GPC Budget Manager Training: Making ‘Cents’ of it All

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Assistant Vice President for Budget and Strategic Financial Planning
October 2012
Agenda

• Budget 101
  – The Process and the Players

• Updated Rolls and Responsibilities for Budget Managers
  – How GPC is bringing back accountability
  – Budget Principles

• Update on New Processes
  – Travel
  – Allocations
  – Facilities
Budget 101 – The Process and Players

Why we’re all here today
Budget 101 – The Process and Players

• What is a Budget?
  – A budget is a tool used to forecast revenues and expenditures, plan, control, and direct the resources of an organization.

  – Simply, a budget is a plan of how an organization will perform financially if the strategies, plans and events are carried out.

  – Budget is like a blue print; Budget Office is like an Architect
Budget 101 – The Process and Players

The Players

- Departmental/Budget Managers - YOU
- Budget Officers
- Executive Leadership
- University System Office
- Governor's Office of Planning & Budget
- State Legislative Body (Legislators, HBO, SBEO)
- Media
Budget 101 – The Process and Players

• Why is a Budget Important?

• Reduce Risks including:
  • Over Expenditures/Under Expenditures
  • Poor/Inaccurate data provided to decision makers
    • reporting, audits, and most importantly funding
Budget 101 – The Process and Players

• Why is a Budget Important?
  • Funding
    • “Formula for Excellence” in place since 1982
      • Formula inputs – Credit hours, square footage, increases in health insurance premiums for current employees and retirees
    • Higher Education Funding Commission established by Executive Order
      • Link performance to funding – Improve higher education outcomes (i.e. progression and graduation)
      • Final Report Due – December 1, 2012
      • Fiscal Year 2015 Budget
July - August
• Budget Development
• BOR Approval of Amended Budget
• BOR Approval Budget Request

September - October
• Budget Request to Governor
• Budget Projections
• Quarterly Amendment

January - February
• Institutional Budget Hearings
• Governor Presents Budget
• Quarterly Amendment

March - April
• General Assembly Approves Budget
• BOR Approves Allocations
• Institutions prepare internal budgets
• Quarterly Amendment

May - June
• Board approves institutional budgets
• Final Budget Amendment

November - December
• Revenue Projections
• Mandatory Fees
• Legislative Q&A's
• Governor Presents Budget
• Quarterly Amendment
Updated Rolls and Responsibilities for Budget Managers

Think big, work small
Updated Rolls and Responsibilities for Budget Managers

- Georgia Perimeter College defines a Budget Manager as the full-time employee assigned with primary fiscal management authority and approval responsibilities for their departmental unit(s).

- Budget Managers must ensure that the department unit operates in compliance with the established policies and procedures of the college.

- The approval authority of the Budget Manager, by signature or electronically, is required to initiate financial transactions and/or fiduciary actions.

- The approval of documents and financial transactions strengthens internal control by safeguarding institutional assets from unauthorized acquisition, use, or disposition.
Updated Rolls and Responsibilities for Budget Managers

• General Responsibilities of a Budget Manager
  – Act ethically, honestly, and responsibly in managing financial resources and information
  – Ensure that appropriate training, access rights, and expectations are established for the department
  – Monitor the budget and initiate budget transfers to ensure there is no over-expenditure of funds
    • Form online – to be updated
  – Utilize financial reports to monitor and manage financial transactions for assigned operational units, projects, or activities
    • Budget Progress reports/iStrategy
  – Investigate and resolve unusual or incorrect transactions with the appropriate financial or administrative office
# Budget Progress Report - Chartfields

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**Report ID:** B089042  
**Date:** 10/14/2012  
**DB:** P89FRD  
**Version:** 2.32  
**Page:** 1
Updated Rolls and Responsibilities for Budget Managers

• Budget Principles
  – Provide Thoughtful and Accurate Revenue Projections
    • Weighted model projecting tuition and other fee revenue
    • Model includes: sound enrollment projections, students per credit hour, online versus brick and mortar students, waivers, and withdraws/refunds
  – Establish accountability
    • Budget Managers at the Dean or Director level
  – Communication and Transparency
    • Training; Website; Listserv; Office Hours
  – Reporting Tools
    • iStratgey
Update on New Processes

• Travel
• Allocations
• Facilities
Travel – Employee Authorization

Each employee required to travel in the performance of official duties and entitled to reimbursement for expenses incurred must receive prior authorization from the department Budget Manager (Dean or Director).

Standing Authorization for Travel

- Annual authorization for the Fiscal Year
- Covers local travel within the metropolitan Atlanta area
- Travel does not require payment of registration fees
- Approved by the supervisor and department Budget Manager
- Annual file maintained in the office of the department Budget Manager
Travel – Employee Authorization

Specific Authorization for Travel

- Local area travel requiring a registration fee
- In-State and Out-of-State Travel
- Includes itinerary, estimated cost of travel, mode of transportation, and the purpose of the trip
- Approved by the supervisor and department Budget Manager
- Out-of Country travel must be approved by the area Vice President and the President of GPC
- No claims for reimbursement will be processed without the appropriate prior authorizations
Travel – Employee Authorization

Role of the Approver (Budget Manager)

In approving an employee authorization for travel, the Budget Manager is certifying:

- the availability of funds budgeted in the designated accounts
- the official business purpose of the travel
- a reasonable cost estimate
- compliance with GPC travel regulations for authorizations
- submission of complete and accurate documentation
Travel – Employee Authorization

**Processing Changes for Authorizations**

- Workflow processing for travel authorizations streamlined to improve efficiency for all parties

- Budget Managers will utilize iStrategy to verify funding and submit budget transfers, if necessary, prior to approving a travel authorization

- GPC Budget Office will no longer review or approve travel authorizations

- GPC Budget Office will contact the Budget Manager if any reimbursements are rejected for insufficient funds or improper account coding

- If sufficient funding cannot be identified, reimbursements may be declined for payment.
Allocations

• An allocation is something that you set aside for use. For instance, if you want to set aside a certain amount of hard drive space for an application, you can allocate how much in the settings.

• The same is true with financial resources. In the context of telecommunications, it shows by department the resources consumed for phone lines and long distance charges. This information is beneficial to see how college resources are consumed by department and function.

• Allocations in the works include: Postage & Telecommunications
Facilities

- Facilities will begin allocating expenses occurred for specific department purchases/requests

- These items include, but are not limited to: van rentals/gas and equipment purchases (for example, refrigerator for a science lab)

- All facility requests still follow the existing process

- Charges will be incurred by facilities, then transferred to the department via a general ledger transfer form to be submitted by Facilities to Accounting Services on a monthly basis.
Questions?

Budget Office
Jamie.fernandes@gpc.edu
678-891-2379