

Policy Number: 701.2

Policy: Budget Adjustments and Amendments

Effective Date: July 1, 2012

Revision Date:

Responsible Party: University Budget Director

POLICY STATEMENT

The University's annual operating budget is approved by the Montana University System (MUS) Board of Regents (BOR) in September each year. After approval, the budget may be adjusted throughout the fiscal year by means of standardized budget adjustment procedures. These procedures are the University's official method whereby the operating budgets, as developed by the MSUB Executive Budget Council and approved by the BOR may be reallocated between the various departments, programs, and expenditure categories to meet University and department objectives.

Inherent in the budget development cycle are policy guidelines and procedures which serve to set the framework for decision making. Subsequently, the budget adjustment procedures stem from a set of policies which dictate how funds are to be accounted for, budgeted and spent. These policies are periodically reviewed and updated as the University's needs change.

A budget adjustment is defined as the reallocation of University funds with no change in the overall University budget. That is, the requested budget increase amount is directly offset by a corresponding budget decrease amount. A characteristic that distinguishes a budget adjustment from a budget amendment is that the University's bottom line revenue and expenditure budgets remain unchanged by a budget adjustment. A budget adjustment cannot be used to make expenditure corrections or to transfer spending authority to/from indexes associated with other fund types (start with 62, 63, 64, 65, 66, 67, 68, 69).

AUTHORITY

MCA 17-7-138(2), MCA 17-7-102, BOR 205.2.1