



Rowan College of South Jersey

Administrative Procedure: 6007
BUDGETING

Preparation and Adoption

The College shall prepare a budget annually. The College's Executive Director, Financial Services ("Executive Director") gathers proposed budget information from all department directors and prepares the first draft of the budget. Budgets proposed and submitted by each department should be accompanied by a narrative explanation of the sources and uses of funds and explaining all material fluctuations in budgeted amounts from prior years.

After appropriate revisions and a compilation of all department budgets, a draft of the College-wide budget, as well as individual departmental budgets, is presented to the Vice President and Chief Operating Officer (VP/COO) for discussion, revision, and initial approval. The final draft is then submitted to the President and then to the entire Board of Trustees for adoption.

The College adopts a final budget prior to the beginning of the College's fiscal year (July 1 – June 30). The purpose of adopting a final budget at this time is to allow adequate time for the accounting department to input the budget into the accounting system; establish appropriate accounting and reporting procedures (including any necessary modifications to the chart of accounts); and to ensure proper classification of activities and comparison of budget versus actual, once the year begins.

Monitoring Performance

The College monitors its financial performance by comparing and analyzing actual results with budgeted results. This function will be accomplished in conjunction with the monthly financial reporting process.

Budget Modification

After the budget has been approved by the Board of Trustees, then it is approved by the Board of School Estimates of each county. Reclassification of budgeted expense amounts within a single department may be made by the department head, with the approval from the VP/COO or Executive Director. Also, reclassification and any budget modification resulting in an increase in budgeted expenses or decrease in budgeted revenues can be made only with the approval of the VP/COO.

Area: Finance
Approved: 07/01/19

President's Authorization: _____

References:

Rowan College of South Jersey Board of Trustees Policy Manual, *6007 Budgeting*

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