Department Head/ Director, with faculty/staff
Starting January	Implement department goals / College initiatives, collecting and analyzing performance results as part of implementation process.	Department Head/Director with faculty/staff.
February – March (the following year)	Analyze assessment data. Document results in APAR – Part 2.... including how assessment results will be used to improve programmes and services.	Department Head/ Director with faculty/ staff (<i>with technical support from the Planning & Institutional Effectiveness Office</i>).