

GRAYS HARBOR COLLEGE
Administrative Procedure

Subject: ACCOUNTING AND BUDGETING

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Administrative Procedure: 503.01

Date adopted: 3/20/2020 Revised: 12/7/2021; 12/6/2023

The Board of Trustees of Grays Harbor College has delegated authority to the President to prepare the annual operating budget detailing revenues and expenditures. The budget is prepared to coincide with the fiscal year of the College, July 1 to June 30. The Board of Trustees has ultimate responsibility for approving the annual operating budget.

The President or designee will prepare the operating budget using the principles and processes below.

I. Principles provide a framework and are the ideals for budget *planning*, prioritization and resource allocation. The overarching principle is to align the operating budget to the college priorities in the strategic plan.

Other principles and/or ideals are:

1. Resource allocation decisions will maintain fiscal sustainability
 - a. Sustained student enrollment, progression and completion
 - b. Optimal position levels with right mix of administrators, faculty and staff
 - c. Physical space preservation, maintenance and renewal considering the campus master plan
 - d. Cutting edge technology and continuous innovation
 - e. Balanced budget with cash flow reserves complying with Board of Trustee requirements
 - f. Preservation of all College and programmatic accreditation

2. The College will take a long-term perspective

3. Operating budget will be developed, prepared, approved and implemented in a manner that will involve necessary and appropriate consultation with broad constituencies

II. Processes are actions or steps to be taken to develop, prepare and approve the operating budget. The budgeting process below is a yearly timeline for the development, preparation, approval and implementation of the operating budget.

Timeline	Action
July	<ol style="list-style-type: none"> 1. New budget year 2. Budget upload to accounting system
August	
September	
October	<ol style="list-style-type: none"> 1. Faculty vacancies identification 2. Staffing levels and organizational personnel needs analysis 3. Vacant position replacement assessment
November	<ol style="list-style-type: none"> 1. Budget Manager Meeting 2. Call for budget request
December	<ol style="list-style-type: none"> 1. Budget request submission to President's Cabinet members
January	<ol style="list-style-type: none"> 1. Local Revenue Projection 2. Call for fee schedule changes

	<ol style="list-style-type: none"> 3. Review of budget request submissions by President and Cabinet 4. Communication of budget request summary to campus community
February	Budget stakeholder discussions
March	Budget stakeholder discussions
April	<ol style="list-style-type: none"> 1. Decisions on budget requests by President and Cabinet based on stakeholder discussions 2. Drafting and submission of tuition and fees schedule to Board of Trustees for approval 3. State allocation projection 4. Communication of budget request decisions to campus community
May	<ol style="list-style-type: none"> 1. Total revenue and expenditures projection 2. Preliminary draft of operating budget shared with the Board of Trustees and campus community
June (<i>subject to state budget approval</i>)	<ol style="list-style-type: none"> 1. Submission of operating budget to Board of Trustees for approval 2. Budget Manager Meeting 3. Communication of Board of Trustee approved budget to campus community

1. Quarterly, after the academic calendar census date, the President or designee will submit the operating budget status report to the Board of Trustees, reviewing the performance of actual revenues and expenditures compared to targets projected in the approved budget.

2. Monthly, after the closing of the accounting records, budget status reports will be available in the accounting system. Budget managers may train to be able to pull departmental budget status reports from the accounting system, or may contact the Vice President for Administrative Services for a copy

- a. Regular review of budget status reports is a responsibility of Budget Managers
- b. Budget Managers include the President, Vice Presidents, Associate Vice Presidents, Assistant Vice Presidents, Deans, Designated Academic Department Chairs and Designated Functional or Administrative Unit Directors or any employee of the College delegated as Budget Manager due to position, function or duties and responsibilities
- c. Budget Managers will review their budget reports monthly to ensure:
 - I. There are no unexpected charges to their budget
 - II. Expected charges appear on their budget
 - III. Budget categories of Salaries & Wages, Benefits, Goods & Services, Travel and Equipment are on target not to exceed their allocated budget
 - IV. Total expenditures status is on target not to exceed the total allocated budget
- d. Budget Managers may contact the Vice President for Administrative Services for clarification and/or to resolve any identified budget concerns

3. The College will utilize Enterprise Accounting System as designated by the Washington State Board for Community and Technical Colleges

- a. The Enterprise Accounting System will be used for general accounting. General accounting encompasses activities pertaining to the processing, review and oversight of all transactions recorded in the Enterprise Accounting System
- b. The accounting records will be reconciled monthly, quarterly or yearly in a timely manner

c. Bank reconciliations will be completed within 15 days of the close of the accounting month

4. The College's financial statements will be prepared annually in accordance with generally accepted accounting principles and applicable Federal and State of Washington laws, rules, regulations, policies and procedures.