Budgeting and accounting play distinct roles within a strong financial control and fund management environment.

**The Role of the Campus Budget Office**

Budgeting is a cyclical decision-making process for allocating limited fiscal resources to achieve organizational priorities and objectives. A budget can be defined as ‘the financial articulation of the activities of a government unit... which recognizes anticipated revenues, authorizes activities, and appropriates expenditures’ for a specific time period. Budgeting involves the systematic evaluation of prior commitments and their consequence in terms of anticipated outcomes or accomplishments. Properly applied, budgeting can contribute significantly to greater efficiency, effectiveness, and accountability in the overall management of an organization’s financial resources.

**The Role of Accounting Services**

An internal control system consists of those measures taken to provide management with reasonable assurance that the fiscal operations of the organization are functioning efficiently and effectively. Such controls include: (1) assurances that financial transactions are properly authorized, classified, and recorded on a timely basis, in correct amounts, and for proper purposes; (2) limited access to assets; (3) procedures for approving the commitment of organizational resources; and (4) checks and balances among key fiscal duties (for example, the billing function versus the receipt of revenue). Good accounting procedures are the cornerstone of an effective internal control system, helping management achieve greater operating efficiencies.

**The Role of Campus Departments**

- Develop long-term business plans consistent with the campus long-range enrollment plan
- Propose annual expenditure plans consistent with the business model, in conformity with the chart of accounts
- Expend resources consistent with the approved budget plan

A budget system will enhance the campus financial control and fund management environment.


Recommended day-to-day roles and responsibilities through implementation of a budget system

**Day-to-Day Role of the Campus Budget Office**

- Establishes budget appropriation for each department
- Approves budget related transfer of fund transactions
  - Cross departmental transactions
  - New budget appropriations from sources external to the department (e.g., new requests)
- Performs long-term fund management responsibilities
  - Analyzes revenue trends and project forward looking revenue streams
  - Analyzes budget and expenditures necessary to continue existing level of operations and activities
  - Works with departments to determine the level of budget adjustments necessary for future initiatives
- Assists departments (e.g., auxiliaries) in establishing a unit’s revenue budget for revenue generated internally within the unit
Recommended day-to-day roles and responsibilities through implementation of a budget system

### Day-to-Day Role of Campus Departments

- Develops long-term business plans consistent with the long-range enrollment plan
- Proposes annual expenditure plans consistent with the business model, in conformity with the chart of accounts
- **Account management**
  - Expends resources consistent with the approved budget plan
  - Enters inter-departmental budget or financial transfer of funds ("TOFs") that do not exceed existing budget appropriations
    - Any TOFs in excess of existing budget appropriations previously approved by the Campus Budget Office is considered a new request and must get budget approval first before proceeding
  - Accounting will review to ensure they are in accordance with the accounting manual, including but not limited to:
    - Assurance that TOFs do not move money across fund groups
    - Assurance that TOFs do not lead to amounts in excess of budget limits
  - Requests revenue account linkage to expenditure accounts to accounting
Recommended day-to-day roles and responsibilities through implementation of a budget system

**Day-to-Day Role of Accounting Services**

- Inputs budget appropriations by department and fund source based on instructions received from the Campus Budget Office ("CBO")
- Performs all budget-related transfer of funds ("TOFs"), based on instructions received from the CBO, in the financial system
- Performs current year fund/account management responsibilities
  - Reviews and approves requests for new revenue and expenditure accounts.
  - Ensures any new requests are within the constraints/parameters of budget appropriations previously approved by the CBO
  - Reviews and approves requests to link revenue and expense accounts within the financial system.
  - Ensures any linkages approved are within the constraints/parameters of the budget appropriations previously approved by the CBO
  - Provides guidance and assistance, when requested by departments, in reconciling their accounts
- Provides training to departments on how to allocate their budgets and manage the funds allocated to them through the budget appropriation process