



Manual of Policy and Procedures

Title RESPONSIBILITY FOR DEFICITS INCURRED AFTER JUNE 30, 1979	Number 407	Page 1
	Date 8/7/81	

PURPOSE

The Chief Executive Officers are the individuals primarily responsible to the Chancellor for the operations of their respective colleges within approved budgets. The responsibility of these officers and their colleges for budget deficits should be clearly understood.

STATEMENT OF POLICY

Chief Executive Officers are expected to operate each year within in approved budget. A college contingency reserve is required to exist for unanticipated needs. The contingency reserve may be used to sustain a balanced budget if authorized under guidelines issued by the Chancellor.

Chief Executive Officers will be held accountable for budget performance. Failure to maintain at least an approved budget is deemed a serious breach of responsibility requiring specific evaluation by the Chancellor and a report to the Personnel and Finance Committees of the Board of Trustees.

Colleges incurring deficits not inherent in budgets approved by the Board will be responsible to refund the deficit from college resources unless otherwise provided through Board action. The plan for refunding the deficit (or equivalently, rebuilding the contingency reserve) approved by the Chancellor will be identified in subsequent budget submissions.

Signed by: Charles I. Bunting Chancellor
