



BOARD POLICY

08.01.00 BUDGET

Division: **Budget and Financial Services**

Adopted: **1971**

Revised: **1982, 12/2005, 03/2015, 02/2019, 5/2023**

Reviewed:

This policy describes the general guidelines for budgeting and the budgeting process.

Contained within this policy are the College's policies governing the preparation and approval of operating and capital budgets, policies defining the role of Financial Services and other departments, agencies and activities which participate in the budgetary process, and policies pertaining to the implementation and control of operating and capital budgets. These policies apply to all college divisions/agencies, departments and activities.

Budgeting

The following policies govern budget preparation. An explanation of the role of the Financial Services Department is provided and the process by which operating activities, departments and divisions of the college participate in the preparation of budgets is described.

Preparation and Approval of College Budgets

The President, through the President's Cabinet, has primary responsibility for planning, coordinating, and participating in the preparation of college budgets. Schedules, minimum standards, formats, procedures, and expenditure/revenue estimation criteria are promulgated by the Financial Services Department. Participation at all levels and managers responsible for specific accounts is an integral part of this process.

For purposes of this policy statement, annual operating budgets, capital budgets and other special purpose budgets are encompassed by the term College Budgets. This general policy statement is applicable to all funds of the College.

The Board approves the annual operating budgets of the College in accordance with state statutes.

Capital budgets and other special purpose budgets are approved by the Board of Trustees or the College President as appropriate.

Budget Guidelines Covering Revenue Estimation and Expenditure Criteria

The vice president of finance and administrative services is responsible for providing guidance pertaining to the estimation of revenues and projection of expenditures. Such guidance will come from the annual Three-Year Financial Plan presented to the Board. Additional guidance may take the form of communication provided by the State or result from independent studies and the application of budget assumptions.

This policy does not preclude activities from submitting justification for variance from standard guidelines in formats designated by the Financial Services Department.

Revenues will be estimated conservatively, using an objective and analytical approach.

All guidelines related to revenues will place primary emphasis on the estimates of the senior director of financial services & controller.

Balanced Budget

Every effort will be made to submit a balanced operating budget (Education and Operations & Maintenance Funds) in which revenues are greater than or equal to expenditures and one-time revenues will not be used for operational expenditures.

Timetable of Budget Functions

It is the responsibility of the vice president of finance and administrative services to establish a schedule of budget functions which will serve to guide the budget development and implementation process for all divisions of the College. The schedule which is developed will be based on requirements and due dates established by the State, guidance received from the vice president of finance and administrative services and the management needs of the College. Efforts will be made to provide for participation of all divisions in the development of the timetable of budget functions.

Vice presidents, deans, directors, and department or activity heads are authorized to establish working schedules within the general schedule established by the Financial Services Department.

The method of communicating the schedule of budget functions shall be generally consistent from year to year and will be by such media as is deemed necessary and appropriate. The Board will ensure the preparation of a tentative budget for the College for each fiscal year and the vice president of finance and administrative services will make the tentative budget available for public inspection in accordance with state law. All efforts should be made to allow the Board time to review the tentative budget and approve the annual budget prior to the beginning of each fiscal year (July 1).

Related Institutional Procedures:

None