

Policy Manual (DRAFT)



Title: Budget Preparation, Approval, Amendment and Execution	Number: 6Hx2-6.01
Legal Authority: Fla. Statutes 240.361 1001.02(3)(3); 1010.01; 1010.02; 1011.01; 1011.30; 1011.84; 1013.51 FL St Bd of Ed Admin Rules 6A-14.0716	Page: 1 of 3

GENERAL STATEMENT

The College, under the direction of the President and the Board of Trustees, (BOT) shall prepare and maintain a College Strategic Operational Plan which aligns with the College's Education Master Plan. Each fiscal year the College's budget is to be developed to support and fund the College's existing Strategic and Education Master Plans. will develop an Annual Operating Budget and Capital Outlay Budget to support the strategic goals and objectives of the College and the Educational Master Plan. The College's Budgets will be prepared upon review of the past year's results and in conjunction with continuing and new initiatives. will be executed in accordance with State Board of Education Rules (SBE).

The President shall take whatever action is necessary during the fiscal year to keep expenditures and obligations within the budgeted resources.

The College will operate the day-to-day functions within the College's approved budget resources. Changes necessary to operate the College will be submitted to the Board of Trustees for amendments to the budget as soon as they have been determined and quantified. No expenditures shall be authorized or obligation incurred which is in excess of the ~~unencumbered appropriations~~ budgeted funds available in any object class in any fund or that will decrease the reserve for contingencies, until the budget is properly amended in accordance with law and rules of the Division of Community Colleges subject to approval by the Board of Trustees.

Annual Operating Budget

The College's Annual Operating Budget (resides in the Current Fund 1) estimates annual revenues which consist primarily of student tuition revenues and state appropriations. Other revenues include local funding, grants, contracts, sales, and interest income. The BOT will determine spending priorities in accordance with the provisions of law and SBE rules. Once the Annual Operating Budget is finalized and approved by the BOT it is submitted to the Department of Education by their annual deadline, typically June 30 for the following year. The budget will be implemented after approval by the BOT and Division of Community Colleges.

The budget shall be complete, correct, and in conformity with law and SBE rule; furthermore, it shall be prepared according to commonly accepted educational and fiscal principles, including the following:

- No revenue shall be anticipated in the budget without reasonable evidence that it will be received.
- 1. ~~If an inappropriate amount of Anticipated revenues appears to be budgeted for an item, the Chancellor, Division of Community Colleges, shall require an explanation or recommend an appropriate amount.~~
- Transfers from the general current fund to the unexpended plant fund shall not unduly handicap current operations.

History: Revised as Policy 6.01 (Preparation and Submission of Budget) on December 16, 1986; revised on March 19, 1991; revised, combined with Policy 6.02 (Approval of the Budget), re-titled and re-numbered on June 18, 1997; revised and combined with (Budget Execution) Policy 6.02 and re-titled on August 26, 2008.

Approved by the Board of Trustees	Date 00/00/00	President's Signature APR 28 2009	Date 00/00/00
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ENCLOSURE

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- A contingency reserve not exceeding 2 percent of the total available for appropriation is authorized in the general current fund.

Budget Approval – Within 30 days after the Chancellor receives the budget, the Division of Community Colleges, Florida Department of Education, shall approve it or disapprove it and point out deficiencies and needed changes and recommend improvements. If the Division of Community Colleges disapproves the original budget submitted by the Board of Trustees, the Board shall submit a corrected, approved budget within 15 days after the date on the deficiency notice. No budget is official until approved by the Division of Community College's.

Expenditures Until Division Approval – Until the budget is approved by the Division of Community Colleges, ordinary expenses may be paid at the same monthly rate as budgeted for the preceding year. Expenditures not at the same rate or not budgeted the preceding year require prior approval of the Division of Community Colleges.

