



PA State System of Higher Education Board of Governors

Effective: July 15, 1993

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Policy 1993-03: Budgetary Reporting and Review

See Also:

Adopted: July 15, 1993

Amended:

A. Statute

In the area of budgetary reporting and review, Act 188 of 1982 states that the Board of Governors shall "coordinate, review, amend, and approve ... the annual operating budgets of the individual institutions, and the operating budget of the chancellor and the Board." (§ 20-2006-A(7)).

B. Purpose

The purpose of this policy is to provide a framework for university budgetary reporting and Board review and, by so doing, conform the practice of the Board with the intent of Act 188. Specifically, the policy provides for a yearly review and approval mechanism for the operating budgets of each university and the budget of the Office of the Chancellor and Board of Governors. This review will be an integral part of the Board's review and adoption of the State System's appropriation request for the ensuing fiscal year.

C. Procedure

1. Each university and the Office of the Chancellor shall submit operating budgets and such supporting information as may be specified by the chancellor to the Division of Finance and Administration, Office of the Chancellor. The frequency of submission, timing, format, and mode of reporting will be established by the chancellor.
2. Budgetary submissions shall include, at minimum, revenue, expenditure, and supporting data for the prior fiscal year, current fiscal year, and the request fiscal year.
3. The original submission, to be forwarded to the chancellor's office, shall be shared in summary form with the Board.

4. The Board's review of the budgets shall include assumptions for tuition rates and associated revenue, appropriations, and other sources of revenue, as well as expenditure projections for the future fiscal year.
5. The Board shall formally approve the future fiscal year budgetary submission of each university. The chancellor shall notify each president of the Board's action, including any amendments or comments.
6. The approved budgetary submissions, including any amendments adopted by the Board, shall form the basis for the State System's appropriation request, which is submitted to the Executive Branch and General Assembly in accordance with the provisions of Act 188 and Article VI of the Administrative Code of 1929.