

# AP 123 Budget Development

**Associated Board Policy:** 123.00 - Budget

**Procedure Owner:** Vice President of Finance and Administration

**Related Procedures:** None

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## I. Procedure Scope and Purpose

The purpose of this procedure is to ensure Cowley College has a financial plan in place to support college activities and aligned with the Strategic Plan goals and initiatives. The procedure outlines the various forms and dates applicable to submission and approval of the state-form published budget while ensuring compliance with state statutes for subdivisions of state government related to and establishing local tax levies.

Additionally, the procedure outlines the request for and submission of budget detail for individual operating departments within the college. Once combined, the individual budget requests are reviewed and become the basis for an over-arching operating budget administered within the parameters set forth in the state budget guidelines.

## II. Definitions

*Department Budget Manager:* The person accountable for submitting/approving/administering a specific department budget.

*Draft Budget:* First and subsequent versions of the budget prior to approval as the operating budget.

*Fiscal Year:* The college's fiscal year is July 1 through June 30 of the subsequent year.

*Operating Budget:* The budget compiled using detailed requests from departments across the college.

*Legal Budget:* The budget compiled using forms/format provided by the Kansas Board of Regents. The form is approved by the Board of Trustees and is the vehicle that establishes the annual tax request to the County Clerk's office.

## III. Procedure

### A. Operating Budget

Tuition and Fees, including housing rates, will be established prior to the department budgets. Tuition and Fees will be suggested by the finance office based on enrollment trends and needed revenue for the fiscal year. Administrative council will review the suggested rates and send forward to the Board of Trustees. The finance subcommittee will review the suggested rate changes and approve or modify for full

board approval. The Board of Trustees will review the tuition and fee rates, including housing, and approve the rates for the budget.

In the Spring of each year, the finance office will request budget input from each department, to create an overall budget for the college. At this point, the compiled budget will be reviewed in summary by the president and administrative council for fit with general college goals for the upcoming year.

Based on the above information, a detailed analysis of the current year requests may be undertaken by the finance office, president, administrative council, or any combination of the above to align expenditure requests with available resources. Specific requests may be reduced or eliminated as a consequence of the analysis. Changes made to any request will be communicated to the requestor by the finance office before the administrative council approves a working budget.

Once approved by administrative council, the working budget may be modified by request from the department budget manager. Modifications are limited to the movement of funds from one account to another account within the same department. Requests for such modification must be made in writing and will be made only with approval of the finance office. The president, finance office, and administrative council reserve the right to modify any and all individual budgets at any point during the fiscal year if circumstances upon which the budget assumptions were made prove incorrect.

The finance office will provide online access to budgeted amounts to each department budget manager.

#### B. Legal Budget

The approved operating budget will be the starting point for completing the legal budget. The finance office has full responsibility for compilation of the legal budget. In compiling the legal budget, the finance office will follow all guidelines per state statute and regulation, fully completing all required forms. The legal budget serves as a limit on spending for each individual accounting fund and as such, should consider any contingencies for expenditures, including the use of accumulated cash reserves.

The primary function of the legal budget is to inform the public of college spending plans for the fiscal year and establish the tax levy via the budget certification document. The legal budget should be presented to the board in draft form no later than July 1 each year for concurrence on budget assumptions and direction. The publication form must be published in the designated college newspaper(s) no later than 10 days prior to the August board meeting, at which meeting the board will make final and formal approval of the budget. Public comment must be solicited prior to final and formal approval of the legal

budget. Board approval must occur no later than 10 days before submitting the tax levy certification request to the Cowley County Clerk. Submission of the tax levy certification to the Cowley County Clerk must happen no later than August 25.

**IV. Effective Date(s)**

This procedure first became effective 10/10/23

**V. Signature and Title**



This procedure is implemented by \_\_\_\_\_  
Vice President of Finance and Administration