Higher Learning Commission

A commission of the North Central Association

Forms

Open Pathway

Quality Initiative Institutional Report Template

The enclosed Quality Initiative report represents the work that the institution has undertaken to fulfill the Improvement Process of the Open Pathway.

D A Sam; Aug 25, 2015

Signature of Institution's President or Chancellor **Date**

Printed/Typed Name and Title David A. Sam, Ph.D., J.D., LLM

Name of Institution Elgin Community College

City and State Elgin, IL

The institution uses the template below to complete its Quality Initiative Report. The institution may include a report it has prepared for other purposes if it addresses many of the questions below and replaces portions of the narrative in the template. This template may be used both for reports on initiatives that have been completed and for initiatives that will continue and for which this report serves as a milestone of accomplishments thus far. The complete report should be no more than 6,000 words. Quality Initiative Reports are to be submitted between September 1 of Year 7 and August 31 of Year 9 of the Open Pathway cycle.

Date: August 30, 2015

Name of Institution: Elgin Community College **State:** IL

Contact Person for Report: Philip Garber, Ph.D., Executive Director of Planning and Institutional Effectiveness

Contact Person's email address: pgarber@elgin.edu

Report Categories

Overview of the Quality Initiative

1. **Provide a one-page executive summary that describes the Quality Initiative, summarizes what was accomplished, and explains any changes made to the initiative over the time period.**

Elgin Community College (ECC) began the Purposeful Budgeting (PB) initiative in fall 2012, shortly after President Sam and the ECC Board of Trustees approved the ECC Strategic Plan for FY2012 to FY2017. At that time, the Strategic Planning Committee (SPC), which had been tasked with creating the plan, disbanded. In its place, the committee formed the Strategic Planning and Budget Council (SPBC) to monitor the college's progress toward fulfilling the newly articulated strategic goals. President Sam endorsed the SPBC in fall 2012, and the team has met consistently since. In June 2013, ECC proposed PB as its multi-year HLC Quality Initiative, and the HLC approved the college's proposal in July 2013.

The college's main objective in undertaking PB is to impart greater transparency in the college's overall budgeting process. In particular, this initiative allows us to reconnect budgeting to strategic goals underlying it. The planning-budgeting process had been a focus of the HLC visit in 2009 and reemerged as an institutional need in 2012, as the college completed its strategic plan and was named a Leader College in the Achieving the Dream (AtD) organization. To measure the goals we had just set and to lead within an AtD framework of continuous improvement, we needed to unify our budgeting systems, which were, at that time, fragmented. Most ECC departments, programs, and committees set goals annually, but these were not always used set budgets. Even in instances when goals and budgets were developed in tandem, parameters for estimating common expenses (e.g., travel, office supplies, etc.) were inconsistent, rendering budgets inflated in some areas and deflated in others. Finally, when it came to evaluating goals, some areas reported their accomplishments; however, most did not. Thus, when the SPC chose language for Strategic Goal 4, it posed a specific challenge to the college: *to promote greater transparency, efficiency, and accountability in college processes and systems*. The PB initiative has allowed us to make progress toward achieving this goal.

Since 2012, several improvements have been made in the planning-budgeting system at ECC. First, the SPBC, the Planning and Institutional Effectiveness (PIE) Office, and the Business and Finance (B&F) Office have worked together to create new process documents. Taking the time to document our actions has greatly improved clarity and provided an archive from which to guide future decisions. To date, the following documents have been created: a common planning calendar (Appendix A); a planning and budgeting guide for campus budget officers (Appendix B); a shared goals database (Appendix C); new budget input worksheets (Appendix D); an enrollment simulator (Appendix F); delineation of review processes by funding request type (Appendix G); and a budget survey (Appendix H). The college has also joined national benchmarking initiatives on community college budgeting (Appendix E). As a result of these actions, the PB initiative has achieved the following tangible outcomes (see Q7):

- The nature of budgeting conversations across departments and our perceptions of budgeting have improved.

- Budget surpluses (i.e., amounts allocated but unspent each fiscal year) have declined in the past 3 years.

2. **Explain in more detail what was accomplished in the Quality Initiative in relation to its purposes and goals. (If applicable, explain the initiative's hypotheses and findings.)**

Steps of PB occur in predictable and interrelated ways. At the start of the fiscal year, the PIE Office gathers end-of-year accomplishments from the preceding year. Informed by this information, departments create annual goals. These are entered into a common Annual Goals Database, which is organized according to ECC Strategic Plan elements. Since fall 2012, goals and accomplishments have been shared during the President's All College meetings. During these meetings, all employees are invited to review departmental progress, offer insights and interpretations, and understand which campus-wide projects are underway, in progress, revamped, or postponed. Cross-departmental reflections are vital to the PB initiative, as they allow programs to set goals based upon common expectations. Finally, once goals and accomplishments are vetted, the B&F Office assists departments in tallying costs and revenues to sustain them. This office verifies cost estimates, identifies cost-saving opportunities, and prepares reports of historical funding patterns. Then budgets are sent to the SPBC for review, and after several weeks of deliberation, the SPBC makes its final recommendations to the President and then to the Board.

Three main areas of work, which began through PB, continue today: (1) linking expenses to goals; (2) budget prioritization; and (3) review and discussion of annual accomplishments and future goals.

Linking expenses to goals occurs in two phases. First, in late fall/early spring, departments identify between 3 to 8 annual goals to work on during the upcoming fiscal year. For each, they describe the action steps needed to deploy them, anticipated outcomes, and individuals tasked with leading them. Appendix C contains a screenshot of the Annual Goals Database into which these elements are recorded. Once set, budget officers articulate all associated expenses/costs. For this part of the process, they use budget input worksheets, an image of which is contained in Appendix D. Expenses are classified in various ways. First, they are categorized into object codes specified in the Illinois Community College Board (ICCB) Fiscal Management Manual. This manual reflects all major college funding areas (e.g., travel, software, etc.). Secondly, budget officers link each expense (either individually as part of a set) to department goals, indicate whether they are one-time or ongoing, and self-prioritize each expense request into priority levels (see Q3). Worksheets are reviewed annually by the SPBC when formulating the overall college budget. We adapted our worksheet template from one used by Colorado Mountain College, whose AQIP (Academic Quality Improvement Program) project involved budgeting.

The second main area of work in PB is prioritization, where most work has occurred so far. Prioritizing occurs in the spring, as budget officers submit preliminary budgets, and the SPBC engages in deliberations. During this phase, goals and justifications are considered together with known factors, such as expected enrollment (Appendix F), state appropriations, and major capital projects. Since adopting PB, the SPBC has standardized rules to ensure that proper vetting occurs before budgets are deliberated. For example, (1) software purchases are to be discussed with Information Technology liaisons; (2) requests for instructional equipment are to be vetted among deans; (3) requests for new hires are to be approved by the President's Cabinet; and (4) compensation rates for extra faculty assignments are to be agreed upon by Board representatives and faculty union leaders. These are just some areas the SPBC and budget officers have completed to date. Others in the "parking lot" for FY2016 include: estimating course and lab fees; standardizing the nature of promotional items/giveaways; and budgeting for professional development in areas that impacts all employees (i.e., professional development which is not already budgeted in individual departments). An example is campus safety training.

The final focus of PB is annual review/discussion of goal accomplishments. Appendix C illustrates how budget officers record their accomplishments as an additional data-input fields in the Annual Goals Database. Discussion of annual accomplishments has become a vital part of the PB process, and over the past two years, the college has become more deliberate about documenting and tracking them. Since 2013, accomplishments are discussed during All College meetings held by the President in the fall. During these meetings, outcomes/measures are shared and challenges are explained cross-departmentally. Because the Annual Goals Database contains copious amounts of narrative data, the PIE Office typically creates summaries through content analysis to make the information digestible and useful for meeting attendees. This has proven useful. In fact, just having summaries in a single handout has been enough to encourage some budget officers think about goals and budgets differently. In FY2016, for example, three separate departments had requested Chromebooks for students. It was not until these requests appeared in the same report that these programs (or the SPBC) realized other areas had requested the same items. Now that these and other requests are known, programs are working together and using resources communally (rather than individually).

3. **Evaluate the impact of the initiative, including any changes in processes, policies, technology, curricula, programs, student learning and success that are now in place in consequence of the initiative.**

Several changes have been implemented as a result of the PB initiative.

First, the college replaced its long-standing incremental budgeting system (whereby budgets are created based on historical allocations) with a zero-based system (whereby budgets are planned from scratch with no assumptions about prior allocations). The new "zero-based budgeting" (ZBB) system encourages budget officers to think precisely about what their needs are, and in essence, improve the directedness of their goals. The system is used for all budgeted expenses – supplies, travel, software, etc. – except for full-time salaries and benefits, which are determined by Human Resources. Departments budget for their own part-time salaries (without benefits) and temporary employees (to cover unfilled vacancies). The ZBB model was rolled out gradually over 3 years – with a third of departments adopting the system in FY2012; another third in FY2013; and the remainder in FY2014. FY2016 marks the second year of full ZBB deployment.

Second, the PB initiative has reestablished expectations for engaging in cross-departmental dialog. Mandatory attendance at budgeting workshops is now expected from all budget officers. There are 3 mandatory meetings held during the month of February when budget officers retrain on budget tools and learn what other departments are planning. The first meeting is also attended by the President. Once preliminary budgets are submitted in March, the SPBC requests mandatory attendance at review deliberations in cases where proposed budgets exceed thresholds set by the President. For example, shortfalls from the state of Illinois in FY2016 required all departments to reduce their spending by a certain percentage. Those areas which did not reduce – either from oversight or unavoidable circumstances – were required to attend SPBC deliberations to justify their needs.

Third, the PB initiative has overhauled the technology used to set budgets. Prior to 2012, ECC departments submitted their goals in different ways. Academic departments used a digital repository; service units used a paper template; and auxiliary units prepared formal business plans along with goals. As described in Q2, all areas now use a common database to record goals and accomplishments and common worksheets for submitting budget requests. The budget input worksheets require budget officers to align their expense requests to departmental (and, by extension, strategic) goals and categorize them in 1 of 3 levels for SPBC deliberations:

1 = A 1 indicates that the funding request *is essential for current operations***.**
2 = A 2 indicates that the funding request *impacts current operations in a minimal way***.**
3 = A 3 indicates that the funding request *enhances but does not significantly impact operations***.**

Finally, now that the SPBC has become a standing committee on campus, its work complements the Curriculum Committee. The Curriculum Committee, in place since the college was founded in 1949, reviews and approves all ECC curricular changes (e.g., course learning outcomes, course outlines, etc.). As ingrained as curriculum review has been in our history, to our knowledge there had never been a consistent cross-collaborative body to oversee financial implications stemming from curricular review (e.g., new technologies, physical space, etc.) until the SPBC. Now, once programs are approved by the Curriculum Committee, the SPBC reviews the college's capabilities to support them. Increasingly, the SPBC looks to the Curriculum Committee for input on program needs and quality before allocating resources. The first programs to undergo a full sequence of curricular-financial reviews were advanced certificate programs in radiography in late 2012. Budget review is now a permanent follow-up to curricular review and contained within ECC's program development guidelines, which were updated in 2013.

4. **Explain any tools, data, or other information that resulted from the work of the initiative.**

Tools and artifacts resulting from the PB initiative are contained in Appendices A through H. These include:

A. ECC annual planning calendar
B. Strategic planning and budgeting guide
C. Annual goals database
D. Budget input worksheets
E. Government Finance Officers Association (GFOA) Best Practices documentation (includes budget design practices, budget review criteria, Smarter Schools Spending tools, and communication/marketing plans, and training curriculum)
F. ECC enrollment simulator

G. Current review processes for funding requests
H. Budget survey results

All documents, with the exception of the enrollment simulator, are described in other sections of this report. The enrollment simulator is described below.

The enrollment simulator is a statistical program we use to estimate the number of students expected to enroll in any future semester. Created by a consultant statistician, the model uses linear regression and exponential smoothing to predict the association between various input measures – such as area employment and residential moving/relocations patterns – on total predicted enrollments or credit hours generated. With the model, we are able to ascertain, within 5% confidence, how many students will enroll in future terms. With this information, we are able to gauge the resources needed to sustain (or grow) programs, estimate space usage, and maintain effective services. It has also been useful for estimating course and lab fees and program growth targets for external grants. The model was first developed in 2010 and revised in 2013. It is refreshed every 3 years with new US Census data and ECC enrollment data to ensure continued accuracy.

5. **Describe the biggest challenges and opportunities encountered in implementing the initiative.**

By far the biggest challenge/opportunity encountered in implementing PB was a lack of documentation. The table in Appendix G displays the various types of funding requests the college is typically asked to support during any given planning-budgeting cycle. As the table shows, the list is lengthy and includes everything from new equipment to new project ideas to new personnel. Each request has different forms, timelines, and “champions” required to log the request and shepherd it through review. Completing this table was an exercise in clarity and allowed us to visualize where we lack documentation and where we could leverage efforts.

The table also helped us realize that items, which get requested through the annual planning-budgeting cycle, can be flagged for further review during SPBC deliberations, routed to other appropriate review bodies (see table in Appendix G), or formalized in written administrative procedures. Administrative procedures are documented practices, approved by the President’s Cabinet and followed by all employees, which align to policies prescribed by the ECC Board of Trustees. For example, the B&F Office recently updated the college’s administrative procedures on tuition and purchasing in light of current changes in Illinois statutes and Internal Revenue Service guidelines. Other items that surface through planning-budgeting (e.g., capital requests, ideas for non-credit instruction, etc.) are not yet formalized but remain on the SPBC’s “parking lot” of items to be discussed in FY2016.

Another opportunity we have encountered through PB is changing our fixed mindsets. When the SPBC first organized, it was struck by assumptions on the part of many that “funds are out there somewhere” if the B&F Office would only come through. Creating the SPBC has shed light on a fact we knew implicitly but were sometimes reluctant to face: that funding in higher education is lean and we must adapt our leadership accordingly. An instance when this emerged clearly was campus auxiliary units (e.g., the bookstore, childcare center, etc.). As a result of shortfalls in preparing the FY2016 budget, the SPBC recommended that the Board transfer funds from the education fund (which supports academic functions) to the auxiliary fund (which supports auxiliary units). In doing so, the council recognized that operating parameters for some auxiliary units may no longer be agile. For instance, today's college students receive course content outside of traditional bookstores, and thus funding parameters for ECC bookstore may need updating in the future.

The third biggest opportunity we identified in our PB work was professional development for budget officers. As a result of earning Leader College status with AtD, the college has implemented professional development to connect student performance data to student success projects. In a similar way, we recognize a need for professional development to connect department goals to budget review. For some areas, training is needed in how to write goals succinctly and measurably; for others, training is needed in bidding and purchasing (e.g., how to obtain quotes, select vendors, and understand contracts); and for others, training is needed in assessing the effectiveness of goals through data.

A final insight we learned through PB is that collective bargaining requires consistent dialog and additional steps in the planning-budgeting cycle. When goals and budgets are proposed to reorganize existing positions (or create new ones), for example, we realize how vital it is to involve our union employees in these discussions. When AtD data pointed us in the direction of reorganizing counseling services into the Student Success Center (i.e., academic advising), it was not enough for budget officers to set goals and create budgets. We also needed to negotiate with our unions, whose members worked in this area.

