

EXPENDITURE AND BUDGET TRANSFER

I. POLICY

SLCC budget center managers will operate within their approved budget for each index and resolve any budget deficits before the close of each fiscal year in accordance with SLCC Expenditure and Budget Transfer Procedures, all relevant SLCC policies and procedures, state board of regent policy, and state laws and regulations.

II. REFERENCES

- A. Budgeting Procedures Act, Utah Code Ann. §§ 63J-1-101–802.
- B. Finance, Utah Code Ann. §§ 53B-7-101–708.
- C. Delegation of Responsibilities to the President and Board of Trustees, Utah State Bd. of Regents r. 220.
- D. Budgeting Definitions and Guidelines, Utah State Bd. of Regents r. 501.

III. DEFINITIONS

- A. Budget Center Manager: A college employee formally identified in the college's financial system who is assigned financial oversight and responsibility for college fiscal resources.
- B. Base (Permanent) Budget Transfer: A transfer that moves budget on an ongoing basis.
- C. One-time (Temporary) Budget Transfer: A transfer that moves budget one-time for the current fiscal year.
- D. Appropriated Line Items: Legislative funded items; including Education & General (E&G), School of Applied Technology (SAT) and Educationally Disadvantaged.
- E. Specialized Computer Equipment: Computer equipment that is reviewed and approved by the office of Information Technology.
- F. Fund: A formal and separate accounting classification created within the college's financial system to account for each revenue source received by the college, and related expenditures used to accomplish the purposes for which the revenue was received (e.g., E&G, grant awards, student fees, program fees, etc.).

IV. PROCEDURES

A. Transfers

1. Types of Transfers

Budget center managers may make two types of transfers (base/permanent, or one-time/temporary).

2. Transfers Between Funds

Budget center managers may only transfer budget within the same fund classification. Budget transfers between funds, including appropriated line items, are not allowed.

3. Transfer Forms

Budget transfers must be prepared and submitted to the Budget Office using the appropriate budget forms. Budget transfer forms may be found online or budget center managers may contact the Budget Office.

B. Budget Shortfalls

Budget center managers are responsible for correcting budget shortfalls for all assigned indices throughout the year and prior to the close of each fiscal year.

C. Personnel Budgets

1. Full-time Salaried Positions

- a. Full-time salaried positions must have an authorized position control number assigned by the Budget Office.
- b. Changes to full-time salaried positions must be documented using the college's Personnel Action Form (PAF) per SLCC HR policy.
- c. The Budget Office will review budget-related changes and verify whether or not available funding exists to support the proposed change prior to processing the form. If identified budget is not adequate to support the change, the Budget Office will contact the budget center manager for resolution.
- d. If the proposed salary listed on the PAF is outside of the Human Resources approved salary range, and appropriate documentation has not been provided, the PAF will be returned to Human Resources for additional review.

2. Part-time Positions

- a. Budget center managers are responsible for managing hourly budgets for part-time employees for the entire fiscal year.
- b. Budget center managers are required to identify that adequate budget exists prior to hiring part-time positions.

3. Benefits

a. Appropriated Line Item Budgets

Within appropriated line items, budget center managers may not use benefit budgets for other budgetary purposes.

b. Full-time Salaried Employee Benefits.

(1) For full-time positions funded with appropriated funds, medical and dental insurance and salary driven benefit budgets are pooled into a central index.

(2) Full-time, salaried positions funded with appropriated funds requiring a change in medical and dental insurance benefits (e.g., dependent changes, changes in marital status, etc.) will be covered through the central index account.

(3) For all other non-appropriated funds budgets, budget center managers are required to identify adequate budget to support the selected medical and dental insurance and salary driven benefits for the full-time salaried positions, including identifying additional funds to support any changes in associated benefits as necessary.

c. Part-time Employee Benefits

(1) For appropriated funds, budgets for hourly wage related benefits will be transferred from the central benefit index to each department as a one-time transfer at the beginning of a new fiscal year using the appropriate percentage of hourly wage related benefits as determined by the Budget Office.

(2) When increasing the hourly wage budget, budget center managers are responsible for identifying the budget and transferring the appropriate percentage of associated hourly wage related benefits.

(3) For all other funds, budget center managers are required to budget adequate funds to support hourly wage-related benefits and identify additional funds, as necessary, to support any associated changes.

D. Travel

Budget center managers are responsible to ensure adequate travel budgets are established to support appropriate travel expenditures. If travel budgets are insufficient, travel requisitions will be held until sufficient budgets are in place.

E. Current Expense

1. Budget center managers are responsible to ensure that adequate current expense budgets are established to support department expenditures.
2. When the non-sufficient budget flag in the Banner system has been turned on, current expense requisitions will not be processed if there are insufficient funds in the account. In order to process the requisition, budget center managers must prepare and submit a budget transfer form to increase the budget as needed or obtain vice presidential approval for an override while budget transfers are prepared.

F. Capital Equipment

1. Requisitions for equipment expenditures over \$5,000 (other than specialized computer equipment) must be approved by the Budget Office.
2. If the equipment requisition is flagged due to insufficient budget, budget center managers are responsible to work with the Budget Office to prepare a budget transfer to support the requisition.

Date of last cabinet review: November 13, 2012

The originator of this policy & procedure is the assistant vice president of Budget Services and Financial Planning. Questions regarding this policy may be directed to the originator by calling 801-957-4782.