

BOT 10-26-22

ESTABLISHMENT OF BUDGETS (POLICY)

The budget process is a continuous process worked on by all budget managers throughout the year. In August after all the staff returns, Budgets for the next fiscal year are submitted to administration for consideration.

The President shall request budgets from the department heads and district directors for the upcoming year no later than five (5) days after all personnel have come back on contract.

The budget estimates shall show the amount of funds required for each major cost element (e.g. salaries, supplies, equipment, etc.).

The college President, with the assistance of the Vice Presidents, will consolidate the individual department and district budgets into a preliminary budget. This budget is reviewed and revised so as not to exceed the anticipated funding generated by federal and state grants and contracts, endowment funds, tuition, donations and other revenue. The BOT Finance Committee will submit the proposed budget to the Board of Trustees no later than September 30th.

The budget shall not exceed the anticipated funding generated by federal and state grants and contracts, endowment funds, tuition, donations and any carry over from previous years.

The Board of Trustees shall review the proposed budget, make any necessary revisions, and adopt the final budget no later than September 30th.

Upon approval of the budget by the Board of Trustees, the budgeted amounts shall be entered into the accounting records of all departments and districts. The accounting records shall allow for the recording of the amounts authorized for each individual classification along with actual amounts expended and budget balances for both current

month and year-to-date totals.- During the expenditure approval process, the Grant and Contracts Officer and Vice President for Business ensure funds are available under the budgets established. Monthly reports shall be prepared and submitted to the department heads, Vice Presidents, and the President.-

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- While the President has the overall responsibility to ensure compliance with budget limitations, individual Vice Presidents, Department Heads, and directors are responsible for adhering to their approved budgets.- The Vice President of Business or Vice President of Business designee shall provide any information needed to assist them in adhering to budget information.

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- The Vice President of Business shall notify the responsible individual and the President when it appears necessary to curtail or adjust program operations to avoid expenditures in excess of budget authorizations.- The department heads or project directors are responsible for the preparation of program modification requests.- These are to be approved by the President before submission to the appropriate agency. If a budget is exceeded, corrections are made by the grants and Contracts Officer and Vice President of Business. Overspent amounts are adjusted through the General Fund. All parties within the approval track will be notified of the adjustment.

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- The department heads or project directors, after consultation with the appropriate Vice President and the President, are allowed to make adjustments to their budgets up to 10% of their major budget items but cannot exceed their total department budget.- Salaries and fringe from PL-471 funds cannot be re-budgeted to other line items without the President's permission.- Budget modifications can be submitted to the appropriate agency within federal guidelines upon receiving approval by the President.- Any budget modifications deemed necessary by the President to maximize utilization of available funds shall not be made without consultation with the person(s) responsible for items affected.

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- The appropriate ~~vice-president~~ Vice President or the President may suspend department heads or district directors, for exceeding their budgets to the extent of jeopardizing the financial affairs of the department or program, until the matter can be presented to the Board at the next meeting. In addition, the divisional ~~vice-presidents~~ Vice Presidents are subject to appropriate disciplinary action by the President for gross negligence in maintaining budget control.- The President is responsible to the board for overall budget execution and control and is subject to disciplinary action by them for failure to properly execute and control.

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All requisitions requiring expenditures from the general fund shall be submitted to the business office for verification that sufficient funds remain in the designated account to cover the requested purchase. - Department heads, district directors, and project managers should maintain a cuff account to estimate available funds remaining in line item accounts. -Written Expenditure approval must be signed by given using the approval track designated to the funding source. This approval track includes the requesting person, the budget manager, the Division head, and the fiscal office of the college.

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Any requisition that would cause overspending in an account shall be returned to the originator for revision or cancellation.