



BOARD POLICY

No. 401

TITLE: Budget Preparation and Adoption

DATE ADOPTED: February 27, 2019

EFFECTIVE DATE: February 27, 2019

SUPERSEDES: November 2, 1970

PURPOSE:

The Board of Trustees has inherent responsibility for the establishment of the financial framework within which the College must operate. This framework or budget will identify the sources of income and application of expenditures necessary to meet the College objectives.

POLICY:

1. Preparation and Approval of Budget

- a. The Board shall delegate to the President the authority to prepare the details and summary budget for all areas of the College for a specific fiscal year.
- b. The President shall present the initial draft of the budget at the regular meeting of the Board of Trustees in December of each year. This budget shall reflect the financial requirements of the College for the fiscal year beginning July 1 of the year following and ending on June 30 one further year hence and the anticipated sources of income to support such expenditures.
- c. The Board shall approve and adopt said budget after incorporation of any changes considered necessary. Such approval and adoption shall take place no later than the regular January meeting of the Board.
- d. By approval of the budget, the Board authorizes the expenditure of funds itemized therein for the purposes identified, restricted only by dollar or procedural limits prescribed in other Board Policies. The President shall have the authority to redirect the allocation of funds only within the framework of each fund account and limited by the total budget amounts.



- e. Permanent transfer of funds between or among fund accounts must first be approved by the Board. Temporary transfers, not exceeding 30 days, shall not require Board approval.
- f. Disposition of surplus or deficit balances in each fund account will be made at the recommendation of the President and approved by the Board. Such transfers will normally not be made until after the annual audit.

2. Distribution of Budget

- a. The approved budget shall be prepared in the forms prescribed and submitted to the State of New Jersey, Office of the Secretary of Higher Education by February 23.
- b. The budget shall also be submitted to the Board of School Estimate by February 1 of each year.
- c. Copies of the budget shall be distributed to staff administrators having budgetary responsibility.

President Date:

Chairman Date: