



Annual Budget

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| Category: | Operations |
| Number: | |
| Audience: | All University Personnel |
| Last Revised: | September 10, 2016 |
| Owner: | President |
| Approved by: | Board of Governors |
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Introduction

The Board of Governors has the sole authority to approve the annual budget of the University.

The University's strategic plan is implemented through the commitment of resources to accomplish the mission of the University. This policy defines how input is provided for the consideration of the Board which has the authority and the responsibility to approve the University's annual budget.

Definitions

"Budget Document" - a package of information prepared that includes a summary commentary on the overall budget forecast, a breakdown of proposed expenditures for the following year with comparatives to the prior year totals and a description of all revenue sources either confirmed or projected for the budget year.

Policy

Principles

The fundamental principles that guide the development of the annual budget as reviewed and approved by the Board include:

1. The annual budget process will be committed to transparency and openness. It will be a collaborative and consultative process that will include consultation with the Board, the President and all departments of the University.

2. Department heads, Directors, Vice Presidents and the President will have opportunities to make their budgetary needs known early in the budgeting process and will be given opportunities for input throughout the budget development process.
3. The budget process should promote long term sustainability of the University.

Role and Responsibilities

1. Board of Governors
 - a. Approves the budget
2. President
 - a. Responsible for the implementation of the budget process.
 - b. Sets budget guidelines. (i.e. % to cut or increase, guidelines for staffing, etc.).
 - c. Annually submit to the Board a budget plan for approval, and is accountable for that plan.
3. Vice Presidents
 - a. Oversee the development of the budget for the departments reporting to them.
 - b. Seek input from all University stakeholders – faculty, staff students and others.
 - c. Seek input from departments reporting to them and advocate as necessary.
 - d. Review plan with the department or program head and Director, Finance to review budget submission.
 - e. Provide advice to the President on matters relating to budget.
4. Director, Finance
 - a. Oversee the budget process.
 - b. Provide advice to the President on matters relating to budget.
 - c. Communicate budgetary process timelines to Executive team and department or program heads;
 - d. Project funding and other revenue sources for the budget year to establish maximum expense capability;

- e. Meet with individual department heads and Vice President of the area to review the plan in the context of the overall University budget;
 - f. Ensure that overall budget plan provides for a balanced result with a minimum of 1.5% expense contingency;
 - g. Perform detailed review with Executive Team to tweak budgets as necessary to achieve satisfactory result;
 - h. Prepare final budget document that summarizes all revenues and expenditures and prepare commentary for presentation to Board of Governors.
5. Department / Program Heads
- a. Prepare activity plans for the budget year noting staff requirements, anticipated travel and operating costs to be incurred;
 - b. Review plans with the Vice President of their area and the Director, Finance and justify requirements;
 - c. Revise as necessary to meet available University funding.

Consequences for Noncompliance

Multi-year operating deficits lead to financial distress and must be avoided. For that reason, a balanced financial projection is mandatory and strict adherence to budget limits during the year will be enforced subject to the overall performance of the University. Proposed expenditures that will deviate from the budgetary plan and create an overall operating deficit will be rejected. Noncompliance by any employee will result in disciplinary action up to and including termination.

Related Information

- [Annual Budget Policy – Procedure Statement](#)
- [Business Case Template](#)