Budget Amendments – Rules and regulations of the Division of Community Colleges prescribe procedures which shall be followed for amending the budget after approval of the budget for a given year. The President or his designee is authorized to reallocate funds between organizational units within a fund and between general ledger spending object codes within a class of expenditures for a fund. All other budget amendments shall be submitted to the Board and the Division of Community Colleges for approval.

Unpaid prior year accounts shall be paid from the first funds available for that purpose. When practicable, accounts shall be paid in the month they become payable. If cash on hand is insufficient to pay salaries, a current loan shall be negotiated and repaid from the first funds available for that purpose. Overdrafts shall not be created in any funds or depository account.

Salary deductions shall be made as required by law or as authorized by the Board of Trustees and approved in writing by the employee, and shall be remitted promptly.

Capital Outlay Budget

The College's Capital Outlay Budget (resides in the Unexpended Plant Fund 7) funds equipment, renovations, and new facilities whose costs exceed the capitalization threshold requirements that exist in the General Current Fund 1 and whose useful life extend over several years. Like operational budgeting, capital budgeting is a planning and control process. Unlike operational budgeting, however, the capital budgeting process involves planning for large expenditures that often occur over more than one operational year. The primary sources of revenue for the capital budget include local funds (i.e. Capital Improvement Fees, Technology Fees and Transportation & Access Fees revenue the students pay) and PECO (Public Education Capital Outlay) funds from the state.

History: Revised as Policy 6.01 (Preparation and Submission of Budget) on December 16, 1986; revised on March 19, 1991; revised, combined with Policy 6.02 (Approval of the Budget), re-titled and re-numbered on June 18, 1997; revised and combined with (Budget Execution) Policy 6.02 and re-titled on August 26, 2008.

AGENDA ITEM VII-9

Approved by the Board of Trustees	Date 00/00/00	President's Signature <div style="text-align: center; font-size: 1.2em;">APR 28 2009</div>	Date 00/00/00
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BROWARD COLLEGE
FLORIDA DEPARTMENT OF EDUCATION

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As part of the overall College budgeting process, the College shall adopt ~~its~~ ~~capital outlay~~ a capital outlay budget for the capital outlay needs of the college for the entire fiscal year. This budget shall ~~designate~~ identify designate the proposed capital outlay expenditures by project or project category and their source of funds for the year from all fund sources for the year from all fund sources. Separate project project accounts for all capital outlay projects shall be kept maintained kept in the Unexpended Plant Fund for all capital outlay projects for all capital outlay projects.

POLICY and THE STUDENT

The BOT will approve student tuition and fees as part of the Annual Operating Budget preparation process exercise in conjunction with the State Legislature's annual legislative process on matters.

IMPLEMENTATION and OVERSIGHT

The President or his/her designee Chief Financial Officer has responsibility for the implementation and oversight of this policy, including the investigation of any alleged policy violations. The President has the authority to implement any and all procedures needed to implement this policy.

VIOLATION OF POLICY

All individuals in violation of these established policies and procedures may be subject to disciplinary action, up to and including termination.

Definitions:

Fund - Florida Community Colleges classify their financial activities according to the following:

- Fund 1 – Current Funds – Unrestricted
- Fund 2 – Current Funds – Restricted
- Fund 3 – Auxiliary Funds
- Fund 4 – Loan & Endowment Fund
- Fund 5 – Scholarship Fund
- Fund 6 – Agency Fund
- Fund 7 – Unexpended Plant Fund
- Fund 8 – Retirement of Indebtedness Fund
- Fund 9 – Investment in Plant Fund

Organizational Unit – Cost center or department where spending occurs

Object Class – Account class, asset, liability, revenue, salary, current expense, capital outlay

General Ledger Code – classification code used to describe transactions regardless of the fund in which they are used.

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Approved by the Board of Trustees	Date 00/00/00	President's Signature <div style="text-align: center;"> APR 28 2009 ENCLOSURE 1 </div>	Date 00/00/00
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