



<u>ADMINISTRATIVE POLICY</u>  ADAMS STATE COLLEGE	POLICY NUMBER: 410-001	PAGE NUMBER Page 1 of 3
	CHAPTER: Financial/Business	
	SUBJECT: Budget Process	
RELATED POLICIES: ASC Trustee Policy Manual : Section 7.1: Duties and Responsibilities of the College President...(in part) The President is also expected to ensure that the policies, procedures and actions of the Board are communicated to appropriate constituencies of the College in a timely manner. OFFICE OF PRIMARY RESPONSIBILITY: Vice President for Finance and Administration	EFFECTIVE DATE: 01 July 2008	
	SUPERSESION: 02/15/08	
	 Dr. David Svaldi President	

I. POLICY

- A. This policy provides guidance as to the budget process, including the annual budget process and supplemental requests and changes.

II. PURPOSE

- A. The preferred approach to campus management and leadership is one based on the principles of shared governance. This policy addresses the budget process and role of the Cabinet, Budget Office, and President to ensure that shared governance and transparency are hallmarks of the ASC budget process.

III. DEFINITIONS

- A. Supplemental: a budget request that is for the current year budget and is in addition to the approved annual budget
- B. Annual Increase: a request for an increase in the annual budget for the following fiscal year
- C. Base Building: budget increases that are on-going and will be permanently built into the annual budget
- D. Capital Fee Money: the funds established by the capital fee that are earmarked for technology enhancement or equipment repair requests
- E. Budget Process: all steps involved in creating and amending the annual operating budget for the college
- F. Cabinet: the senior administrative leaders and primary planning body of the college
- G. Budget Office: the administrative office of the college responsible for the development and reporting of the college budget
- H. COF (College Opportunity Fund): the State funding that colleges and universities receive in the form of student stipend payments
- I. Emergency Budget Action: an action resulting from an unexpected event that interferes with the mission of the institution and severely impacts immediate operations
- J. Fee for Service Contract: our contract with the State of Colorado that specifies what services we will perform and the amount of State funding we will receive for those services

IV. PROCEDURES

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- A. All requests for changes to the annual budget for the following fiscal year will be submitted to the appropriate Cabinet level representative by each department by October 15th. Each Cabinet member will prioritize all of their departments' requests and submit the prioritized list to the Budget Office by November 1st.
- B. The Budget Office, in conjunction with the Vice-President of Finance and Administration and Cabinet, will host a campus-wide, fall budget meeting at the end of the fall semester. The Budget Office will provide the campus with the list of all budget requests one week prior to the meeting. This meeting will be scheduled as an Academic Council meeting but will be open to the entire campus. The purpose of this meeting is to have an informed discussion as to the budget requests and priorities for the year and serve as an opportunity for campus to provide feedback to Cabinet regarding these requests.
- C. The budget requests submitted by each Cabinet member will be prioritized by Cabinet as a whole in late fall. They will make recommendations on the requests, any additional requests through the President and/or his/her Executive Council, as well as recommendations for institutional reserves, equipment, funds for renewal and replacement of equipment and capital assets, and operating budgets. The Cabinet may also make recommendations for decreases or reallocations in existing budgets, scholarships, or other previously approved budgets.
 - 1) Institutional expense costs will be estimated by the ASC Budget Office and provided to Cabinet as an information item. These institutional expenses are the non-discretionary operating expenses and include utilities, escalation in existing scholarships, contractual obligations (for existing approved contracts), workers compensation, property and liability insurance, debt retirement, and existing transfers budgeted from auxiliary funds. It will also include an estimate of salary increases for classified, exempt staff and faculty and increases in retirement, health, life and dental premiums, and other benefits.
 - 2) Tuition, COF, and fee for service estimates will be given as soon as available, and updates made as changes occur during the State of Colorado budget process.
 - 3) As revenue and expense estimates become more concrete, Cabinet will review their recommendations and modify the budget priorities as needed.
- D. Cabinet will also review the proposed auxiliary fund budgets (including Extended Studies) presented by each auxiliary fund manager. The primary purpose will be for Cabinet to gain information/knowledge on auxiliary fund operations and to give auxiliary fund managers a chance to voice any concerns or budget issues.
- E. The Budget Office, Vice-President of Finance and Administration, and Cabinet will host another campus-wide budget meeting in April. This will again be scheduled as an Academic Council meeting, but open to the entire campus. The purpose of this meeting is to provide an update to the campus as to the status of the next year's budget, including Cabinet decisions on budget requests, reserves, and other budget items.
- F. Throughout the year, items may come up that Cabinet members and/or the President feel should not be put on hold until the next budget cycle. These items must be brought to Cabinet using the supplemental budget request form for approval. Cabinet will review all supplemental requests, quarterly, at a regularly scheduled meeting. All supplemental budget requests must be submitted to the Budget Office two weeks prior to the Cabinet budget meeting. The Budget Office will provide Cabinet with all the budget requests one week prior to the Cabinet budget meeting. The Budget Office must be involved with the estimation of any requests that are not of a flat dollar amount prior to the request being submitted. This includes any requests where salaries, benefits, revenues, or any other estimations are made. This process is to be followed for all general and auxiliary funds, including Extended Studies.
- G. The budget for auxiliary funds may be adjusted when revenue comes in higher or lower than projected in the annual budget. The revenue must be collected, not just anticipated, before the budget is adjusted up. This is not considered a supplemental budget request.
- H. The Cabinet will review pending budget decisions quarterly and approve or disapprove them before action is taken, unless the item is an emergency (see definition). Emergencies must go through the appropriate Cabinet member and obtain approval from the President. New positions are not emergencies; replacement of existing positions may or may not be emergencies.

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- I. No base-building items should be funded with one-time money unless they are emergencies. Prior to commitment, any base increase or one-time expenditure outside of the approved operating budgets must be submitted to Cabinet for approval. Institutional reserves are considered budgets outside of the approved operating budgets. Thus, any expenditures from institutional reserves also require Cabinet approval. Departmental reserves are considered as part of the operating budgets, and thus, do not require Cabinet approval.
- J. The Budget Office will provide the campus with a list of all approved budget amendments in each of the categories (emergency, supplemental, annual) quarterly by posting on the website or similar method.
- K. Final authority on all budget recommendations and decisions within the approved budget rests with the President. The Board of Trustees is the final approving authority on the annual budget and any amendments to that budget over \$10,000.

V. RESPONSIBILITY

- A. The office of the Vice-President for Finance and Administration is responsible for ensuring this policy is properly disseminated and implemented.

VI. AUTHORITY

This policy has been prepared under the authority of the President, Adams State College, as delegated by the ASC Board of Trustees.

VII. HISTORY

Original Policy: 01 July 2008
Amended:

VIII. ATTACHMENTS

Request for Increase in Annual Budget/Supplemental Budget Request