The budget development of Ramapo College is a process that integrates strategic planning and budgeting. The budget is the tool that allows Ramapo to align its resources most effectively in order to fulfill its mission and the objectives outlined in its strategic plan. The College will use the Board of Trustee approved operating budget to monitor and control the use of resources during each fiscal year. Projections forward are based on key assumptions including but not limited to State appropriations, collective bargaining contracts, enrollment projections and debt service, and be maintained and reviewed to give the College insight towards its future operations. The Ramapo College budget/planning process will help manage resources efficiently, maintain fiscal control, improve services and processes, and allocate resources effectively.

Ramapo is committed to building reserves in net assets in order to continue to sustain the overall financial health and maintain a high-quality credit rating. Excess resources will be added and preserved in the net assets of the College. Any drawdown of these reserves requires advance authorization by the Board of Trustees except in the case of an emergency.

**Guiding Principles:**

- The budget will safeguard and support Ramapo’s mission and values; resources will be allocated based on ongoing planning linked to its vision, mission and strategic goals.

- The quality of academics and student experience will be principal in resource allocation decisions (which includes both additions and reductions).

- Collaborative approaches that advance effectiveness and/or efficiency will be encouraged to enhance academic quality, increase student engagement, eliminate duplication and redundancies, and to maintain, improve, or eliminate programs and services.

- Alternative and new revenue sources will be actively explored and enhanced (including grant opportunities).

- Fundraising will be directed towards highest need based upon a priority list agreed to by Cabinet.

- The budget will have the capacity and flexibility to allow for progress toward strategic initiatives and goals by ensuring that resources are specifically targeted for strategic plan objectives and priorities as identified within the academic and administrative unit plans.

- The College will be prudent in its spending and continue to examine the net impact of expenditures as they advance the mission.

- The operational budget will serve as a control mechanism to match revenues and expenditures. The planned use of resources will not exceed estimated resources available unless specifically approved by the Board of Trustees.