Commitment to and Engagement in the Quality Initiative

6. **Describe the individuals and groups involved at stages throughout the initiative and their perceptions of its worth and impact.**

The PB initiative has impacted the work of several individuals at ECC. First, campus budget officers/directors and their staff are critical to the process. Presently the college has a cadre of 69 budget officers who represent all major functional areas: academic affairs, human resources, etc.

Others involved in PB are the 9 senior leaders of the SPBC, who include:

- Vice President of Teaching, Learning and Student Development (Academic Affairs)
- Assistant Vice President of Teaching, Learning and Student Development
- Vice President of Business and Finance/Chief Financial Officer
- Dean of Math, Science, and Engineering
- Executive Director of Planning and Institutional Effectiveness (PIE)
- Chief Information Officer
- Managing Director of Employee Relations
- Controller
- Assistant Controller

As campus leaders, SPBC oversight is subsumed within the daily work of these individuals, and the President advises the team. While the President himself does not serve on the SPBC, he approves or vetoes SPBC recommendations.

Finally, the PB initiative has impacted the nature of conversations within the Equity Coordinating Council, the steering committee which oversees student success initiatives under the AtD framework. This council was originally tasked with approving and leading only student success efforts, but because of the PB initiative, this team has greatly expanded its role to include oversight of all new innovations, whether they impact students directly or indirectly. Any new projects identified in the course of the planning-budgeting cycle are now routed to this council, which includes 17 individuals: 6 faculty and 11 administrators, all of whom are budget officers.

Externally, the PB has also impacted the work of two ECC partnerships: the Partners in Practice program through the Government Finance Officers Association (GFOA) and the Maximizing Resources for Student Success (MRSS) partnership. ECC joined the Gates-funded Partners in Practice program in 2012. In this partnership, ECC and 9 other colleges (along with GFOA professional staff) articulate parameters for organizing and evaluating community college budgets at a national level. The group is guided by well-known books such as *Higher Education Finance Research* and *Community College Finance,* and these authors are also members of our Partners in Practice team. The organization is expanding this year to include K-12 school systems and is currently on hiatus until next year. In the meantime, ECC adopted the Partners in Practice framework as a roadmap for developing the FY2016 budget and will use it to prepare the FY2015 Comprehensive Annual Financial Report in September 2015. These frameworks require more explicit linkages between budgets and strategies, greater reliance on assessment of progress in reaching the goals for student success, and presentation of financial information in ways that match expectations set by the partnership.

A second partnership is the Maximizing Resources for Student Success initiative through the National Community College Benchmarking Project (NCCBP). Through this initiative, community colleges nationally are beginning conversations on the nature of direct (e.g., instruction) and indirect allocations (e.g., advising students) that impact goals for students. In FY2015, we participated in the pilot, which began that year, and in FY2016 we expect to receive a national report which details how ECC compares to similar colleges when it comes to funding components of academic programs and services. At this point, we expect to participate in the MRSS on a regular basis (e.g., every 3 years or so) as we do with NCCBP. In the meantime, we are studying best practices at other colleges. Chief among them is the Center for Applied Research at Central Piedmont Community College (CPCC). At an AtD conference in 2015, we learned about North Carolina’s successful statewide program in developmental math, which are organized at CPCC, and are starting conversations about adapting some of its funding parameters to our own program.

7. **Describe the most important points learned by those involved in the initiative.**

The two areas measured by PB are attitudes regarding budgeting, which we assess through budget surveys, and budget surplus trends. Each is described here.

<u>Attitudes Regarding Budgeting</u>
The biggest advantage from undertaking PB has been understanding the mindsets and practices of ECC budget officers. In fall 2012, in launching the SPBC, ECC created a small budget survey, which was referenced in our PB proposal. From it, we gained valuable insight into

where we stood institutionally. For example, the survey showed that most ECC budget officers were diligent about budgeting but were unaware of the rationales underlying budget cuts. More than anything, they reported that their greatest apprehension about moving to a ZBB model was the potential loss of flexibility to request contingency funds when needed. They appreciated ECC's long-standing policy allowing departments to issue transfers among departments and were reluctant to accept amendments to it.

Since 2012, three additional budget surveys have been carried out. Two occurred in fall 2013 and fall 2014 (to start the FY2015 and FY2016 budget cycles) and another in early summer 2014 (after finishing the FY2015 budget). The summer 2014 survey was a short feedback questionnaire used to determine whether budget workshops and tools, which had been developed the previous year, were well received. They were and thus continue to be used. The bulk of the insights learned about our budgeting processes – and, thus, the response to this question – came from the fall 2013 and fall 2014 surveys, which were quite comprehensive and organized along the lines of work described in Q2: goal setting/planning; prioritization; and review/reporting accomplishments. Survey results are also summarized in Appendix H.

The fall 2013 (FY2015) and fall 2014 (FY2016) surveys were sent via email to supervising administrators, whether they were budget officers or not (i.e., at ECC, administrative employees include senior directors who have responsibility for department budgets, as well as managers who provide budgetary input but who are not budget officers themselves). For the fall 2013 survey, the response rate was 43% (50/117 administrative employees) and 37% (43/117 administrative employees) for fall 2014. Comparing the percentage of respondents who answered strongly agree or agree (on 5-point scales), we found that 92% (in fall 2013) and 95% (in fall 2014) provide input into the budgeting process, and 90% (in fall 2013) and 93% (in fall 2014) use annual goals when doing so. Thus, we have some confidence that planning-budgeting is guided by discussions within departments. However, we also found that only 47% (in fall 2013) and 49% (in fall 2014) strongly agree or agree that they collaborate with other departments. This result, more than anything, provided the impetus for having departments use a common Annual Goals Database and participate in All College meetings each fall.

Survey items related to budget review were among the lowest-rated items but did improve greatly from fall 2013 to fall 2014. For example, the percentage of respondents who strongly agreed or agreed that they understood the rationales used to determine whether to maintain or reduce funding increased from 22% in fall 2013 to 39% in fall 2014, and the percentage who strongly agreed or agreed that decisions regarding cutting, increasing, or maintaining funding reflected departmental interests and goals increased from 31% to 49% between fall 2013 and fall 2014. Finally, the percentage who believed they had received timely feedback on budget requests increased from 24% to 46% between fall 2013 and fall 2014. As we continue with PB, we expect that the work of the SPBC will help to improve these percentages.

When it comes to budget spend-down, most ECC departments reflected on their own past/historical spending. In fall 2013, 91% of respondents strongly agreed or agreed to using regularly use ECC's general ledger reports to guide their spending, a figure which rose to 95% in fall 2014. Again, however, cross-collaborative conversations about budgets are not occurring as much as we would hope, with only 62% of respondents in fall 2013 and 59% in fall 2014 strongly agreeing or agreeing that they collaborate with other areas when it comes to spending.

Finally, general impressions gathered on these surveys indicate where ECC should invest future resources. A majority of respondents (78% in fall 2013 and 68% in fall 2014) strongly agree or agree with having professional development for budget officers and having departments self-prioritize requests into the levels described in Q3 (71% and 73%, respectively, in fall 2013 and fall 2014). Further, most agree that having budgets due earlier than March would not encourage any more planning than what occurs now (78% in fall 2013 and 78% in fall 2014, reverse coded) and support for the current March due dates increased from 46% in fall 2013 to 61% in fall 2014. Finally, overall satisfaction with budgeting improved from 45% to 69% between 2013 and 2014. We intend to repeat this survey annually as we continue with PB and the SPBC.

<u>Trends in Annual Surpluses</u>
A second way we assess the PB initiative is to compare, across all departmental budgets, the sum total of funds requested but unspent at the close of each fiscal year. We use this amount to approximate how well budget officers estimate what they need and how well they spend according to their stated plans. Any funds unspent each year are gathered in annual surpluses which are then rolled into the college's overall fund balance. If PB is effective in encouraging more efficient planning and spending, then we should see these surplus levels decrease. In fact, they have. The sum total of all FY2014 departmental surpluses created in a ZBB fashion was 50% lower than what we reported in FY2013 ($2.4M v. $4.8M), which was, in turn, 22% lower than what was reported in FY2012 ($4.8M v. $6.2M). (The FY2015 audit is occurring now, and ECC will have FY2015 surplus figures available in fall 2015.)

	FY2014	**FY2013**	**FY2012**
Net Change Per Audit in Education Fund (Less Insurance and Pension Liabilities)	$1,055,341	$2,394,596	$3,085,983
Net Change Per Audit in Operations & Maintenance Fund	$1,352,533	$2,394,596	$3,085,983
TOTAL SURPLUSES	**$2,407,874**	**$4,822,544**	**$6,196,529**

Resource Provision

8. **Explain the human, financial, physical, and technological resources that supported the initiative.**

<u>Human and Financial</u>
To date, the largest commitment made by ECC to support PB is employee time and talent. We value the work of our SPBC members who meet monthly during the summer, bimonthly during the fall and spring, and weekly from March through mid-May. In addition to spring meetings when the SPBC members engage in deliberations with campus budget officers, the Executive Director of Planning and Institutional Effectiveness prepares meeting agendas and minutes, and all members work together to create resource documentation. SPBC members are not compensated beyond their usual salaries.

The college does pay an additional stipend to cover work for one support staff member and one adjunct faculty member who have developed the user interfaces that support the goals database and the budget input worksheets. The college has reserved additional funds in FY2016 for these individuals to make adjustments based on feedback from last year's budget survey. The college will continue this compensation for the foreseeable future or until we adopt different technology.

The college also supports meeting and travel expenses for the Controller and the Executive Director of Planning and Institutional Effectiveness to attend GFOA's partnership meetings described in Q6. As stated in our response to Q5, a national budget evaluation guide was developed from this group, which was used to set the FY2016 budget and will be used to finalize the FY2015 Comprehensive Annual Financial Report.

Financial

As PB continues, conversations about the interplay between strategy and the financial capacity to implement it will be necessary. Other than the financial resources described above (in regard to human resources), financial resources have not been needed thus far. As explained in Q5, the SPBC did recommend, and our Board supported, a transfer of funds from the education to the auxiliary services fund, indicating that longer-term discussions about how auxiliary enterprises "do" business are in order. Another area where larger discussions may be important concerns student fees. Part of the current $119 per-credit tuition we charge students includes $1 for student activities, $5 for technology replacement, and $2 for instructional equipment. These rates have been unchanged for several years, and at some point, we may need to adjust them.

Technological

The Annual Goals Database was created in Microsoft (MS) Access, and the Budget Input Worksheet was created using Visual Basic programming in MS Excel. Aside from ensuring that the MS operating system remains current, which is handled through ECC's Information Technology area, no other technology has been needed. At some point, the SPBC may consider adopting vendor products, and in our 2013 PB proposal, we had anticipated software needs by this point in time. However, we are satisfied with the tools we have built, and budget surveys indicate that most budget officers are pleased with their functionality.

Physical Resources

To date, PB has not encountered physical space needs of sufficient scope that cannot be handled through the annual budgeting process. Physical resource needs are detailed in the college's strategic campus master plan, which is prepared every 5 years by contracted architects and engineers. The SPBC intends to follow deferred maintenance schedules in them (e.g., roof repairs, heating/cooling services, etc.) as we have done for years. Smaller-scale physical resource needs sometimes surface through program review or annual budgeting, but these tend to be smaller (e.g., painting, installing cabinets, etc.) and can be handled through our regular allocation process. Reserve funds for larger projects may be used (e.g., bond proceeds, ICCB-required capital reserves, etc.), but to date there has been no need.

Plans for the Future (Feature Milestones of a Continuing Initiative)

9. **Describe plans for ongoing work related to or as a result of the initiative.**

We expect that the PB initiative will continue as a standard practice in planning and budgeting. The culture of inquiry we have built with AtD and ZBB have taken root and continue to guide operations. Ongoing work for the SPBC includes refining criteria for prioritizing requests and developing a definitions list and checklist for budget officers to follow. We also plan to update the planning and budgeting guide when we adopt our next 5-year plan in FY2018. In addition, the SPBC continues to discuss its current "parking lot" of issues. These include:

- Identifying larger capital requests during SPBC deliberations and vetting them to a team which includes Operations and Maintenance personnel, Information Technology and others involved in buildings/facilities infrastructure
- Creating a longer-term process to centralize for non-credit courses that currently reside within departments
- Reevaluating efforts to contain rising costs for health insurance, employee wellness, and campus safety and security
- Negotiating with union faculty to standardize pay rates for additional work (e.g., coaching athletics, mentoring, etc.)
- Standardizing timelines and processes for requesting contingency funds mid-year

As previously stated, we also intend to refine professional development, and in particular, to link professional development workshops to gaps identified through analysis of goals and accomplishments.

Importantly, we also expect that PB will allow us to strengthen connections between ECC and the ECC Foundation, the philanthropic arm that supports the college. As the SPBC has sharpened its review practices, it has come to realize that longer-term needs often exceed our capacity to fund them. The SPBC invited the Executive Director of the ECC Foundation to budget deliberations in FY2016, which enabled her to identify "big ticket" items which transcend the capacities of any one department but which could be scaled strategically through donor support. We intend to continue this practice for FY2017 budgeting. An example from last year was a new faculty-student committee on entrepreneurship, which surfaced during the budgeting cycle but was redirected to a donor grant. Another example is multicultural programming, which has emerged as a long-term need through our AtD work, and currently awaits funding.

In a similar way, needs that emerge as impactful for students are now routed to the Equity Coordinating Council from the SPBC. Several projects originally identified through annual budgeting have been redirected and scaled through the Equity Coordinating Council. Examples include accelerated learning models and supplemental instruction labs for students needing additional support.

10. **Describe any practices or artifacts from the initiative that other institutions might find meaningful or useful and please indicate if you would be willing to share this information.**

ECC is pleased to share any materials contained in the appendices and referenced in this report. Public documents and materials (such as the college's PB proposal, annual planning calendar, annual budgets, and comprehensive annual financial reports) are also on the Documents and Reports page of our website at www.elgin.edu.

<u>List of Appendices</u>

APPENDIX A

Elgin Community College

Elgin Community College Board of Trustees
Annual Planning Calendar

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb[1]	Mar	Apr	May	Jun
Board Activities	Board policy review period *(con't. from June)*		Attorney reviews closed session minutes	Board adopts course fees for next fiscal year Board attends ACCT Annual Congress Board awards faculty tenure		Board adopts tax levy Board conducts semi-annual self-evaluation	Board adopts tuition for next fiscal year	Board attends ACCT Legislative Summit	Board formulates goals for next fiscal year			Board policy review period *(con't. thru July)*
	Board presents and discusses President's evaluation with the President								Attorney reviews closed session minutes Board awards faculty tenure Board sets operating budget for next fiscal year	Board seats student trustee Board plans state lobby events (ICCTA) Board approves external audit firm and legal counsel	Board seats newly elected trustees (in odd years)	Board adopts next fiscal year's budget including auxiliary business unit operating parameters and transfers Board prepares President's evaluation Board retreats and conducts semi-annual self-evaluation and goal setting
Planning and Budgeting Events	Goal and Budget Review Period: Departments review accomplishments from previous year			Goal and Budget Planning Period: Departments outline goals and budgets for next fiscal year			Budget Discussions and Adjustments Period: Departments propose budgets for next fiscal year				Finance finalizes and places next year's annual budget on display	
	Planning compiles department annual accomplishments from previous year	Finance begins fiscal auditing activities for previous fiscal year	Finance outlines budget projections for next fiscal year (including special capital outlay & staffing for new positions and reclassifications) TLSD & Finance recommend course fees for next fiscal year	Finance adopts comprehensive audit report for previous fiscal year Finance proposes tax levy and abatements TLSD drafts academic calendar for the fiscal year that follows the next	Finance places tax levy on display and prepares tax levy hearing	Finance makes tuition recommendation for next fiscal year	President sets goals for next fiscal year	Departments estimate budgets for next fiscal year based on proposed goals				
Suggested Reports or Presentations (for COTW or Board Meetings)	Prevailing Wage Report (Finance)	Vendor Report Grant Monitoring Report (April-June) ICCB Program Review Report from Previous Fiscal Year (TLSD)	Faculty Tenure Recommendations (TLSD) Partnership Report Performance Report/ Effectiveness Indicators Update (Planning)	Update on General Education Assessment (TLSD)	ECC Foundation Annual Report Grant Monitoring Report (July-Sept)		Annual Insurance Report (Finance) Community Report (Communications)	Faculty Tenure Recommendations (TLSD)	Campus Crime Report (Clery Act) Grant Monitoring Report (Oct-Dec)			ICCB RAMP (Operations & Maintenance) Grant Monitoring Report (Jan-Mar)

[1] No Committee of the Whole (COTW) or regular Board of Trustees meetings in February.

