

BUDGET PROCESS

Overview

Institutional planning is continual, and budget cycles are part of the planning process. A budget module entitled Budget Prep is used to create a budget plan for the upcoming fiscal year. County and Institutional funds are developed and presented to the Finance Committee of the Board of Trustees in early February. State funds are developed in the spring and held until final approval of the North Carolina State budget by the Legislature. Once an overall state budget is approved, the college then updates its budget model to reflect any changes in the projected funding. A final comprehensive budget is then submitted to the Finance Committee of the Board of Trustees for approval and implementation.

Account managers participate in this budget development through their respective Deans and Managers. Account Managers are responsible for entering other cost and part time salary budgets into the budget module for their areas of responsibility.

Workshops are held through out the year to provide staff development in this area.

Copies of training manuals for the budget module are available through the Budget Office or on-line.

Account Representatives

Assignment

Account managers throughout the College are assigned to specific account representatives in the Financial Services Group.

Questions

Account representatives answer the questions of account managers or refer them to other experts for information. Contact the Director of Administrative Services-Central Campus for the name of your account representative.

Budget Report

Definition

A budget report is available on line for viewing at any time by the assigned account manager. Accounts can only be viewed by the assigned account manger. Access to the accounts are controlled by security setup in the college's financial software program.

Note: Budgets are shown in whole dollars

Contents

The budget screen contains the following information:

- The operating budget
- Expenditures to date (from July 1)
- Outstanding encumbrances
- Available balance (Budget minus expenditures minus encumbrances)

The following information is summarized in subtotals that are combined into a grand total:

- Salaries
- Employee benefits
- Contractual services
- Supplies and materials
- Travel
- Other costs
- Equipment

Note: A minus sign in the available balance column indicates that the budget is overdrawn.

Budget Report (continued)

The account number is used:

- To record budget transfers
- For requisitions/purchase orders
- For paying invoices
- For charging payroll expenses

Questions

Account managers should contact their account representative in the Financial Services Group if they have questions about their budget.

Budget Transfers

Applications

Account Managers use budget transfers to revise the budgeted amount in line item accounts. Each Account Manager should review the budget regularly and make transfers when it becomes evident that additional funds are needed to cover expenditures through the end of the fiscal year.

Note: System controls are in place that will prevent a requisition being generated if the budget is insufficient to cover the cost of the order. A budget transfer will have to be processed before the requisition can be completed.

Guidelines

Here are some guidelines for budget transfers:

- A budget transfer is required when expenditures exceed the current budget in a particular line.
- Amounts cannot be transferred from one fund or from one project to another. (State to County, or County to Institutional, etc.)

- Current operating funds cannot be transferred to capital outlay or vice versa without special approval by the Executive Vice President.
- Special Allotments or Categorical funds cannot be transferred out of the funded project. This applies to Literacy, New Industry, Perkins Funds, Tech Prep and others as funded by the North Carolina Community College System (NCCCS).
- Under the current 2% transfer limit, curriculum salary and benefit budgets cannot be transferred to other cost in excess of 2% of the original curriculum allotment for salaries and benefits. Any request to move salaries and benefits should have the approval of the Vice President for Instruction.

Budget Transfers (continued)

- If a transfer is requested that involves a salary line, then the related benefit lines must also be included. Current rates for benefits are: Full Time 21%, overload 13.42%, Part Time 7.65%. These rates are subject to change according to federal tax rates and state approved retirement rates.
- Completed budget transfer may be submitted on line or through campus mail to the Budget Office in Financial Services. All budget transfers are reviewed for compliance with state and college guidelines.
- Budget Transfer forms are available on the CPCC Web Site. inside.cpcc.cc.nc.us/forms/default.htm.

Budget Availability

Use of Funds

Account Managers have access to State and County budgets from July 1 through mid April each fiscal year. Funds not expended or encumbered prior to the published April deadline are moved to the control of the College Cabinet. There is no deadline for use of institutional funds unless specified in external grants. Unexpended state funds are reverted to the state as of June 30 and do not carry forward to the new year. Exception: Capital Outlay, HB 275 Funds and Books.