

CAROLINAS COLLEGE OF HEALTH SCIENCES POLICY AND PROCEDURE

Section III - Business/Financial

SUBJECT: BUDGET

REVIEWER(S): Dean of *Administrative and Financial Services**
President

RELATED POLICIES TO CONSULT:

CCHS Policy: [Capital Purchases \(Sec. III\)](#)

I. POLICY

Carolinas College of Health Sciences' (CCHS) administration develops a budget which is reviewed and subsequently approved by the college's board of directors on an annual basis. The College utilizes a centralized budgeting system where departments and committees within the college make budget requests and the president and dean of *administrative and financial services* analyze budget requests and compile a formal budget. All personnel have input into the budget process through involvement with their respective functional departments, groups, and committees.

II. PROCEDURE

A. Operating Budget

1. In the summer of each calendar year, budget input and requests are gathered from deans/program directors and committee chairpersons. Each group discusses budget issues in department or committee meetings and formulates a budget request.
2. All budget requests are compiled by the dean of *administrative and financial services* and are incorporated into the standard operating expenses of the college for presentation to the president.
3. The leadership team meets annually for a budget review. The budget procedure is reviewed and evaluated at that time along with the preliminary budget requests.
4. The president, along with the dean of *administrative and financial services*, examines the college's fiscal position and future goals. The strengths and weaknesses are examined and trends from within the institution are projected. The president and dean of *administrative and financial services* produce estimates, develop proposals, and attempt to create a budget, which will allow the goals of the college to be accomplished.
5. The president makes upward or downward changes in the budget based on projected revenue and expense levels and the prioritization of all budget requests. Changes are incorporated into the budget for presentation to leadership team and the board of directors.
6. Upon review of the budget, the board of directors supplies information in the form of budget guidance regarding revenue and expense levels to the president. The board of directors may recommend changes in the budget to the president prior to approving the budget.
7. After all revisions in the budget are made to the satisfaction of the board of directors, the budget is approved. Implementation of the budget is initiated and evaluation of the budget takes place throughout the calendar year by the administration and board of directors.

B. Budget Planning

All administrative and academic departments within the college follow the budget procedures outlined below. To facilitate college planning and assessment efforts, each department is asked to make strategic budget projections based on college/departmental goals.

Time Frame	Activity
June	Fiscal budget guidelines and materials are issued to college deans and department heads for preparation of next year's budget.

July - August	Managers develop individual budgets. The strategic plan, institutional effectiveness (IE) plan and quality enhancement plan (QEP) inform budget projections and requests. Input is solicited from all staff and faculty.
September - October	College president, president's council, deans, and department heads meet for annual budget review to share justification for their highest priority budget requests based on college/departmental goals and draft tentative budget allocations. The dean of <i>administrative and financial services</i> collaborates with the college president in preparation of a formal budget proposal. Proposal is finalized for approval by CCHS leadership team and presentation to the board of directors.
December	Board of directors meets for discussion and approval of the budget. Approved department budgets are distributed to deans and department heads.
Monthly	The dean of <i>administrative and financial services</i> compiles expense and revenue reports with budget variances. Deans and department heads are asked to submit variance reports to the dean of <i>administrative and financial services</i> , explaining variances from budget amounts for prior months <i>according to established thresholds</i> .
Semi-annually	The dean of <i>administrative and financial services</i> summarizes monthly variance reports for distribution to the college's president, leadership team and, as appropriate, the board of directors.

C. Budget Control

Carolinas College of Health Sciences (CCHS) has a system in place in which budget monitoring and decisions regarding expenditures are made with full knowledge of budgetary impact. Actual revenue and expense levels are monitored and compared to budgeted figures for purposes of evaluating financial trends and the budgeting process.

1. The college president and dean of *administrative and financial services* meet when necessary to review the financial performance of the college in terms of monthly and year-to-date revenue and expense levels. Positive and negative variances are examined and the level of financial activity may be revised accordingly. Decisions are made regarding proposed expenditures based on budget availability.
2. Monthly budget reports are made available to management team members and budget information is available to committee chairs and other college personnel with fiscal responsibility for various areas.
3. College personnel requesting authorization for expenditures communicate those requests to their supervisor, who evaluates the budgetary impact of the expenditure. The dean of *administrative and financial services* may be consulted to verify budget availability. Disbursement request forms and invoices are submitted to the *dean of administrative and financial services* for expenditures and disbursements.
4. College employees who have budget responsibility submit monthly variances reports explaining any negative variances from budgeted figures if over \$1,000 year to date.
5. All expenditures are processed through the business office. The dean of *administrative and financial services* and the department manager monitors expenditures to ensure that budgetary limits are not exceeded.
6. Quarterly financial performance reports are presented by the college president to the board of directors. The board of directors may provide budgetary guidance as appropriate.

D. The Budget policy and procedure will be reviewed bi-annually.

III. APPROVAL

Name: _____ Title: President Date: _____