

Pine Technical College

Policy and Procedure

Policy Number: 404 **Date:** 12/7/1998 **Revision Date:** 12/7/2000
Division/Department: Fiscal Affairs **Author:** Musgrove & Okolo
Subject: Budget Change Process

Authorities:

Purpose:

To establish a system and method whereby cost center managers may move funds from one object code to another within a cost center or between cost centers to address program or division needs.

Policy:

Pine Technical College seeks to establish a systematic budget and expenditure system. It is the intent of the college that budgets be built according to the tenets of zero-based budgeting and based upon the established needs of each program or division. The system should, however, allow for corrections in the course of a fiscal year in order to allow managers the flexibility to address unforeseen needs or opportunities. Therefore, it is the policy of Pine Technical College to provide a framework wherein managers may make budget adjustments between object codes in a cost center or between separate cost centers with the approval of supervisors and under the oversight of the Business Office.

Procedure:

Definitions:

Unit Manager: A mid-manager with responsibility for a college function or group of functions and cost centers. Examples: an academic division chair, the librarian/media center director, an ETC mid-manager supervising several case workers for a particular program, the head maintenance engineer.

Cost Center Manager: An employee with responsibility for a single cost center, program, or account. Examples: lead instructor for gunsmithing, head counselor, HR director.

College Division Manager: A manager in charge of one of the major divisions of the college. Example: Dean of Student Affairs, Business Office Manager.

Cost Center: An account with its own separate six-digit number in the accounting system.

Staff members wishing to change budget allocations must prepare a PTC Budget Change Request Form indicating the cost center number(s), the object codes and the amount of funds to be redistributed.

For budget changes totaling under \$1,000, initial approval must be received from the unit manager. Final approval rests with the college division manager (Instruction, Student Affairs, Employment and Training, Business Office).

For budget changes totaling \$1,000 or more, final approval must be obtained from the President or his/her designee.

Budget changes may not be spread over several request forms in order to keep the total below \$1,000.

Redistributions between cost centers must be approved by the managers of both cost centers and their respective division managers and by the President.

Budget changes involving the campus reserve must be approved by the President, regardless of amount.

The completed budget change with signatures must be turned into the Business Office for determination of available funds.

If a cost center lacks sufficient funds for a requested change, the form will be returned to the originator or his/her manager.

After processing, a copy of the budget change will be returned to the originator to indicate that the change has been made effective.

The Business Office will maintain file copies of all Budget Changes for reference purposes.

Responsibilities:

It will be the responsibility of the Business Office to issue to cost center managers regular reports on cost center budgets, expenditures and encumbrances.

Cost center managers will be responsible for managing their budgets and for moving funds within a cost center by initiating budget changes when necessary.

Cost center and division managers will work together to insure the expeditious approval of budget change requests.

The Business Office will quickly and efficiently review, approve and input budget changes and notify cost center managers when the change is effective.

Division managers will collaborate with cost center managers when it becomes necessary to move funds between cost centers.

Dissemination:

All cost center managers. Regular distribution.

Reviewed by Executive Cabinet: December 7, 1998

Reviewed by Faculty Senate: December 9, 1998

Reviewed by:

Approved: December 7, 1998

Pine Technical College Budget Change Request Form Word Doc HTML