Note: The Board Annual Planning Calendar contains major events and reports and is not meant to be comprehensive of all college-wide activities. Reports provided on a monthly basis include enrollment updates (e.g., headcounts, seats/hours) as part of the President's Report, the Illinois Community College Trustees Association Report, the ECC Foundation/Institutional Advancement Report, Personnel Report, Marketing and Communications Report, Report of Expenses, and Student Activities Report.

07/01/2015

APPENDIX B

PLANNING AND BUDGETING AT ELGIN COMMUNITY COLLEGE

An Operational Planning Guide to Accompany the ECC Strategic Plan for Fiscal Years 2013 Through 2017

Developed by the Strategic Planning Committee

Prepared February 2013

Elgin Community College

Bright Choice. Bright Future.

Abstract

Following the launch of the *Elgin Community College Strategic Plan for Fiscal Years 2013 Through 2017*, member of Elgin Community College's Strategic Planning Committee prepared this guide as a way to formalize and communicate expectations related to planning throughout the college. This guide is a resource for all employees – faculty, administrators and support staff. It contains sections devoted to plan development, aligning plans to budgets, reporting and communicating, and reviewing and assessing planning processes. As a compilation of best practices, this guide contributes to improved communication and encourages the sharing of processes and strategies related to planning.

For Further Information

For questions about this guide or for further information about planning at ECC, please contact the Planning and Institutional Effectiveness Office, pgarber@elgin.edu or 847-214-7285.

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Definitions

Strategic planning	A visionary process resulting in major, multi-year, long-term, and far-reaching goals to advance the future of the college. Strategic plans provide the foundation for operating plans.
Operating plans	Detailed, short-term actions and steps compiled by various college departments, divisions, programs, offices, or committees. Operating plans detail specific tactics and strategies (i.e., what is to be done, who is to do it, and how it is to be done) that align to the strategic plan.
Budget	Tied to an operation plan, a budget is a detailed accounting of all costs needed to carry out an operating plan. Budgets include costs for employee labor, supplies, consulting, travel, publications and dues, etc.
Budget officer	A manager, director, or department head in charge of overseeing the operating plan and budget for a particular department, office or program.
Continuous quality improvement	A process by which a college or department defines and shapes ongoing work by using 'feedback loops' of self-evaluation followed by goal refinement. Stated goals and objectives are continuously refined in light of feedback and data. Cycles of improvement are ongoing and long-lasting.

Planning at Elgin Community College: The Big Picture

Accountability and Accreditation

Accountability is one of seven (7) shared values at Elgin Community College (ECC):

> *As a public institution, we believe we must assume responsibility for all our decisions and actions, and we must also be open and honest in all our affairs and always ensure that we are making the best use of our resources.*

Now more than at any other time in history, ECC must meet the call for greater accountability from local, regional, state, and federal agencies in fulfilling our institutional Mission *to improve people's live through learning*. Accountability in our decisions and actions is vital for ensuring student success and maintaining the public trust.

To foster accountability, ECC maintains regional accreditation with the Higher Learning Commission, institutional recognition with the Illinois Community College Board (ICCB), federal compliance with the US Department of Education, and specialized accreditations and approvals from various professional organizations. As a condition of continued accreditation, the college is expected to engage in regular strategic planning – i.e., to set institutional goals and to commit to self-study as a means to ensure progress in meeting those goals. Thus, driven by accreditation and a need for greater accountability, strategic planning is the core means by which ECC fulfills its Mission and achieves its Vision.

Board of Trustees

While accreditation operates externally at regional and professional levels, the Board of Trustees operates at the local level. As an agent of the local community, the Board's role is to ensure that the college meets its Mission by responding appropriately to public needs and challenges. The Board sets and enacts governing policies; approves the college's budget, tax levies and tuition rates; and determines which programs and services to offer, to whom, and with what priority. To ensure accountability the Board annually evaluates the college's performance in key areas central to the Mission:

- Student learning, engagement, and satisfaction
- Community learning, engagement, and satisfaction
- Employee learning, engagement, and satisfaction
- Student success
- Access
- Financial stewardship
- Operational efficiencies and process improvements

The College President, Planning and Institutional Effectiveness Office, and the Strategic Planning Committee

The college President, the Planning and Institutional Effectiveness office, and the Strategic Planning Committee work together to manage planning operations within the college. The *Board Policy Handbook* charges the President with overseeing college-wide planning to accomplish stated institutional goals. To comply, the President maintains a Strategic Planning Committee, accountable to the President and tasked with the following responsibilities:

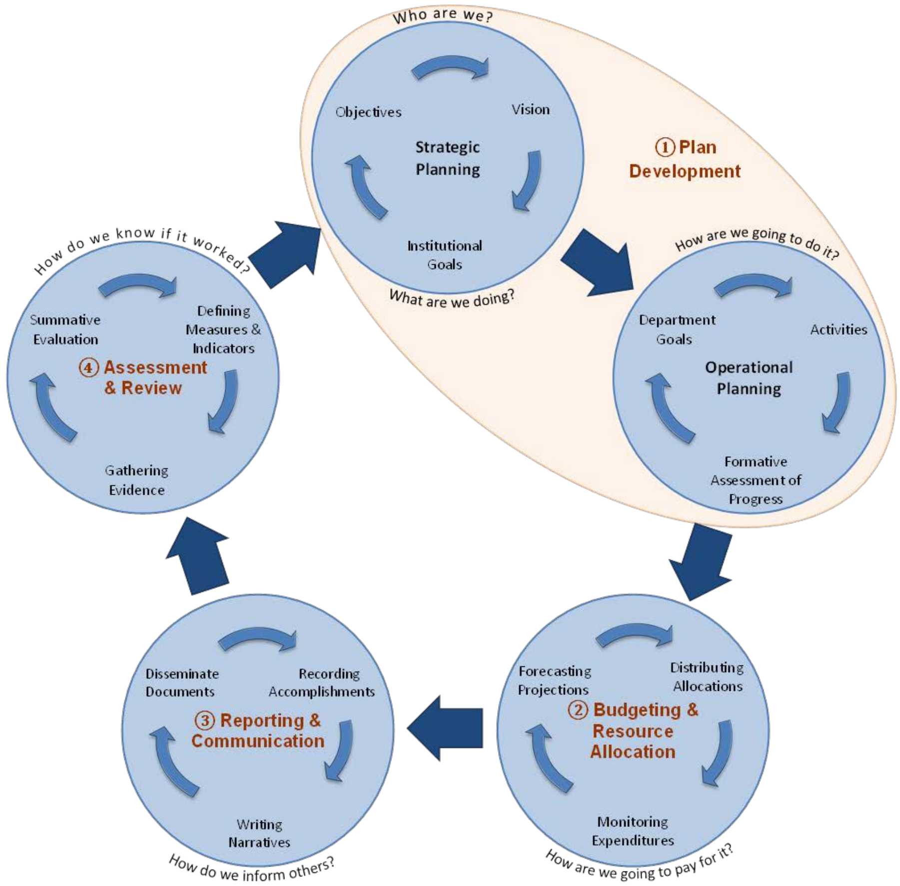
- Formulate the college's Mission, Vision, and Shared Values
- Create strategic goals and objectives for the college that are consistent with the Mission and Vision
- Create a college-wide system for continuous review of strategic goals and objectives
- Oversee efforts to monitor planning and assess the college's progress in fulfilling its strategic plan

Under the current organizational structure, strategic planning is coordinated by the Planning and Institutional Effectiveness office, led by the Executive Director of Planning and Institutional Effectiveness, who reports to the President. The Strategic Planning Committee consists of representatives from all key constituencies, including faculty, administration, support staff, and the ECC Foundation. Students, Board, and community members are also called upon to participate as needed. In addition, a writing taskforce of Strategic Planning Committee members is convened to draft important planning documents, and various taskforces of Strategic Planning Committee members meet to focus on budgeting.

Strategic Planning Processes

Elgin Community College carries out its planning efforts in four (4) phases:

1. plan development
2. budgeting and resource allocation
3. reporting and communication
4. assessment and review



1. Plan Development

The first phase is plan development. Plan development activities are those which formulate goals and objectives and specify how they will be carried out. Two types of plans are developed at the college: the **strategic plan**, which guides the whole institution for multiple years; and **operating plans,** which guide particular programs, departments, offices, or committees in shorter increments. Operating plans follow the strategic plan and align to it.

***Strategic Plan*.** The college's strategic plan is a comprehensive delineation of anticipated college-wide activities that spans several years. It accomplishes several aims. First, it memorializes important and lasting characteristics that, taken together, reflect a core conceptual framework for the institution. Secondly, it outlines college-wide goals for a finite period of time, generally 3 to 5 years. Finally, it sets a benchmark for all other plans to follow.

The college's current strategic plan, the *ECC Strategic Plan for Fiscal Years 2013 Through 2017*, was approved by the Board of Trustees on August 14, 2012 and will remain in effect from FY2013 (July 1, 2012) until the end of FY2017 (June 30, 2017). It contains the college's Mission, Vision, and Shared Values. It also contains 6 goals: student success (Goals 1 and 2), cultural competency and equity (Goal 3), operational and process improvements (Goal 4), community service goals (Goal 5), and employee development (Goal 6). Within these goals, 23 strategic objectives provide greater specificity on the nature of work to be performed. For example, within Goal 1 (*Foster a learning-centered environment*), the college commits to achieving several activities: expanding supplemental instruction, teaching students skills in self-assessment, expanding active learning pedagogies, ensuring curricular alignment with other institutions, and building a comprehensive approach to student advising.

In developing the strategic plan, the Strategic Planning Committee solicits input from all employee groups on campus, the Board of Trustees, students, and community members through various channels – open forums, paper surveys, web surveys, and informal meetings. The Strategic Planning Committee, President and Planning and Institutional Effectiveness office strive to make the development of the strategic plan as participatory and inclusive as possible.

Operating Plans. Whereas the strategic plan sets direction for the entire institution, operating plans direct activities within particular departments, programs, offices, and committees. Operating plans serve two purposes. First, they determine the activities to be done, how and when they will be done, and how these activities support and serve the overall *ECC Strategic Plan*. Secondly, operating plans drive the development of budgets in that they specify the supplies, materials, resources, and staff needed to accomplish these activities.

Operating plans fall into several broad categories which map onto major organizational units or committees of the college. Below is a list of major operating plans that support and align to the *ECC Strategic Plan*:

- Teaching, Learning, and Student Development Academic Goals and Plans
- Student Success Infrastructure Work Plans
- Campus Master Plan
- Auxiliary Business Plans (e.g., Athletics, Bookstore, Facilities Rental, etc.)
- Information Technology Plan
- Business and Finance Division Plan
- Human Resources Plan
- Planning and Institutional Effectiveness Plan
- Communications Plan
- Marketing and External Affairs Work Plan
- ECC Foundation/Institutional Advancement Strategic Plan

Every department at the college sets its own operating plan, which is tied to the *ECC Strategic Plan* and used to guide budget development. Some plans, like the Campus Master Plan, are prepared in close collaboration with external partners. At a minimum, all operating plans contain the following elements:

- A list of department goals for the fiscal year
- Alignment of each department goal to institutional strategic goals, including any important collaborations
- Example tasks within each goal
- Measures of effectiveness

Guidelines and instructions for creating operating plans are contained in the section called *Creating Operating Plans*.

Each division compiles operating plans for the programs or units that fall within it. For example, the Vice President of Teaching, Learning, and Student Development gathers departmental activities for academic programs and student services. Similarly, the Vice President of Business and Finance prepares the campus master plan and plans for purchasing, budgeting, and student financial services. Each year, the President collects, reviews, and monitors the operating plans of each executive on the President's Cabinet, who, in turn, collect the operating plans for the area(s) over which they are responsible.

2. Budgeting and Resource Allocation

The second phase of planning is budgeting. Since the goals identified in operating plans are, for the most part, connected to money, this phase requires that goals be broken out into individual tasks and actions so that costs can be applied. For example, a goal to increase collaboration between students and faculty might consist of specific actions requiring employee time, meetings, travel, supplies, and software. Each college department and program must specify the particular resources necessary for fulfilling each goal anticipated during the course of a fiscal year.

In a perfect world, funds needed to accomplish operating plans would be effortlessly attainable. However, this is rarely the case. Thus, it is important for budget officers, as they create their plans, to identify connections where needs and costs can be shared or maximized. For the most part, this is done within departments among staff members and their supervisors. However, connections across departments can arise as well. For example, operating plans within the Teaching, Learning, and Student Development division impact many other areas of the college, such as Marketing and Information Technology. For this reason, it is necessary for operating plans and budgets to be discussed cross-functionally (e.g., in Cabinet or Deans' meetings, etc.), and it is important for all budget officers to invite collaboration, maximize efficiencies and reduce wasteful efforts.

When goals and associated costs are particularly costly or span several divisions of the college, they are brought to executive levels, which retain oversight of many budget categories as part of their by-laws. For example, the President's Cabinet retains oversight for administrative procedures, whether they involve budgeting or not, as well as grants and special projects, and new hire requests. In turn, the Board of Trustees retains oversight for tuition rates, final approval of new positions and faculty tenure requests, legislative activities, and large-scale infrastructure purchases (e.g., new technology systems, major capital projects, etc.).

Once operating plans and budgets have been estimated, generally at the end of the budget period in early spring, the college begins drafting its comprehensive Annual Budget. Operating plans provide a good foundation for the Annual Budget and are clearly the most important component of it. However, budget preparation actually begins almost a full year before operating plans are fully known. Overseen jointly by the Business and Finance office and the Planning and Institutional Effectiveness office, budget preparation involves several key actions: forecasting future enrollments; identifying market and labor trends; assessing employee needs; estimating revenues, state apportionments and local property taxes. Large scale requests affecting the infrastructure of the college (e.g., new construction, etc.) are generally accounted for first, followed by legislative actions that necessitate the reallocation of funds. Meanwhile, new staffing and special requests are reviewed by the President's Cabinet and added to the Annual Budget. Other financial assumptions are estimated with the best available information at the time, and sufficient flexibility is built into the budget to handle contingencies.

