

**POLICIES AND PROCEDURES
OUACHITA TECHNICAL COLLEGE**

SUBJECT AREA: Finance and Administration
POLICY/PROCEDURE: Annual Internal Budget
DATE: March 1, 1993
REVIEWED: 7/27/10
REVISION(S):

NUMBER: 3.01

The College internal budget is prepared on an annual basis. The internal budget is a planning document used to ensure the optimum allocation of College resources for instructional programs and support services. The process necessarily reflects the consummated legislative budget request in regard to state appropriations and legislative intent relative to student fee increases and wage and salary adjustments.

Current budget development procedures utilize a modified base plus concept. Non-recurring expenditure budget adjustments (carry forward, etc.) are excluded from the base year. Increases are provided for added cost arising from expansion, salaries and wages, employee benefits, utilities, leases, and supplies and equipment. Increases are also provided for program improvement or special areas of services that are consistent with the overall College plan considering the established goals and mission.

Budget development as well as the final budget composite provide for expenditures by general object category. Current general expenditure objects include salaries/wages, staff benefits, general supplies and expense, unavoidable (utilities and leases), and capital equipment.

Data is solicited from management on all relevant budget matters. This includes concurrence with approved personnel staffing schedules, fringe benefit programs, exchange of information concerning changes in unavoidable expenses, as well as plans for plant expansion and special program improvement needs. The data is reviewed to ensure compliance with established internal goals and external legislative intent. The expenditure budget must not exceed the established revenue budget that incorporates revenue from student fees, state appropriations, and miscellaneous sources. The appropriations amount is the result of legislative action, while forecasted fees are derived from prior year enrollment and the Board of Trustees approved fee schedules.

After the annual budget is reviewed by College management, it is presented to the Board of Trustees for approval before forwarding to the Department of Higher Education.

AUTHENTICATION (Signature):

COPP

President

7/27/10
(Date)

3.01