

Policy Number: 701.2

Policy: Budget Adjustments and Amendments

Effective Date: July 1, 2012

Revision Date:

Responsible Party: University Budget Director

PROCEDURE

I. Budget Adjustment Procedure

- A. A department may find it necessary to reallocate funds to cover anticipated expenditures. Such reallocations may be made within the same general fund index (starts with 61) or to another general fund index (starts with 61). Budget adjustments may be initiated only by those who have expenditure authority over the funds. This is an inherent responsibility of budget control and not a delegated one.
- B. The department initiates a [Budget Adjustment Form](#) completing the fields as appropriate to transfer budget from one index number and account code to another index number and account code. The form contains 5 lines to record increases to budget lines and 5 lines to record decreases to budget lines. The total of the increases must equal the total of the decreases. Use additional forms and number the pages if more lines are needed.
- C. The fiscal manager signs the budget adjustment form and forwards to the appropriate supervisor.
- D. The supervisor signs and forwards the form to the appropriate Vice Chancellor or to the Chancellor.
- E. The Vice Chancellor signs and forwards the form to the Chancellor.
- F. The Chancellor signs and forwards to the Budget Office
- G. The Budget Analyst reviews the form for accuracy, appropriate approvals, and existence of adequate funds. If the information is incomplete or in error, the Budget Analyst returns the form to the originating department. If the form is complete and accurate, the Budget Analyst initials the form and forwards to the Budget Officer.
- H. The Budget Officer reviews the transaction for appropriateness, signs the form, and returns the form to the Budget Analyst.
- I. The Budget Analyst enters the approved budget adjustment into Banner Finance
- J. A permanent budget adjustment results in a change to the base budget. The base budget is a historical record of resource allocations based on strategic plans and is the starting point for each year's budget development process.
- K. A temporary budget adjustment results in a change in the current year's operating budget only. The budget lines are restored in the base budget which will be used as the starting point for the next fiscal year's budget development process.

II. Budget Amendment Procedure

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Budget Adjustments and Amendments

- A. The operating budget approved by the BOR in September sets the authorized spending authority for the University by fund type.
- B. If additional spending authority is needed due to increased revenue collections or the need to spend reserves, a budget amendment is submitted to the Commissioner's Office by the Budget Director.
- C. The Commissioner's Office can approve the amendment or may choose to submit the amendment to the BOR for approval.
- D. An approved budget amendment is required to increase the University's authorized spending authority for any fund type

REFERENCES