Specific details of the budgeting process are described fully in the Annual Budget itself which can be found at www.elgin.edu/documents. Guidelines and instructions for creating budgets are contained in the budget officers' books distributed either on paper or electronically at the start of the annual budgeting period each spring semester.

3. Reporting and Communication

The third phase of planning is reporting and communication. Reporting serves an important internal function in that it allows departments to inform others about the work they do and helps to preserve and record institutional history. Reporting also serves an important external function by informing the public of the college's ongoing progress in meetings its strategic goals. As with operating plans, summary reports are prepared in a variety of ways. Some list accomplishments in a simple narrative fashion with words, bullets, or tables. Others contain specific data and metrics. Generally speaking, reports of operating plans contain some or all of the following elements:

- Any notable end-of-year accomplishments of the department or program
- Alignment of those accomplishments to the strategic goals of the college
- Alignment of those accomplishments to the operating goals of the department
- Any notable collaborations, reports, or communications

Guidelines and a template are for creating department summary reports are contained in the section called *Reporting Annual Accomplishments*. Reports are prepared for different audiences. Several are reviewed by committees in charge of review (e.g., Review Team); however most are prepared and shared within departments, as a way for managers and employees to organize their work and understand its alignment to larger divisional or college-wide goals. Reports are generally reviewed at lower levels first (i.e., by colleagues and supervisors within a department), followed by managers and directors of larger divisions. Several college-wide reports of a significant nature have become institutionalized to the point that they are considered reflections of the college as a whole. These are reviewed directly by the Board of Trustees:

- Teaching, Learning, and Student Development Annual Accomplishments
- Community Report
- President's Report (Quarterly)
- Performance Report
- Program Review Report

Key reports – such as statistical reports of student success and program review reports – become part of the college's Evidence File, a digital repository that is reviewed and evaluated by accreditors during reviews and visits to campus. College performance is measured quantitatively in the annual Performance Report, a compilation of performance on key indicators important for our Mission, such as student enrollment, completion, community satisfaction, etc. This and other college-wide reports are summarized annually and posted on www.elgin.edu/documents.

4. Assessment and Review

The final phase is assessment and review of progress. Review is important component of the continuous improvement process in that it provides an opportunity to reflect on what worked, assess what may not have worked as well, and guide the preparation of goals for the next cycle of planning.

Review occurs both internally and externally. Within ECC, review takes the form of informal, formative assessment throughout the course of plan preparation, as budget officers continuously reevaluate and adjust needs over time. Additionally, review occurs in summative ways at the end of an annual planning cycle, as the college prepares public reports on its progress in meeting strategic goals. Externally, review is an increasingly expected part of planning efforts (see Achieving the Dream, the Higher Learning Commission, etc.). Per the Illinois Community College Board, for example, academic programs and student services at ECC must be reevaluated every 5 years by state statute. Additionally, as a condition of continued accreditation, the Higher Learning Commission requires demonstration every 10 years of the college's capacity to review and assess its programs, including linking academic plans and budgets to non-academic plans and budgets (e.g., technology plans, human resource plans, etc.). Discussions on how to formalize department review of non-academic programs have been occurring at ECC for many years and now more than ever.

A number of ECC committees are charged with providing feedback on progress in meeting goals. Their feedback helps to inform operating plans and, in a larger sense, drives the creation of future strategic goals and objectives. Committees change frequently but at present include:

- President's Equity Coordinating Council
- President's Cabinet

- Review Team
- Curriculum Committee
- Academic Policy Committee
- Student Learning Assessment Advisory Committee

As another source of feedback, the Planning and Institutional Effectiveness office, from time to time, conducts surveys and campus-wide forums related to strategic and operational planning. Results are shared publically to provide insight into how the college is progressing and to solicit ideas for future plans.

Planning Calendar and Timelines

The Planning Calendar, updated annually by the Planning and Institutional Effectiveness office, provides a rough timeline for when the four planning phases occur. Although the length and timing of phases are inexact, seeing them in sequence allows one to understand why they occur and how they interrelate.

Plan development activities, which constitute the first phase of work, increase in frequency during the early part of the spring semester, as departments prepare operating budgets for the following fiscal year. Activities in this phase of planning include defining activities, analyzing data, and gathering vendor quotes and bids. In the table, these activities are represented in light blue.

The second phase of work, budgeting and resource allocation, is represented in light green. This phase occurs throughout the year. In late summer and early fall, discussions of "big ticket" expenses arise, culminating in Board's decision regarding tax levies and tuition rates by the end of the fall semester (for the next fiscal year). Early in the spring, the Business and Finance office prepares budget books for dissemination. Operating and business plans are prepared at this time, and the books are returned in early March.

The third phase of work, represented in yellow, involves reporting and communication. While these activities occur throughout the year, most summary reports are prepared at the end of the fiscal year, in late June or July, as a way to recap and celebrate progress. The most comprehensive of these, the *Performance Report* and the *Program Review Report*, are compiled in August and September. The final, audited financial report from the preceding fiscal year is prepared in September.

The fourth phase, represented in light pink, involves assessment and review. While these activities occur continuously throughout the year, much of this work occurs concurrently with budget preparation in early spring. As part of budget preparation, departments review expenditures from the preceding year. The Business and Finance office also commissions the annual financial audit in late summer, generally in August.

ANNUAL PLANNING CALENDAR

STRATEGIC PLANNING ACTIVITIES	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
1. Plan Development												
Departments create their operating goals and objectives for the next fiscal year												
Departments link dollars to operating plans through the budgeting process												
2. Budgeting and Resource Allocation												
Planning & Institutional Effectiveness and Budget & Finance analyze major spending needs and priorities for the next fiscal year												
Business & Finance distributes and collects budget books for the next fiscal year												
Business & Finance displays the Annual Budget												
3. Reporting and Communication												
Departments report their accomplishments from the preceding year												
Planning & Institutional Effectiveness and other offices compile end-of-year summary reports												
Business & Finance compiles the final audited report from the preceding year												
4. Assessment and Review												
Departments review their current spending levels as they prepare the next year's budget												
Business & Finance hosts the annual audit to review the preceding year												

Note: This list displays major events that impact strategic planning and is not comprehensive of all planning activities.

Creating Operating Plans

All managers/budget officers or committee chairs should prepare an operating plan each year. Operating plans provide direction to help frame activities and ensure that a department, program or committee accomplishes all that it sets out to do. The Strategic Planning Committee has prepared the following guidelines for creating operating plans.

Tips and Recommendations for Operating Plans

Content: What should the plan cover? Many planning templates are used throughout the college. The business plan template currently used by auxiliary units is quite detailed, for example, containing a situational analysis, marketing plan, and sales forecast. Operating plans in other areas are comparatively simple. At a minimum, the Strategic Planning Committee recommends that plans contain the four (4) reportable elements listed below. These elements are typically necessary for engaging in quality improvement and tend to be examined by accreditation teams and consultants (e.g., financial auditors, Achieving the Dream, etc.) as they conduct reviews of ECC practices.

- *A list of goals for the fiscal year*
  Start operating plans with a list of anticipated actions. These can be stated in terms of specific tasks or benchmarks/targets. List only those outcomes that your department expects to accomplish within a fiscal year.

- *Alignment of each operating goal to institutional strategic goals*
  In this section, connect each operating goal to the larger *ECC Strategic Plan*. It is important to show concretely how each goal at a departmental or committee level supports the goals of the institution overall.

- *Activities or tasks within each goal*
  In this section, break each operating goal into specific activities which clarify the nature of work to be done. Make it clear to those outside your area what specific things your department is, or will be, doing.

- *Measures of effectiveness*
  State what you will assess to know whether you have accomplished your goals. In general, large summative indicators are used to assess bigger goals (e.g., 'promote student goal completion" can be assessed by looking at graduation rates) while smaller and formative measures are used to assess objectives and tasks (e.g., "create a newsletter" is assessed by stating whether it happened or not).

Format: How should the plan be laid out? Generally speaking, operating plans should consist of a simple table created in Microsoft Word or Excel and accompanied by narrative to explain key concepts, using language that is clear to those within and outside the department. Attachments that support the narrative (e.g., reports, proposals, vendor bids, etc.) can be appended in separate documents.

Timing: When should the plan be created? In general, it is good practice to prepare operating plans at the start of the spring semester (January through March). This is a time when budget officers receive their budget books, so that goals prepared during this time can be better linked with costs.

Horizon: How long should the plan last? Operating plans should coincide with the fiscal year, and as such, are designed to start on July 1 and end on June 30 of the following year. Some areas of the college do create multiyear plans with longer horizons (e.g., the campus master plan, certain grants, etc.), but in general, longer plans are more susceptible to revisions along the way. Most ECC departments and offices plan for a 12-month fiscal year, and this horizon makes sense given the college's and state's budget cycles.

Sharing: Who should be involved in creating the plan? Operating plans are generally prepared by department heads, managers, committee chairs, and/or budget officers, but everyone involved in the group, regardless of role or rank, should be included. In general, plans should be discussed at department or committee meetings and revisited at least twice per year. As plans are carried out, changes inevitably occur, and thus, it is important to communicate any modifications to collaborating departments. Keep copies of the plan in common place where all employees and collaborators can access it, such as in a shared folder.

Questions

Questions about operating plans should be directed to the Planning and Institutional Effectiveness Office, pgarber@elgin.edu or 847-214-7285.

Sample: Planning and Institutional Effectiveness Office Operating Plan Goals for FY2013

Number	Description	Align to *ECC Strategic Plan* Goals and Objectives	Activities	Measures of Effectiveness
Goal 1	**Improve the accuracy and quality of institutional data**	• Goal 1/Objective 4 • Goal 2 • Goal 4/Objective 1 • Goal 4/Objective 2	• Organize and host DUGE (Data Definitions Team) meetings • Input data definitions into the Cookbook and oversee its use • Train DUGE members to use the Cookbook • Organize and host Data Rangers meetings	• Qualitative analysis of meeting minutes • Count of data definitions entered successfully and completely in the Cookbook • Reduction in the number of definitions that are not standardized
Goal 2	**Make data crunching more efficient**	• Goal 4/Objective 2 • Goal 4/Objective 3	• Devote more time to student success analyses by automating routine tasks • Identify vendor for the analytical portion of course evaluations • Create and pilot a pivot reporting tool for enrollment reporting and Adult Basic Education (ABEC) • Identify/evaluate other tools as they arise	• Qualitative analysis of time spent on these various tasks
Goal 3	**Streamline planning processes throughout the college by drafting/advancing process documents**	• Goal 4/Objective 2 • Goal 4/Objective 3	• Oversee the Strategic Planning Committee's efforts to draft a unified planning process for the college • Host college-wide training meetings on operational planning • Prepare a Quality Initiative (QI) proposal for the Higher Learning Commission (HLC) • Update Internal Review Board (IRB) forms and processes • Oversee accountability and data needs for the Student Success Infrastructure	• Successful completion of documents as described • Qualitative analysis of meetings as determined by surveys and meeting minutes
Goal 4	**Broaden communication efforts related to data and information**	• Goal 4 • Goal 5/Objective 3	• Create monthly *Piece of the Pie* newsletters • With Data Rangers, prepare data, specs and processes for conducting student focus groups • Train deans and other end-users on pivot reporting tools • Organize and host campus-wide research discussions (e.g., Brown Bag lunches) • Update the ECC map with GIS (Graphic Info Systems) software	• Successful completion of documents as described • Successful launch of focus groups, campus meetings, training sessions, etc.
Goal 5	**Contribute expertise to college-wide and external meetings**	• Goal 3/Objective 2 • Goal 4/Objective 1 • Goal 4/Objective 2	• Serve as Data Rangers for the college's Student Success Infrastructure • Represent PIE interests on college committees • Represent ECC at professional conferences	• Service hours on committees • Successful presentations at conferences

Reporting Annual Accomplishments

At the end of a fiscal year, departments, programs and committees should assemble the progress made in fulfilling their operating goals. Reports should list accomplishments, specify how those accomplishments align to the department's goals and the college's strategic goals, and reference any significant reports or publications that have been prepared during the year.

Tips and Recommendations for Writing Reports of Accomplishments

Content: What should the report cover? At a minimum, the Strategic Planning Committee recommends that reports contain the four (4) reportable elements listed below. These elements are typically necessary for engaging in quality review and tend to be examined by external evaluators (e.g., financial auditors, Achieving the Dream, etc.) as they conduct reviews of ECC practices.

- Any notable end-of-year accomplishments of the department, program, or committee
- Alignment of those accomplishments to the strategic goals of the college
- Alignment of those accomplishments to the operating goals of the department
- Any notable collaborations, reports, or communications

Format: How should the report be laid out? Like plans, reports should be as simple and straightforward as possible. A single table in Microsoft Word or Excel may be used to list accomplishments carried out during the course of the preceding year, using language that is clear to those within and outside the department. Attachments that support the narrative (e.g., reports, data, etc.) can be appended in separate documents.

Timing: When should the report be created? In general, it is good practice for department managers to prepare reports at the end of a fiscal year (July 1). This is a time when budget officers have completed their planned goals and activities and are able to share what they have learned with others.

Sharing: Who should be involved in creating the report? Like plans, reports of accomplishments are generally prepared by department managers or committee chairs, but everyone in the group, regardless of role or rank, should be included in the process. In general, accomplishments should be discussed at team meetings and revisited at least twice per year.

Questions

Questions about reporting accomplishments should be directed to the Planning and Institutional Effectiveness Office, pgarber@elgin.edu or 847-214-7285.

Sample: Communications Office End-of-Year Accomplishments Report for FY2012

Department Goal	Description	Align to *ECC Strategic Plan* Goals and Objectives	Accomplishments
Goal 1	**Revamp the news release process**	• Goal 5/Objective 2 • Goal 5/Objective 3	• Strengthened relationships with reporters through face-to-face meetings, successful pitches, and continuous contact via phone and email • Conducted media tours for the President resulting in meetings with editors and reporters for all major media outlets in the district
Goal 2	**Refine media relations evaluation analysis processes**	• Goal 4/Objective 1 • Goal 4/Objective 3 • Goal 5/Objective 3	• Conducted a media relations survey and used feedback to guide future media relations efforts • Implemented a new media tracking system Vocus and updated procedures for analyzing and reporting media coverage results
Goal 3	**Refine social media strategy and write social media procedure**	• Goal 4/Objective 3 • Goal 5/Objective 3	• Planned and created concepts for new online newsroom (awaiting web implementation) • Used more videos to enhance print content and social media/online sites • Designed and implemented social media planning calendar to further strategic planning and use of social media • Implemented new social media and related sites and revived dormant ones including: YouTube, Instagram, Hoosuite, Flickr, and Seek n' Shout
Goal 4	**Improve internal communications for ECC employees**	• Goal 3/Objective 2 • Goal 4/Objective 3	• Created new slide designs for Visix TV screens and began mapping TV monitor locations • Created a communication plan for wayfinding and signage, MOX mobile application rollout, and portal rollout • Revived Administrative Team meetings and implemented new meeting format, including hosting two strategic planning workshops • Revamped All-College meetings, resulting in increased attendance
Goal 5	**Strengthen and increase efficiency in the Communications department**	• Goal 4/Objective 1 • Goal 4/Objective 2	• Hired a second communications specialist • Updated the college's student story documentation research process • Transitioned programming of News You Can Use from marketing to communications

Helpful Practices

The following helpful practices cover all phases of planning: plan development; budgeting and resource allocation; reporting and communication; and assessment and review. If you know about other techniques, please inform the Planning and Institutional Effectiveness office or a Strategic Planning Committee member so that your ideas may be added to the list.

