

VERMONT TECH

Manual of Policy and Procedures

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| <i>Title:</i> Budgeting Process | <i>Number:</i> T 221 | <i>Page(s):</i> 3 |
| | <i>Date:</i> October 14, 2019 | |

PURPOSE

C/O Responsibilities

The Chancellor's Office (CO) provides the Colleges with initial assumptions on which to base the budget, e.g., salary and benefit percentage increases, projected state appropriation increase, etc. Tuition rates are approved by the Board of Trustees in the autumn of the preceding year.

STATEMENT OF POLICY & PROCEDURES

VTC Executive Committee & Administrative Responsibilities (Spring)

Early spring semester. As part of the Budget formation process, the Business Office and Enrollment teams look at a combination of pre-registered students, historical data, and student applications to predict the total number of new and returning students. From these estimates, VTC determines the expected net student revenue for the upcoming year. Overall expense targets are then set at by the Executive Team and are informed by overall strategic goals and available resources. Decisions regarding staffing levels are made at this stage.

Late spring semester. Budgets are submitted to the Board of Trustees for review and approval. Upon approval, budgets become final.

Once budgets are approved, budget managers and department heads will receive budget materials from the office of the Dean of Administration. These materials will include instructions for submitting budgetary requests as well as guidelines regarding available funding.

Academic Budgets

Non-course fee funds. Before the end of spring semester, VTC Executive Committee will determine the amount of non-course-fee-related operational funding available for academic departments. These funds will be allocated to academic departments based on a formula considering aspects of Student Credit Hours, Student FTE, and historical budget levels. This formula will have been reviewed by P & C during the fall semester of each academic year, in advance of the coming budget process. These allocations will be provided to department chairs, along with estimates of coming year course fee revenue, along with budgetary materials.

Budget Manager & Department Chair Responsibilities

If anticipating or requesting any significant changes, including and especially changes related to staffing, during the coming academic year, budget managers should be in contact with both their Executive Committee level budgetary supervisor and the Dean of Administration no later than mid-January.

At the end of the spring semester, budget managers will receive budget materials. Non-academic budget managers will complete and submit their materials, for review and approval, by the end of July.

VTC Executive Committee & Administrative Responsibilities (Summer)

These budgets submissions will be reviewed and either approved or vetoed, first by the budget manager's executive committee level budget supervisor, and then by the Dean of Administration.

Budgets will be loaded, by the office of the Dean of Administration, into Colleague by September 15th, allowing for the receipt of all academic budgetary materials.

Budget Monitoring During the Fiscal Year

Budget Manager & Department Chair Responsibilities

Budget managers will thoroughly review budgets every month throughout the fiscal year. Budget managers will communicate with their executive committee level budget supervisor as well as the Dean of Administration regarding any variances from budget.

Budget managers also have access to their budgets at any time by logging in to their computer and accessing the Colleague software. Budget Reports are easy to access and read. Budget managers at Vermont Tech have been trained on how to access and read these budget reports. Trainings for new managers and those needing refresher trainings will be offered through the Dean's office.

VTC Executive Committee & Administrative Responsibilities (Spring)

Executive committee level budget supervisors will be in communication with their budget managers every month regarding the status of their budgets.

Every month, executive committee level budget supervisors will review budgets and implement corrective measures, as necessary, to achieve budgetary targets.

The Dean of Administration will review revenue projections throughout the year and advise the President and Executive Committee if the institution is not on pace to hit its budgetary targets. In the case of an identified shortfall, executive committee level budget supervisors will identify and implement areas of savings within their budgetary areas in order to mitigate the institution's budgetary shortfall.

Variances from the budget and adjustments to the budget are routinely analyzed by the Dean of Administration with input from Budget Supervisors. Quarterly, budget-to-actual reports are

presented to the President, then to the Council of Presidents and subsequently to the Board of Trustees' Finance Committee for their review.

POLICY MODIFICATION HISTORY

- I. The following dates reflect chronological changes made to this policy which are henceforth considered depreciated.

- a) Adopted 10/14/2019

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| Signed By:  Patricia Moulton President |
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