



# LAKE SUPERIOR STATE UNIVERSITY PROCEDURES MANUAL

## Administrative Policy

**Section:** Business Operations

**Section Number:** 3.2.1

**Subject:** Budget Approval and Implementation

**Date of Present Issue:** 04/13/20

**Date of Previous Issues:**

10/79, 05/88, 07/00

**POLICY:**

Lake Superior State University's Board of Trustees (Board) approves the General and Auxiliary Fund budgets each year. The timing of the Board's action depends upon the completion of the State of Michigan's appropriation process. If the process is not complete by the end of the University's fiscal year, the Board may adopt a continuing-expenditure resolution, to authorize continuation of the expenditures at a level consistent with the current fiscal year into the beginning of the next fiscal year, or the Board may choose to approve a budget and later approve budget adjustments, if necessary. Once the President submits budgets to the Board, the Board may opt to appoint a Finance and Budget Committee consisting of selected Board members, to consider the administration's recommendations for the budgets for the next fiscal year. The entire Board would then consider the budgets at its next meeting. The president of the University has the authority to expend and make fund transfers as necessary throughout the year, within the limitations of the approved budget and in accordance with the intent of the Board of Trustees' approval.

### PROCEDURE

	<u>WHO</u>	<u>DOES WHAT</u>
1.	Budget Holder	Prepares a draft of the proposed budget in Budget Pak incorporating priority needs as identified by the executive management (Senior Management Team and Supervisors) of the University.
2.	Supervisor(s)	Reviews and recommends draft budget(s) within Budget Pak.
3.	Senior Management Team	Reviews and recommends draft budget(s) within Budget Pak.
4.	V.P. for Finance & Operations	Prepares final budget(s) for President's review.
5.	President	Submits budget(s) to Board for Approval.
6.	Finance and Budget Committee (optional)	Reviews detail of the proposed budget and makes recommendations for revision to the Board.
7.	Board of Trustees	Approves the proposed budget with any changes recommended by the Finance and Budget Committee.
8.	Budget Analyst	Uploads the approved budget in detail to Banner from Budget Pak and notifies department Budget Holders, via email, the approved budget information is available to use for budget monitoring in Budget Pak and Banner. Reports can be run by Budget Holders and executive management using reports in Budget Pak or Anchor Access.
9.	President	Approves all fund transfers within the limitations of the approved budget. Recommends for approval, to the Board of Trustees, changes to the total approved budget based on revised revenue projections and/or any major project or program modifications. Major project and program changes for this purpose are defined as individual items of expenditure in excess of \$50,000.
10.	Board of Trustees	Approves total budget changes and major project and program changes.
11.	Budget Analyst	Implements amendments to the budget as approved by the President and/or the Board of Trustees.
12.	V.P for Finance & Operations	Transmits to budget holders, via email, monthly automated reports comparing budget to actual spending which are followed with questions on over-budget items. Prepares a budget status report for presentation to the Board of Trustees as necessary. This report will also include statements related to the financial condition of other funds when appropriate.