Plan Development. Techniques within the first phase of planning typically involve writing concise goals that are achievable, actionable, realistic – and, importantly, understandable to co-workers, managers and others.

1. When it comes to writing goals, obtain input from other campus areas with which you work closely.
2. Try to limit the number of goals to between 4 and 8 per year for a department, program, or committee. The higher the number of goals, the greater the tendency for them to be too specific and detailed for general understanding, whereas fewer goals tend to be too vague.
3. Try to create goals that require collaboration with other institutions or departments on campus.
4. Pay attention to formal and informal feedback you may have gathered from various advisory groups, committees, etc. Meeting minutes are often a good source of content for future goals.
5. Start each goal with a good action verb: e.g., "improve", "create", "launch", "build", "refine", "leverage", etc.
6. Consider creating goals that stretch your work in novel ways rather than simply maintain current levels of practice. For example, goals that start with "build" or "launch" are more impactful than those that start "continue to…".
7. Rely on the New Initiatives process as a way to experiment with goals you may be somewhat uncertain about. The New Initiatives process allows you to test creative ideas without having to "lock" them into your department plan.[1]

[1] The college's New Initiatives program is designed to promote creative innovations that help meet strategic goals. Once all operating plans and budgets are accounted for, the college tries, when financially feasible, to set aside New Initiative dollars for special projects. Ranging from $2,000 to $20,000 per project per year, New Initiatives are suggested by ECC employees and students and selected by the President's Cabinet through an application and review process. New Initiatives are often proposed by individuals interested in particular questions, the process allows a certain degree of experimentation and trial-and-error necessary for determining future viability and institutionalization. New Initiative projects are generally funded for a temporary period (generally less than a year) and separately from department budgets. If trial funding yields success, it is expected that the project will be renewed or, if evidence is solid, a permanent part of a department's operating plan and budget.

Budgeting and Resource Allocation. The second phase of planning involves connecting operating goals to dollars. An easy way to do this is to map backwards. First, figure out the steps required to accomplish your goals; then the steps necessary to accomplish those; and finally, the resources needed to accomplish those. Eventually you will reach a concrete level where costs can be assigned easily to items.

1. Obtain comparative data on expenditures from comparable departments or offices.
2. Standardize or apply consistent formulas to guide expenses. For example, costs for printing or supplies can be estimated based on the number of students enrolled, the number of sections offered, or the number of credit hours generated.
3. New staff and special projects must be reviewed by the President's Cabinet almost a full year in advance of the fiscal year.
4. Allow plenty of time for purchasing if your expense requires multiple quotes or bids or if costs exceed the limits set by the Board of Trustees.
5. Remember that the financial constraints on the college are quite significant. The status of state reimbursements is uncertain but it is probably safe to assume that funds will be steady or slightly declining in the foreseeable future.
6. The college is rolling out a new budgeting system (called zero-based budgeting) that, once implemented, will require justifications for all items in operating budgets. Keep this in mind when matching goals to expenses. Everything will need to be explained and justified.

Reporting and Communication. Although sometimes overlooked, communication is a critical component of planning. As you create goals and set budgets, consider the audience you are trying to reach and type of communications you will use.

1. Determine who your audience is. Assume that different communication formats work for different audiences. Some departments create newsletters or everyone emails, post to the portal, or host summits and meetings.
2. Try to create at least one goal around communication. Link that goal to advertising and marketing, and consider whether you need funding within your department budget.
3. Supervisors might consider making everyone responsible for some aspect of communication rather than assigning this work to a single person. This may help to reinforce the importance of communication and get everyone involved in thinking about the "whole picture".
4. Proactively tell the story of your progress, rather than waiting to be asked for a report. It often helps to think of communication as a cycle with a beginning, middle and end, and people often like to know about the journey as well as the destination.
5. Be receptive to feedback. Feedback can help to inform the next cycle of goal setting.

Assessment and Review. Techniques in the final phase of planning require evaluation of how effectively a department reaches its intended goals. Assessment necessitates external verification in the form of evidence, which can include quantitative data or qualitative feedback from others.

1. Practice both formative assessment (i.e., informal assessment during the year) as well as summative assessment after the fiscal year has ended.
2. Whenever possible, data should be used to assess progress. Remember this as you create goals: think about how you will measure them. Choose performance measures that are commensurate with data availability and staffing. Reporting on goals should not cause undue burden or interrupt daily work.
3. During the course of formative evaluation, it is appropriate to change course. If you find that you are not going to accomplish all of your intended goals, inform the Business and Finance office, so that funds can be redistributed to other areas if needed.
4. Consider qualitative feedback as data. For example, if you have a goal to pilot a new technique, meeting minutes and feedback from others can be a good source of data to assess whether or not to scale up or refine.
5. Rely on existing information from campus offices responsible for gathering and reporting institutional facts and figures. Examples include the Planning & Institutional Effectiveness, Marketing, Communications, Business & Finance, and Curriculum & Compliance.

APPENDIX C

FY2016 ECC ANNUAL PLANNING DATABASE

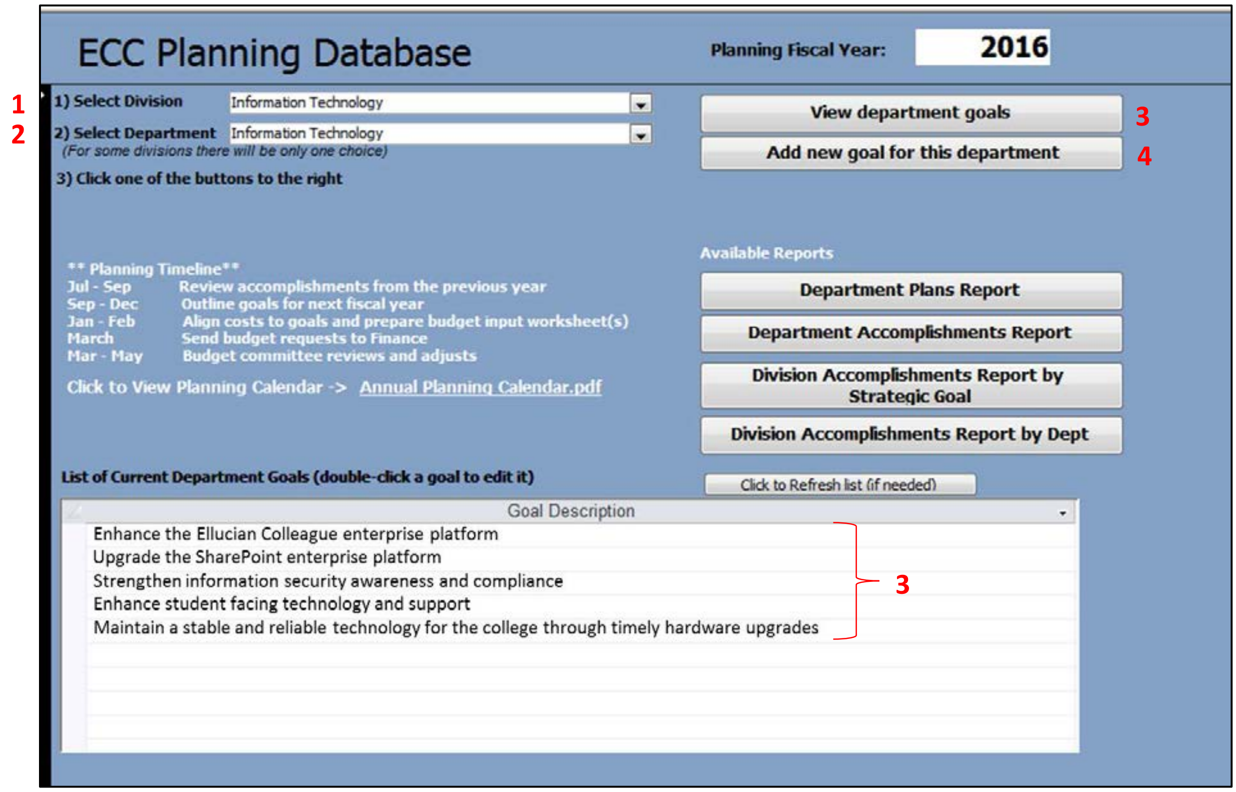
INSTRUCTIONS

Use the FY2016 ECC Annual Planning Database to record and organize your FY2016 department goals. The database can be found here: Q:\Zero-based Budget\Department Planning. Examples of goals and guidelines can be found in the *Operational Planning Guide* in the same folder.

HERE'S HOW TO ENTER GOALS:

- **Double-click on the FY2016 ECC Planning (MS Access) file.**

- **On the first screen:**



1. Select your division from the **Select Division** drop-down list.

   For example, Information Technology

2. Select your department from the **Select Department** drop-down list.

   For example, Information Technology

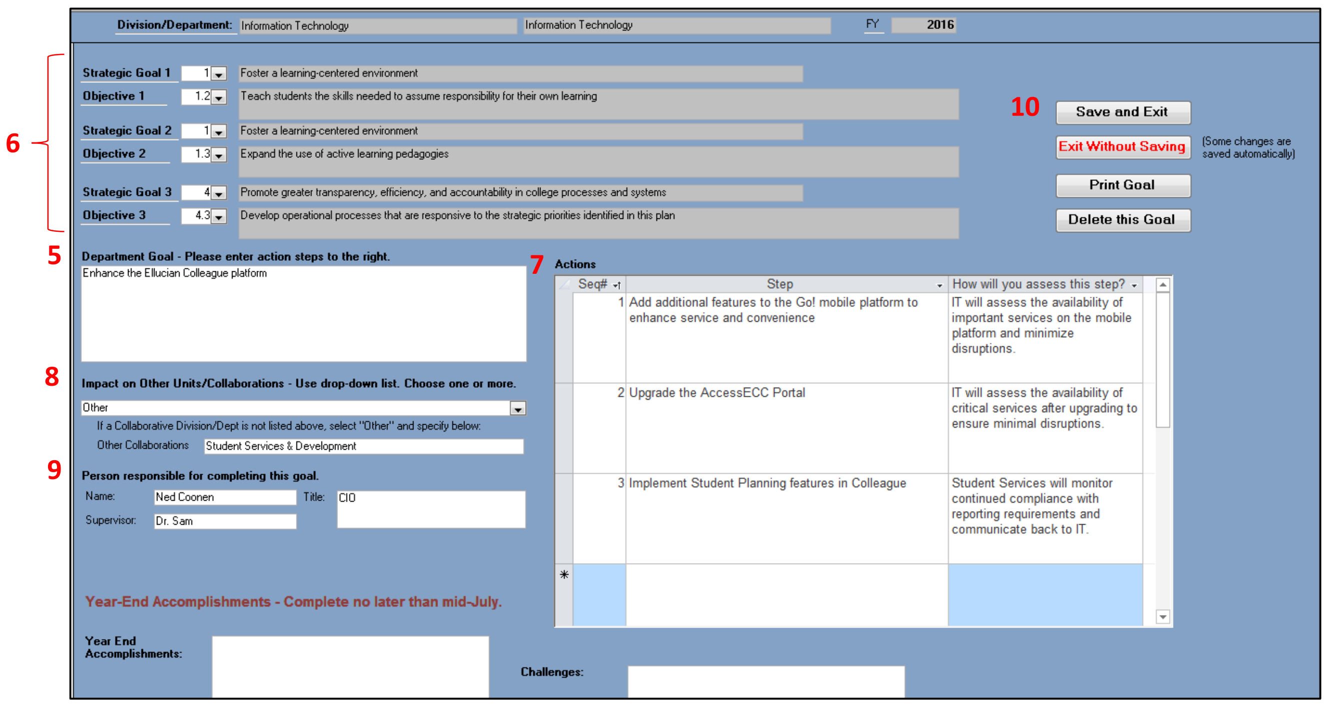
3. To view goals that you've already added, click **View department goals**. Your goals will appear in the list at the bottom of the screen. You may click directly on a goal in the list to modify or add to it.

   For example, IT has identified 5 department goals:

   - *Enhance the Ellucian Colleague interface platform*
   - *Upgrade the SharePoint enterprise platform*
   - *Strengthen information security awareness and compliance*
   - *Enhance student facing technology and support*
   - *Maintain a stable and reliable technology for the college through timely hardware upgrades*

4. To add a new goal, click **Add a new goal for this department**. A new screen will open.

❖ On the second screen:



5. Enter a department goal in the box that says **Department Goal – Please put activities to the right.**

   For example, Enhance the Ellucian Colleague platform

6. Select a primary **Strategic Goal 1** and **Objective 1** that your goal aligns to the most. If you wish, you may also select a secondary goal and objective (**Strategic Goal 2** and **Objective 2**) as well as

a tertiary goal and objective (**Strategic Goal 3** and **Objective 3**). Only the primary goal and objective will be used for summary reporting.

*For example, **Enhance the Ellucian Colleague platform** aligns to...*

Strategic Goal 1. Foster a learning-centered environment
Objective 1.2. Teach students the skills needed to assume responsibility for their own learning

Strategic Goal 1. Foster a learning-centered environment
Objective 1.3. Expand the use of active learning pedagogies

Strategic Goal 4. Promote greater transparency, efficiency, and accountability in college processes and systems
Objective 4.3. Develop operational processes that are responsive to the strategic priorities in this plan

7. If you wish, you may break out your goal into steps (**Steps**) in the Actions box to the right. You may also indicate the sort sequence of steps for reports (**Seq#**) and indicate how you'll assess each step (**How will you assess this step?**).

Seq#	***Step***	***How will you assess this step?***
1	*Add additional features to the Go! mobile platform to enhance service and convenience*	*IT will assess the availability of important services on the mobile platform and minimize disruptions.*
2	*Upgrade the AccessECC Portal*	*IT will assess the availability of critical services after upgrading to ensure minimal disruptions.*
3	*Implement Student Planning features in Colleague*	*Student Services will monitor continued compliance with reporting requirements and communicate back to IT.*

8. Indicate which department(s), if any, will help with this goal (**Impact on Other Units/Collaborations**)

   For example, Student Services and Development Office

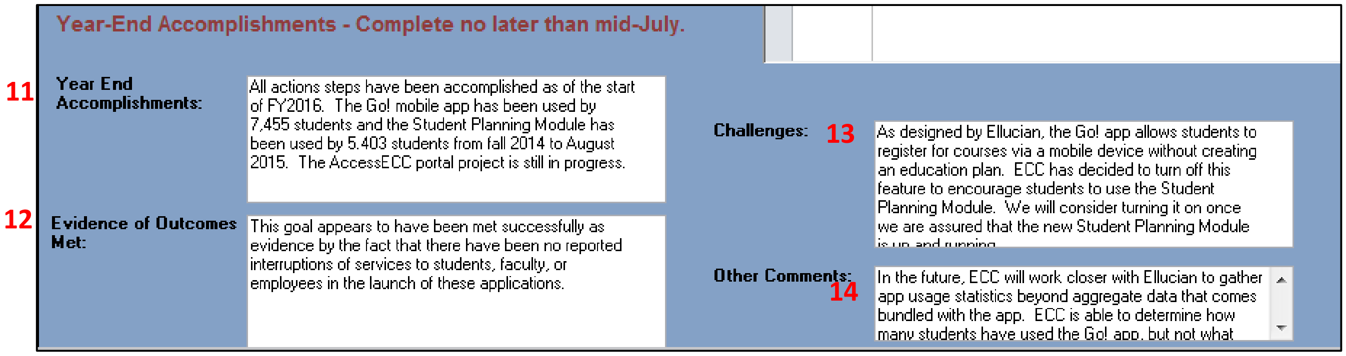
9. If you wish, enter the name of a person responsible for overseeing this goal (**Person responsible for completing this goal**).

   For example, Ned Coonen, Chief Information Officer

10. Save and exit the database.

   - Once you're satisfied, click the **Save and Exit** button. Your entries will be saved.
   - If you want to return to the first screen without saving, click **Exit Without Saving**.
   - You may also print (**Print Goal**) or delete the goal (**Delete Goal**).

HERE'S HOW TO RECORD ACCOMPLISHMENTS:



11. In the area entitled **Year End Accomplishments**, enter a statement or two to describe what you accomplished for each goal.

    All actions steps have been accomplished as of the start of FY2016. The Go! mobile app has been used by 7,455 students and the Student Planning Module has been used by 5.403 students from fall 2014 to August 2015. The AccessECC portal project is still in progress.

12. If you have evidence to justify what you've accomplished (e.g., performance data), summarize it in the area entitled **Evidence of Outcomes Met**.

    This goal appears to have been met successfully as evidence by the fact that there have been no reported interruptions of service to students, faculty, or employees after the launch of these applications.

13. Describe any challenges in the **Challenges** area.

    As designed by the vendor, the Go! app does permit students to register for courses without creating an education plan. ECC has decided to turn off this feature to encourage students to use the Student Planning Module to plan. We will consider turning it on once we are assured that the new Student Planning Module is up and running.

14. Add any other observations in the **Other Comments** area.

    In the future, ECC will work closer with Ellucian to gather app usage statistics beyond the aggregate data that comes bundled with the app. ECC is able to determine how many students have used the Go! app, but not what they are doing (i.e., what the app is being used for).

WHAT HAPPENS NEXT?

At the end of the fiscal year, the goals and accomplishments you entered, as well as those from other departments, will be summarized in a report and shared at All College meetings. Departments and programs are encouraged to use information from these meetings to prepare future goals.

APPENDIX D

BUDGET OFFICER	Austin
FUND	21
DEPARTMENT	16212
DEPARTMENT NAME	UPWARD BOUND

CLICK HERE TO UN-HIDE ALL ROWS

CLICK HERE TO RE-HIDE THE ROWS THAT

CLICK HERE TO GO TO THE SUMMARY PAGE

ADDING A ROW	If you need additional input rows, simply click into one of the yellow input cells above the subtotal row for that category and click on the dark grey button below the category header ("Click to Add a Row")
USE A LINE THAT HAS NOT HISTORICALLY BEEN USED	This input sheet has automatically hidden all budget lines that have not historically been utilized. You can click the button titled "Click Here to Un-Hide All Rows" at any time to see all of the budget lines, and re-hide them again by clicking the button titled "Click Here to Re-Hide the Rows That Don't Apply". If you wish to use (budget) a line that has not been historicallly utilized, simply click the button to un-hide all of the rows, and then DOUBLE click on the grey button to include that in your input sheet. Then you can click the re-hide button and you will see that this added line shows up for you.

				$ –		$ –	$ –	$ –			
				$ –		$ –	$ –	$ –			
				$ –		$ –	$ –	$ –			
				$ –		$ –	$ –	$ –			
				$ –		$ –	$ –	$ –			
Subtotal:				$ –		$ –	$ –	$ –			

CLERICAL STAFF

OVERTIME - 516040

Click to See Historical Actuals

Click to Add a Row

Person/Group Receiving Overtime Pay	Description of Duties	Hourly Rate	Estimated number of hours per year	Annual Total Earnings	One-Time ("x") or ("p") Project	Review Committee Adjustments	Dept Adjustments	Total in Budget After All Adjustments	Ranking/Priority: 1, 2, 3 or SSI	Strategic Goals and Objectives	Review Committee Notes
				$ –		$ –	$ –	$ –			
				$ –		$ –	$ –	$ –			
				$ –		$ –	$ –	$ –			
				$ –		$ –	$ –	$ –			
				$ –		$ –	$ –	$ –			
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				$ –		$ –	$ –	$ –			
				$ –		$ –	$ –	$ –			
				$ –		$ –	$ –	$ –			
				$ –		$ –	$ –	$ –			
Subtotal:				$ –		$ –	$ –	$ –			

... 01_16211 | 01_16212 | 06_91820 | 20_91005 | 21_16206 | 21_16207 | 21_16208 | 21_16209 | 21_16211 | 21_16212 | Account List

APPENDIX E

GFOA Best Practice

Best Practices in Community College Budgeting

Background. GFOA has developed a series of Best Practices in Community College (College) Budgeting, which clearly outline steps to developing a budget that best aligns resources with student achievement goals. This document summarizes the key themes from those Best Practices, including corresponding links to the actual Best Practice, all of which are available at www.gfoa.org.

The budgeting process advocated for by the Best Practices in Community College Budgeting is focused on optimizing student achievement within available resources. It encompasses a complete cycle for long-term financial planning and budgeting, including planning the budget process, developing a budget, evaluating how the budget process worked and adjusting accordingly. Throughout this cycle, the community college's institutional goals serve as the overarching guide for decision-making and resource allocation.

Recommendation. GFOA recommends that all community colleges go through the following steps as part of their planning and budgeting process.

Step 1. Prepare and Develop Inputs to the Budget Process. The planning and budgeting process begins with establishing principles and policies to guide the budget process and gaining a better understanding of the forces that shape the budget.

a. **Adopt/Re-Affirm budgeting principles and policies to guide the budget process.** Budget principles and policies set standards for how the college manages its resources.

b. **Examine internal and external forces that impact the budget.** Analyzing academic and financial performance and also external factors is key to understanding their impact on a college's budget.

Step 2. Define Goals and Identify Gaps. Well-developed goals are vital to the budget process and should be coupled with a gap analysis of current state academic achievement.

a. **Develop goals for the college and its sub-units**. Thoughtfully developed goals that are realistic and measurable provide a strong foundation for the budget process.

b. **Determine the gaps between the goals and current state, and identify the root causes of the gaps**. Conducting a root cause analysis to determine gaps between current perfromance levels and desired future levels that will aide in focusing solutions to achieve goals effectively.

Step 3. Develop Strategies to Close the Gaps. Strategies should be adopted and implemented to achieve goals by closing identified gaps.

a. **Research proven practices**. If possible, apply already proven strategies to achieve goals.

b. **Develop strategies**. A college should adopt strategies that address root causes of the challenges the college faces, that align with the college's budgeting principles and policies, that are consistent wth proven practices and that provide a coherent set of action steps for implementation.

Step 4. Prioritize Spending to Enact the Strategies and Allocate Resources. A well-crafted budget document results from prioritization and allocation of expenditures that align with the college's goals.

a. **Prioritize spending to enact the strategies**. Current and new expenditures need to be prioritized so that the college's limited resources are directed towards the most cost-effective expenditures for reaching the college's goals.

b. **Allocate funds based on the results of the prioritization process**. Funds should be allocated to the same programmatic areas or subunits that are responsible for the achievement of corresponding goals.

c. **Create a budget document that communicates how resources have been allocated to enact the strategies**. A budget document should tell the story of the challenges the college faces and how the college is using its resources to address its challenges.

Step 5. Check Performance. Performance should be regularly checked to see if progress towards goals is being made.

a. **Monitor and evaluate outcomes from budgeting decisions.** Establish a system to regularly check progress of budgeted priorities and make adjustments as necessary.

Step 6. Other Integrated Budgeting Practices. Defining roles, measures of success and allocation methodologies increases transparency and accountability in the budget process.

a. **Establish criteria and measures for success of the budget process.** Defining measures of success and owners of the process keeps the budget process focused and accountable.

b. **Allocate costs of shared support services to sub-units to better understand the true cost of offering services.** Using a model to allocate resources for support services (e.g. administration and technology) promotes transparency and equity across the college and helps reduce ambiguity.

APPENDIX F

Elgin Community College

Enrollment Forecast Model

Alex J. Caffarini

8/31/2013

Analysights

Research Objective

Update the predictive models developed in December 2009, which forecast enrollment for future terms at Elgin Community College (ECC), and create an Excel-based simulator that deploys the updated model so that ECC can generate scenarios.

Key Findings

Analysights has determined that the strongest predictors of enrollment for any given term is the enrollment count of the immediate prior *two* terms. Enrollment during the immediate prior two terms explains, on average, about 70 percent of the variation in enrollment in the current term.

Methodology

Analysights created two models: an exponential smoothing model for short-term (one to three terms) forecasting, and a regression model for longer-term (up to six terms) forecasting.

Analysights examined 21 years of enrollment data, from fiscal years 1993-2013. This consisted of data from 63 consecutive terms, from Summer 1992 through Spring 2013. In addition to enrollment numbers, other variables were provided to see if they were useful in predicting enrollment. These variables included tuition per credit hour and the Kane County unemployment rate.

Seasonal Adjustment

Since enrollment levels generally are highest in the fall, slightly lower in the spring, and significantly lower in the summer, the enrollment headcount had to be adjusted for seasonal variation. This enabled Analysights to create an employment baseline on which to build the models. With respect to baseline, enrollment, on average, is about 22 percent higher in the Fall term, 18 percent higher in the Spring term, and 40 percent lower in the Summer term.

To adjust for seasonality, Analysights employed a three-period moving average for each year's terms, and the team's actual enrollment was divided by its moving average to derive a ratio. The ratios for the Spring, Summer, and Fall terms (20 ratios each) were averaged to generate seasonal weights for each of those three terms.

Next, enrollment in each of the terms was divided by its respective seasonal weight – 1.22 for Fall, 1.18 for Spring, and 0.60 for Summer – to establish enrollment baselines. The models were then constructed on these baseline figures. Projections from the model were then multiplied by their respective weights to derive a forecast of actual enrollment for the term.

In addition, Analysights deliberately withheld the last three observations – Summer 2012, Fall 2012, and Spring 2013 – from the creation of the regression model, to determine how well the model resulting from the prior terms could predict enrollment for those terms, and for Summer 2013. This resulted in 60 observations (20 years) on which to build the models.

Correcting for Autocorrelation
Because enrollment in any given term is largely related to enrollment in consecutive terms (e.g., most students enrolled in one term are also enrolled in the immediate prior and/or immediate following term), the data needed to be adjusted to prevent *autocorrelation*, which results when consecutive data in a time-series are correlated with one another. If left uncorrected, autocorrelation could result in a regression model whose predictors look very appealing, but are actually unrealistic. Moreover, a model exhibiting autocorrelation can miss turning points in a trend (e.g., can actually forecast increasing enrollment well past when enrollment has begun declining). To correct for autocorrelation, Analysights used the prior term's enrollment as a predictor variable of the current term (a process known as *lagging*). That eliminated most of the autocorrelation, but a second lag was needed, so the enrollment in both the immediate prior term and the term immediately prior to that were used as predictor variables.

Regression Model
Different variables were tested, beginning with a simple time series regression model. Each term was numbered in consecutive order from 1 (Summer 1992) through 60 (Spring 2012). The period number was used to predict enrollment. This model predicted poorly and exhibited significant autocorrelation.

Next, enrollment was lagged by one period, allowing the prior period's enrollment to be used as a predictor variable of current enrollment. In doing so, the Summer 1992 enrollment was excluded from the model's predicted variable (because it's prior term's enrollment wasn't known), resulting in 59 observations. Lagging the data this way greatly reduced the degree of autocorrelation, but still had low explanatory power.

Testing additional variables in the model – tuition per credit hour, Kane County unemployment rate, and even the consecutive ordering –failed to show any improvement. Moreover, these models still exhibited some autocorrelation. A second lag was done, this time taking the enrollment of two terms prior and using that as a predictor variable, in addition to the prior period. Hence, Fall 1992's observation was also lost, resulting in a model built on 58 observations.

The two prior terms' enrollment were the strongest predictors of the current term's enrollment, explaining 70 percent of the variation in enrollment. The model predicted Summer 2012 enrollment with 95.7 percent accuracy, Fall 2012 with 98.3% accuracy, and Spring 2013 with 99% accuracy. However, the model was off by 21 percent in predicting Summer 2013 enrollment (see section "Summer 2013 Issue" below). This inaccuracy was due to a change in ECC policies that led to declines in enrollment starting in that term. However, this model built will be able to "learn" the patterns and forecast much more accurately starting with Fall 2013, and then even more so with Spring 2014.

Exponential Smoothing Model
Time series models are typically used for long-range forecasting. Smoothing models, such as moving average or exponential smoothing models are typically useful for immediate- or short-range forecasting, such as one or two periods ahead. In smoothing models, the only variable used is the enrollment. Each observation is then weighted within the model and used to smooth large

spikes in the time series and forecast short-term periods. Moving average models assign the same weight to each observation; exponential smoothing models assign *exponentially decreasing* weights (called "alpha") to each observation, placing greater weight on more recent observations. Because the data went back to Summer 1992, Analysights opted for exponential smoothing.

Since the seasonally adjusted time series also exhibited an upward trend, a "double exponential smoothing" approach had to be used. In addition to an alpha, a "beta" had to be employed to give exponentially decreasing weight to each observation in the trend. Alpha and beta are each weights between zero and one, and are applied to each observation to predict the next observation. Both the forecasted value and the actual value are used to predict the next period's enrollment. Two equations comprise double exponential smoothing, one for the series, one for the trend:

Series Component: $F_t = FIT_{t-1} + \alpha * (Enrollment_{t-1} - FIT_{t-1})$
Trend Component: $T_t = T_{t-1} + \alpha * \beta * (Enrollment_{t-1} - FIT_{t-1})$

Where: t=current forecast period
t-1=period immediately preceding forecast period
F=Forecasted Enrollment
T=Enrollment Trend
FIT=Forecast including Trend
α=Alpha
β=Beta

The alpha and beta that minimized deviation were 0.531 and 0.053, respectively. The resulting exponential smoothing model predicted Summer 2012 enrollment with 91.8 percent accuracy, Fall 2012 with 97.7 percent accuracy, and Spring 2013 with 99.5% accuracy. However, due to changes in ECC policy, beginning with Summer 2013, predictions for that term were off by 15 percent (see section "Summer 2013 Issue" below). Since exponential smoothing places more weight on recent observations than on more distant ones, this model should ultimately learn the new enrollment patterns yet to emerge and forecast more accurately within one or two terms of this writing.

Summer 2013 Issue

In 2013, Elgin Community College made an institutional policy change that began in Summer 2013, which resulted in sharp enrollment declines in its Adult Education (35 percent) and English as a Second Language (50 percent) programs. Students in these programs are now going through more rigorous entry and application procedures and are being encouraged to enroll in more credit hours. The intent of the change was to improve the completion and success rates of students in these programs, but has resulted in fewer students enrolling.

As a result of this change, neither model predicted Summer 2013 enrollment accurately. However, as mentioned above, these models will learn new patterns in enrollment and should resume high accuracy after one or two terms.

Final Regression Model

The final regression model was:

$$\underset{}{\text{Enroll\_SA}} = \underset{(t=4.44)}{0.55 \cdot \text{Enroll\_SA\_Lag1}} + \underset{(t=2.84)}{0.34 \cdot \text{Enroll\_SA\_Lag2}} + \underset{(t=1.60)}{1{,}024.87}$$

$$\mathbf{R^2}=0.703$$

Interpreting the Regression Model

The regression model should be interpreted as follows:

1. On average, about 55 percent of the students enrolled in the previous term (seasonally adjusted) enroll in the current term, holding all other variables constant;
2. On average, about 34 percent of the students enrolled two terms ago (seasonally adjusted) enroll in the current term, holding all other variables constant; and
3. The constant term (1,024.87) is simply the Y-intercept of regression equation, and is often interpreted as the average effect if all independent variables have been omitted; by itself, the constant term rarely has any meaning in statistical analysis or prediction.
4. All variables in the model, except the constant term, are significant predictors of enrollment. This is indicated by the t-statistics in parentheses below each variable. The t-statistic indicates how significant the variable is in predicting changes in enrollment. Since the t-values for the two variables are either above 1.96 or lower than -1.96, each variable is significant at the 95 percent level of confidence.
5. The t-value for the constant term is neither significant at the 95 percent nor at the 90 percent (between -1.64 and +1.64) level of confidence. However, it is close to the 90 percent level, and so we chose to keep it in. We feel including it still provides solid predictive power.
6. The coefficient of determination, or R^2, indicates that 70.3 percent of changes in enrollment can be explained by changes in each of the independent variables, suggesting a strong fit between the model and the data.

Using the Regression Model

Analysights has created a simulator in Excel, which uses the regression equation to generate forecasts. On the "Regression Simulator" worksheet, simply enter the relevant data in cells E6 and E9 (shaded in yellow). In E6, enter the first term for which a forecast is desired in the format of the 4-digit year, plus the 2-character term (FA, SP, SU).

Upon entering the specific term, the simulator looks up the prior two terms' enrollment from the "Enrollment Data" worksheet. Based on the number of forecasting periods selected, the model will generate forecasts for each.

Note that for the first forecast period, the previous two terms' enrollment is taken from the "Enrollment Data" worksheet. However, for the second forecast period, the forecasted enrollment in the first period and the actual enrollment of the term before that are used to forecast. For the third forecast period, both the forecasted values for the first and second forecast period are used to predict enrollment. Hence, the further into the future one tries to forecast, the less accurate the forecasts will be.

The model also generates a prediction interval around the forecasted value, based on a 95% confidence interval. The prediction interval is defined as:

Forecasted enrollment ± 1.96*Standard Error of Regression Model

The standard error of the regression model is 633.24; 1.96 is the standard coefficient consistent with a 95% level of confidence (approximately 95% of the observations in a normally distributed data set are within two standard deviations of the mean). As an example, let's assume that enrollment for Fall 2013 and the five terms following it are being forecasted. The simulator screen will look like this:

Enter the *6-character* term for your initial forecast	2013FA

Enter number of terms to forecast (Min=1, Max=6)	6

Enrollment Projections

Year	Term	Prior Term Enrollment		Forecast	95% Prediction Interval	
		Last Term	2 Terms Ago		Lower Limit	Upper Limit
2013	FA	4,832	11,363	10,557	9,043	12,071
2014	SP	10,557	4,832	9,935	8,475	11,394
2014	SU	9,935	10,557	5,173	4,423	5,924
2014	FA	5,173	9,935	10,431	8,917	11,945
2015	SP	10,431	5,173	10,093	8,634	11,553
2015	SU	10,093	10,431	5,197	4,447	5,947

Essentially, the model predicts that enrollment in Fall 2013 will be 10,557 students, but there is a 95 percent change that enrollment will be somewhere between 9,043 and 12,071 students.

Exponential Smoothing Model

The final exponential smoothing equations were:

Series: $F_t = FIT_{t-1} + 0.531*(Enrollment\_SA_{t-1} – FIT_{t-1})$
Trend: $T_t = T_{t-1} + 0.531*0.053*(Enrollment\_SA_{t-1} – FIT_{t-1})$
Forecast: $Enrollment\_SA = F_t + T_t$

Interpreting the Exponential Smoothing Models
The exponential smoothing models should be interpreted as follows:

1. The current term's forecast depends on both the prior term's enrollment *and its forecast*.
2. Forecasts for the current term are strongly dependent upon on the immediate prior term's actual and forecasted enrollment, given alpha of 0.531. An alpha closer to 1 would place greater weight on the prior term, while an alpha equal to 0 would give equal weight to *all prior terms* in the series.
3. The trend component is slightly upward, given the beta of 0.053. A beta of zero would indicate no trend in the data.

Using the Exponential Smoothing Model
Analysights created a simulator in Excel, which uses the exponential smoothing algorithms to generate forecasts. On the "Smoothing Simulator" worksheet, simply enter the relevant data in cells I6 and I9 (shaded in yellow). In I6, enter the first term for which a forecast is desired in the format of the 4-digit year, plus the 2-character term (FA, SP, SU).

Upon entering the specific term, the simulator looks up the prior term's enrollment and the alpha and beta for the appropriate model from the "Enrollment Data" worksheet, and then enters them into the programmed regression equation. Based on the number of forecasting periods selected, the model will generate forecasts for each.

Note that for the first forecast period, the previous term's enrollment is taken from the "Enrollment Data" worksheet. That forecast value serves as the actual enrollment when trying to predict the second forecast period's enrollment, which then serves as that period's actual enrollment when trying to predict the third forecast period's enrollment. The model also generates a prediction interval around the forecasted value, based on a 95% confidence interval. The prediction interval is defined as:

Forecasted enrollment ± 1.96*Standard Error of the Smoothing Model

Note that 1.96 is the standard coefficient consistent with a 95% level of confidence (approximately 95% of the observations in a normally distributed data set are within two standard deviations of the mean). The standard error of the smoothing model is 455.39.

Looking at the Smoothing Simulator, let's assume that enrollment for Fall 2013 and the two terms following it are being forecasted. The simulator screen will look like this:

Enter the *6-character* term for your initial forecast	2013FA

Enter number of terms to forecast (Min=1, Max=3)	3

Enrollment Projections

Year	Term	Forecast	95% Prediction Interval	
			Lower Limit	Upper Limit
2013	FA	10,714	9,625	11,803
2014	SP	10,322	9,273	11,372
2014	SU	5,303	4,763	5,842

Maintenance of the Data Worksheets

On the "Enrollment Data" worksheet, there are future terms that will need to be populated as new enrollment figures become available. The cells shaded in green are cells that will need to be updated as each term comes and goes. This regular maintenance is required in order to keep the models predicting accurately. As actual enrollment figures become available, simply enter them in the term's green cell. Do not worry about seasonal adjustments. The spreadsheet automatically converts them, enters them into the model, and converts the seasonally adjusted forecasts back into regular-time forecasts. Except for the green cells on the "Enrollment Data" sheet and the yellow cells on the "Regression Simulator" and "Smoothing Simulator" sheets, all worksheets are protected, in order to prevent accidental overwriting of past data.

In the event that you need to adjust a cell (not recommended without first contacting Analysights), you will need to first unprotect the sheet containing the cell/cells you wish to change. You will be prompted for a password. That password is: **ecc** (all lower-case). When protecting the worksheet again, enter the same password.

Limitations of the Models

Less Accurate Summer Enrollment Forecasting

Summer enrollment varies drastically, and in some past summers actual enrollments were outside of the prediction interval. This was brought on by surges and drops in summer enrollment throughout the time series, most recently the recession of 2007. Use caution when forecasting summer term enrollment.

Limits on Prediction

Predictions based on the models are just that. A model's prediction is no guarantee of actual results. Predictions should aid the planning process, not replace it. Although the regression model explains 70.3 percent of the change in enrollment, it does not mean the model is a superior forecasting tool. Indeed, many models with a high R^2 can forecast poorly, while many other models with a lower R^2 can forecast exceptionally well. Moreover, the predictive power of a model degrades over time. Using the past to predict the future assumes that the future will continue to look like the past. The 2007-2010 academic years were not normal times for community college enrollment. Models are built on data collected at a given moment in time. Changes occurring in the higher education environment, economy, sociopolitical atmosphere, and other marketplace factors since the time the models were built can influence wide discrepancies between forecasted and actual results. Hence, regular tracking of predicted versus actual results and periodic remodeling is recommended.

About Alex J. Caffarini

Alex Caffarini is the President and founder of Analysights, LLC, a marketing analytics firm that enables companies to enhance their marketing performance through sophisticated data analysis. Alex has nearly 20 years of marketing research and data analysis experience, specializing in survey research, predictive modeling, and data analysis. Alex's experience spans several industries, including banking, insurance, retail, consumer packaged goods, and non-profit.

Alex has developed statistical models for Harris Bank, NCH Marketing Services, Hammacher Schlemmer, and Cricket Communications. He has also designed and managed survey projects for the Schaumburg Business Association, Brocade Communications, and the American Medical Association. Alex has also designed and published a number of market sizing reports for the coupon and food retailing industries.

Alex holds a B.B.A. in Economics and an M.B.A. in Marketing and Quantitative Methods, both from Loyola University Chicago, where he also teaches database theory.

About Analysights

Analysights, LLC is a marketing research and analytics firm that helps companies use data for marketing success. We specialize in analyzing marketing and customer information to generate insights that enable companies to design successful marketing strategies that result in maximized marketing performance. For more information on how Analysights can help your company, please call us at (847) 208-4186.

APPENDIX G

Elgin Community College
2013-2015 Higher Learning Commission Quality Initiative:
Purposeful Budgeting

Current Review Processes for Funding Requests

Funding Category	Definition	Example	Who Brings the Request Forward?	When is the Deadline for the Following Fiscal Year?	Who Reviews the Request?	Brief Description of Process
Major repairs or maintenance	To support institutional infrastructure projects. These are usually contained in the Operations & Maintenance (O&M) department budget.	Major technology expenses (servers, network redesign) or deferred maintenance (new roofs, etc.)	Identified by experts (e.g., architects, engineers, etc.) who prepare the Strategic Campus Master Plan	This category is prepared by outside consultants and renewed every 5 years. (Currently, there is no process for proposing projects outside of this.)	Board of Trustees	A Strategic Campus Master Plan containing a repair and maintenance schedule is prepared every 5 years and contained in Q:\Zero-based Budget\General Information. Per the plan, the CFO presents bid documents, quotes, proposals, etc. as they come due for Board action.
Capital requests not covered by deferred maintenance	To support space modifications, furniture, etc.	To get a new file cabinet	Anyone in the college, working with a budget officer	Ongoing	1. Budget officers 2. Strategic Planning and Budget Council	Requestor includes expense as part of the annual department budget and/or submits a Capital Request Form to provide additional explanation.
New positions	To request funds for a new employee	To get a new support staff member	Department heads, working with a Cabinet member	September	1. Supervisor 2. Cabinet 3. Board of Trustees	Supervisors prepare rationales and sends to the Cabinet. The CFO keeps a campus-wide New Positions List, along with costs for expected salary and benefits, which is evaluated by the Cabinet annually in October.
Reclassified positions	To request funds to advance a position to a higher level of responsibility	To change the requirements of a position to match emerging technology	Any non-faculty employee, working with a supervisor and budget officer	See Hay Methodology Team Calendar	1. Supervisors 2. Hay Methodology Team	Employee revises PDQ and submits to Hay Methodology Team via HR. If approved, Finance allocates funds to department.
New academic programs	To request funds to start a new certificate or degree program	To start a new program in histotechnology to meet market demands	Deans and instructional coordinators	Ongoing	Curriculum Committee (academic portion) & Strategic Planning and Budget Council (operating and financial portion)	Requests follow the Program Development Guide and overseen by the TLSD Curriculum Office and the ICCB.
Departmental operating budget increases	To request a nominal increase in the amount of any existing funding category beyond the level of the current fiscal year	To get more money in next year's operating budget to cover advertising a new program	Budget officers	February	Strategic Planning and Budget Council	Budget officers include rationale when submitting budget books

Funding Category	Definition	Example	Who Brings the Request Forward?	When is the Deadline for the Following Fiscal Year?	Who Reviews the Request?	Brief Description of Process
New initiatives or special projects (greater than $2,500 and under $25,000)	To request one-time or ongoing funds to pilot a project for future feasibility	To pilot a new community-based financial literacy program and decide whether it is appropriate for ECC	Anyone, working with a budget officer	Ongoing	Equity Coordinating Council	Requestor fills out New Initiative Proposal form and sends to the Equity Coordinating Council. If approved, the Council tracks progress to determine future institutionalization.
Student success interventions	To request one-time or ongoing funds to foster student success	To create an accelerated math course for students in developmental education	Anyone, working with a budget officer	Ongoing	Equity Coordinating Council	Requestor fills out New Initiative Proposal form and sends to the Equity Coordinating Council. If approved, the Council tracks progress to determine future institutionalization.
Budget increases stemming from a successful initiative or intervention	To request sustained funding following a pilot or trial run of a project. These funds end up in departmental budgets.	To continue to carry out a financial literacy program following an initial trial period	Requestor of a new initiative, working with a budget officer	Ongoing	1. Equity Coordinating Council 2. Strategic Planning & Budget Council	Requestor fills out a Progress Update form and forwards to the Equity Coordinating Council. If approved, Finance allocates funds to department.
Instructional equipment	To request funds for new equipment or related supplies used by academic or career programs	To modernize microscopes for biology labs	Deans	July	VP, TLSD and Deans	Requests are pooled on a common spreadsheet which is evaluated by VP of TLSD and deans. Approved costs are forwarded to Controller. Ongoing costs for maintenance, repairs, etc. are budgeted by department into base operating budget.
Co-curricular funds (for students)	To request funds for general student events (below $2,000) to enhance classroom instruction. Funds must be spent in such a way that the general student body can attend.	To host a special event for students on the topic of diversity and multiculturalism	Students, working with Student Life Office	Ongoing throughout the year	Student Activities Allocations Committee	Reviewed by the according to criteria outlined in the Co-Curricular Fund Application (Student Life)
One-time project benefitting student learning (under $2,500)	To request nominal funds for student travel or conference expenses, field trips, guest speakers, etc. These funds are non-renewable.	To cover expenses for students traveling to a conference	Anyone	May	1. Deans 2. VP of TLSD 3. Foundation	Requestor fills out the Resources for Excellence Mini-Grant proposal form and gathers required signatures.
Cultural infusion	To infusion a course with global content to support General Education learning outcomes	To support expenses (e.g., travel) associated with setting up student study abroad programs; to cover	Faculty or administrators	January	1. GIST (Global International Studies Taskforce) 2. VP of TLSD	Requestor fills out application, which is reviewed and approved by GIST and the VP of TLSD.

Funding Category	Definition	Example	Who Brings the Request Forward?	When is the Deadline for the Following Fiscal Year?	Who Reviews the Request?	Brief Description of Process
		faculty costs associated with setting up new classroom activities, assessments, etc. that pertain to cultural infusion (generally limited to projects under $1,000)				
Faculty action research	To support research of best practices, trial implementation and evaluation	To investigate whether new software is effective for teaching a course	Faculty	April	1. Dean 2. Faculty Research Community	Application and review processes are detailed by the Faculty Research Community and include dean's approval as well as committee approval. This program is new and progress will be reevaluated in FY2016.
Faculty professional development (Faculty Professional Development Committee)	To support areas covered by the Faculty Professional Development Handbook: faculty sabbaticals; conference presentations and attendance; certifications; juried exhibits of professional work; travel for independent study; faculty exchanges or visiting professorships; and work experiences and alternative lane credit movement	To offer a sabbatical needed to study a topic in-depth for a semester	Faculty	See Faculty Development Handbook	1. Faculty Development Committee 2. VP of TLSD 3. Board of Trustees, in the case of faculty sabbaticals	Application and review processes are detailed in the Faculty Professional Development Handbook on eNet and updated regularly.
Other professional development (faculty and non-faculty)	To support tuition reimbursement, membership dues, books, certificate exam fees, and other activities needed to perform an employee's job or to foster lifelong learning	To obtain tuition reimbursement for a graduate course taken at a nearby university as part of a traditional degree program	Employee	Ongoing	Administrative directors and managers who supervise employees in conjunction with Human Resources	Funds are used to support professional development costs which are not budgeted within departments. The application and review process is overseen by Human Resources and on eNet.
ECC workshops for faculty (CETL)	To sponsor workshops of interest to ECC faculty. Costs are used to pay speakers, setup meetings, and advertise and recruit attendees.	To host a workshop on writing across the curriculum	Employee, with prior approval from supervisor	Ongoing	CETL Faculty Committee	To be discussed in FY2016
ECC workshops for non-faculty	To sponsor workshops of interest to ECC non-faculty	To host a workshop on emergency	Employee, with prior approval	Ongoing	Professional & Organizational	To be discussed in FY2016

Funding Category	Definition	Example	Who Brings the Request Forward?	When is the Deadline for the Following Fiscal Year?	Who Reviews the Request?	Brief Description of Process
(POD)	employees. Costs are used to pay speakers, setup meetings, and advertise and recruit attendees.	preparedness	from supervisor		Development	
Discretionary funds	To support any activity not otherwise contained in the categories listed above		Employee	Ongoing	As determined by the President, the VP of TLSD, or the VP of Business & Finance	Processes are determined by these individuals

*NOTE: This table contains information on requesting **new** funds or submitting **new** proposals. The table <u>does not</u> include **regular, ongoing** costs already contained in operating budgets or within employee job descriptions, existing labor agreements, or approved extra-contractual work.*

NOTE: Fuller descriptions of processes may be obtained from the appropriate ECC office or committee. Any expenses for specialized services falling within any of these categories (e.g., new initiative, department budget increase, etc.) are forwarded to the appropriate office prior to allocating funds. For example, software needs should be reviewed/evaluated by the Information Technology Analysts Group and/or Academic Technology Committee; marketing needs by Marketing Services; contracts by Legal Services; etc.

Survey of Budgeting - Administrative Team
FY2015 vs FY2016

APPENDIX H

	Strongly Agree and Agree FY2015	Strongly Agree and Agree FY2016
Q1. Which item below best describes your administrative role at ECC?		
I supervise staff.	88%	85%
I do not supervise staff.	13%	15%
Q2. Which item below best describes your role when it comes to submitting budgets?		
I am a budget officer. I am directly responsible for submitting budgets for one or more divisions, departments, programs, or offices.	68%	73%
I am not a budget officer. I am not responsible for submitting budgets for any division, department, program, or office.	32%	27%
Q3. How long have you been a budget officer for your current or any ECC division, department, program or office?		
Less than 1 year	N/A	0%
1 to 3 years	N/A	33%
4 to 5 years	N/A	3%
More than 5 years	N/A	63%
Q4. Which statement best describes your role when it comes to setting budgets?		
I provide input into budget items for one or more divisions, departments, programs, or offices.	92%	95%
I have no budget input at all for any division, department, program, or office.	8%	5%
Q5. You indicated that you're either a budget officer or provide budget input for one or more divisions, departments, programs, or offices. For which budgetary items do you provide input? (Please mark all items that apply and skip items that do not.)		
CONTRACTUAL SERVICES (i.e., Audit, Consultants, Architectural, Maintenance, Legal, Office, Instructional, Security, Sports Fees, Public Safety Testing, Other Contractual Services)	87%	93%
GENERAL MATERIALS & SUPPLIES (i.e., Office, Instructional, Library, Maintenance, Vehicle, Other, Printing, Audio-Visual Material, Computer Software, Postage, Repair Materials & Supplies, Books & Binding Costs, Publications & Dues, Advertising, Purchases for Resale, Advertising, Other Materials & Supplies)	96%	100%
TRAVEL & CONFERENCE/MEETING EXPENSE (i.e., In-state Travel, Out-of-state Travel, Recruitment, Other Conf & Mtg Expenses, Training)	94%	95%
FIXED CHARGES (i.e., Rental Facilities, Rental Equipment, Installment Payments, Other Fixed Charges)	20%	25%
UTILITIES (i.e., Gas, Oil, Electricity, Water/Sewage, Telephone, Telecommunications, Refuse Disposal, Other Utilities)	7%	10%
CAPITAL OUTLAY (i.e., Site Improvements, Building Remodeling, Equipment-Office, Equipment-Instructional, Equipment-Service, Other Capital Outlay)	30%	48%
OTHER EXPENDITURES (i.e., Tuition Waivers, Student Grants & Scholarships' Tuition Chargeback, Contractual Agreements, Financial Charges & Adjustments, Cash Over or Short, Depreciation, Facilities Charges)	35%	40%
I provide input but am not sure how my input is classified into the categories above.	0%	0%

Survey of Budgeting - Administrative Team
FY2015 vs FY2016

Q6. For the items listed below related to preparing budgets, please rate your agreement using a scale where 5 = Strongly Agree and 4 = Agree.		
My primary department compiles goals, priorities, or actions to guide budget requests.	90%	93%
My primary department collaborates with other areas when it comes to planning budgets (i.e., we share or "pool" our resources across areas).	47%	49%
My primary department reviews past budgets (i.e., historical 5-year trends) in order to know how much to request in the next year's budget.	88%	98%
My primary department gathers or reviews cost quotes, bids, or estimates.	69%	83%
My primary department provides written justifications to clarify budget requests.	80%	78%
Q7. For the items below related to budget review, please rate your agreement using a scale where 5 = Strongly Agree and 4 = Agree		
Methods used to determine whether to maintain or cut funding for particular items are clear to me.	22%	39%
For the most part, decisions to maintain or cut funding are in line with my department's goals or written justifications.	31%	49%
Feedback on budget requests is received in a timely manner.	24%	46%
The budget review process is participatory and inclusive.	20%	46%
Q8. For the items below related to budget monitoring, please rate your agreement using a scale where 5 = Strongly Agree and 4 = Agree		
My primary department monitors spending through General Ledger (GL) reports in Colleague or some other method.	91%	95%
My primary department collaborates with other areas when it comes to spending (i.e., we request budget transfers across areas).	62%	59%
My primary department uses the strategic initiatives process (Planning and Institutional Effectiveness Office) to request additional funds for projects that are new and	53%	56%
Q9. Please answer the following questions that pertain to linking plans and budgets. (Please rate each item on the scale provided.)		
Training or professional development in budgeting should be mandatory for all budget officers.	79%	68%
I appreciate having samples, resources, and tools for estimating budgets (i.e., estimation calculators, etc.)	61%	83%
I appreciate having workshops or computer lab sessions where budget officers work together on their budgets.	40%	54%
There ought to be consequences for ECC departments that do not turn in budget requests on time (e.g., automatic cuts for non-essential or non-personnel items).	36%	44%
Having budget officers self-prioritize requests into highly essential versus less essential items is a helpful addition to budget worksheets.	N/A	73%
Having budget officers link their requests to department goals is a helpful addition to budget worksheets.	N/A	71%
The date when budget worksheets are due to the Finance Office should remain as it is now (during the month of March).	46%	61%
The date when budget worksheets are due to the Finance Office should be moved earlier (to February).	17%	20%
The date when budget worksheets are due to the Finance Office should be moved earlier (to January).	10%	10%
If budget due dates were moved earlier in the year, it would encourage more thoughtful review and discussion of requests.	22%	22%
Q10. Please answer the following three general questions about budgeting at ECC using the scale provided.		
Overall, I am satisfied with budgeting at ECC.	45%	68%
I'd like to become more involved with budgeting at ECC.	29%	12%
The zero-based process helps to improve budgeting at ECC.	43%	41%

Survey of Budgeting - Administrative Team
FY2015 vs FY2016

Q11.

Intentionally left blank.

Q12. If you have specific questions, comments, or ideas about budgeting or about this survey, please provide them below.

FY2016 Responses

More assistance when budgeting for significant changes to a department (new programs, staffing etc.) would be helpful.

Make the budget submission due date one week prior to when Finance actually needs it to help accommodate lateness.
It's difficult to pre-determine all spending - what are the options for unexpected expenses/increases?

Supplies are still a difficult area to budget for. Ink and paper eat up our budget and the ability to estimate what will be needed is very difficult. Any input on this at budget meetings would be appreciated.

My observations are that the budget process arbitrary. I am not clear on how decisions can be made about a budget by those who have know concept or idea of what the functional needs of that department/division are. How can someone outside of these areas tell you to prioritize something as a 2 or 3 instead of a 1 based on their opinion...

Zero based budgeting was helpful, but in the last round anything marked as a low priority was lopped off. This result in very few items being marked as low priority this year. I would be more helpful if finance contacted budget officers and asked if they could reasonably reduce their budget by a small percentage. For example: "Our discretionary spending is 5% over budget, are there any line items that you could reduce by 7% or more?" Asking this question would bring the budget officers into the discussion and allow us to balance our departmental needs.

It's disheartening to see budget requests zeroed out without prior notice from the review team. This has occurred after meeting with the team, when those requests were not discussed or identified as being problematic. If we are in a projected shortfall situation, consider asking divisions/departments to cut their own budgets. Empower us to make the needed changes. Let us determine our priorities, for goodness sake.

The zero based process does not help in any way, shape or form. Further, what is submitted by departments is purposefully overlooked, or simply disregarded. People in finance move money wherever they want with no feedback to the department. The budgeting process is a mess.

A final revue to make sure budget requests and everything is in order.

I liked adding the 1, 2, 3 etc. last time around. However, when cuts needed to be made to balance the budget I think letting departments decide which things to cut would be beneficial. For example, while we put a 3 on a professional organization's membership dues - actually choosing to cut that funding impacted the annual meeting etc. Upon reflection, we decided to forgo a different expense request. It might be just us getting used to the 1, 2, 3 priority setting.

FY2015 Responses

I was a first time budget officer for FY14 and used ZBB. I found it very difficult and stressful to keep track of feedback provided. While feedback was provided regularly (which I did appreciate) it was not provided in a consistent way. Often I found that I had to search and find things that were removed. It was not obvious when budget worksheets were returned to me that items had been removed or from where they had been removed.

I feel if we are encouraging people to plan sooner and have better discussions around their planning for the next year, then March would be an adequate time to turn in budgets as the budgets should have enough info and thought behind them to make the process and requests more realistic. But the decision of when really should be up to the Finance office as they have the accountability to the Board and President. If they need more time, they just need to let us know. I do feel there needs to be a process for review of budget requests, and communication/discussion when cuts need to be made. I do not feel a blanket "if you have not used it in the last 5 years you don't need it" worked in all cases and kept us from being innovative, made us feel judged and like we were not a true partner in our budgeting process. Kind of felt like a "hand slap"...and for some of us it was a result of budgets that were not handled by us over the last 5 years.

Survey of Budgeting - Administrative Team
FY2015 vs FY2016

I deeply respect the people in our finance and budgeting areas. They are very knowledgeable, are always very helpful and have guided the college skillfully through tough times. My hat is off to them. However, I have concerns about the zero based budgeting process. They are as follows: 1) Zero based budgeting is a time consuming endeavor. This hurts operations that have small numbers of full-time staff and manage programs or facilities that operate 7 days a week. It is impossible to find the time to do this without cannibalizing time toward accomplishing the activities that implement the mission. 2) It assumes that all departments are wasting money or not evaluating their programs against the mission annually. This is simply not true. Use the ZBB process to go after programs where budget fat exists, don't punish people that are already small, lean and highly productive. 3) ECC has trended over the years to have people fall in love with their own bureaucracy. Unfortunately, I have seen, first hand, that this bureaucracy often prevents the service of students and the innovation required to implement the mission. It robs staff of their most precious resource - time. Staff time gets spent on navigating obstacles, not the enacting the mission of the college. 4) Innovation requires that you can adapt during the year, not waiting to justify an expense in zero based budgeting 12 months from now. 5) There is an old business axiom: "Let good managers manage" I would concur. Allow good managers to use their resources; it is why the college hired us. I have decades of successful experience in my chosen field, no one else here has that experience. I know how to manage my area and my resources. If you don't like what I or another manager is doing with the allotted resources; let's discuss this matter face to face and improve it. I fear this "one size fits all" zero based budgeting punishes the many for the sins of the few.
I have always ultimately received sufficient funding to operate the division during my time with ECC. When cuts were made last year to my requested amount, I was thankful that the cut was made "overall" and I was permitted to reduce wherever I felt would hurt the least, rather than having someone in the Finance office determine that for me. I do find it very difficult to do zero-based budgeting when running a largely grant-funded division, with allocation amounts unknown at the time of the budget request.
Decisions regarding budget approvals should engage the Deans as college leaders so that requests for funding can be well understood and vetted across the academic units.
I welcome the shift toward zero-based budgeting and look for a similar shift from "fund accounting" for non-grant budgets toward "financial accounting" to focus on profit/loss.
Budget training for new managers would be helpful. But it would be a waste of time for experienced managers. Budgeting has improved significantly over the years - we have more resources, data and great assistance from the finance office. In general my experience has been good - EXCEPT that decisions to cut are made without input from budget officers. I suggest that if cuts are needed that the budget officers be given dollar targets - and allow us to do our own cuts. This was done years ago and it worked. Also, there appears to be no process for requesting funds for small facilities projects (e.g. re-purpose a space) or for maintenance projects. This is a problem - there should be a transparent and inclusive process. For years we had a committee and a submission and approval process (now defunct). Perhaps tie such a process to program review... ? Regarding consequences for late budget submissions - such as fund cuts - this may end up punishing programs and students for the actions of a budget officer. Supervisors instead should hold their subordinates accountable for repeated infractions. Use the evaluation and discipline processes - that's a more appropriate way to handle poor performance. Of course, that means evaluations actually have to be conducted.
Thank you for the survey. If we are going to use zero-based budgeting and a decision is made in the review process to reduce someone's request - they should have an opportunity to defend their request before the decision is made.
This survey is needed. The budgeting process is confusing and mysterious to many budget officers. There is no clear idea of what happens to money that is arbitrarily "taken away". What happens to salary money or benefits allocation if a person doesn't use it or resigns? How does that money not carry over to the next year. The budgeting process is a mess. This may sound harsh but true change is needed. Do not tell departments to do more with what they have when they are already stretched thin financially.
It is sometimes hard to understand what we have to do next. For example, there were small notes returned on some budgets but we didn't see them and/or didn't know what they meant. One referred to money coming out of another budget but it was never communicated that we needed to go through some additional steps to re-request it. New budget officers need more time and work sessions to fully understand ZBB process. There also needs to be a clear process for requesting funds mid-year should something come up that needs to be addressed.