

# Southern Illinois University

## Operating Budget Decision Rules

*Decision Rules exist to facilitate better planning in the budget process, to assure that resources are used for approved purposes, to provide a process for significant budgetary changes to receive appropriate administrative approvals, and to ensure proper accountability for spending authority.*

Budgetary adjustments that require administrative approval include 1) increases or decreases to the original budget and 2) transfers between personal service and line items other-than-salaries. The decision rules apply to individual budget changes as well as to cumulative changes.

**Changes between and within Decision Centers that reach the following levels require additional approval(s):**

**For Budgets under \$2.5 million:**

- Budget changes up to \$50,000, must be approved in accordance with procedures developed by the Chancellors;
- Budget changes between \$50,000 and \$100,000, must have Presidential approval;
- Budget changes over \$100,000 must have approval of the Board of Trustees.

**For Budgets over \$2.5 million:**

- Budget changes up to 2% must be approved in accordance with procedures developed by the Chancellors;
- Budget changes between 2% and 4% must have Presidential approval;
- Budget changes over 4% must have approval of the Board of Trustees.

<b>Decision Center Budget</b>	<b>Chancellor Approval</b>	<b>Presidential Approval</b>	<b>Board of Trustees Approval</b>
<b>Limits</b>	Up to 2%	2% to 4%	Over 4%
<i>Examples:</i>			
<b>Less than \$2.5M</b>	\$0 to \$50,000	\$50,001 to \$100,000	Over \$100,000
<b>\$5.0 M</b>	\$0 to \$100,000	\$100,001 to \$200,000	Over \$200,000
<b>\$10.0 M</b>	\$0 to \$200,000	\$200,001 to \$400,000	Over \$400,000
<b>\$15.0M</b>	\$0 to \$300,000	\$300,001 to \$600,000	Over \$600,000

## **Responsibilities of Decision Center Officer**

1. Develops the goals and objectives of the Decision Center to complement and support the mission and priorities of the University.
2. Plans the course of action for achieving the Decision Center goals and objectives.
3. Provides leadership and direction for staff efforts to accomplish the Decision Center goals and objectives.
4. Controls fiscal activities, using tools and processes that measure actual performance and monitor budgetary activities.
  - Approves all changes to the Decision Center budget before they are processed or forwarded for additional approvals.
  - Monitors and controls the original ending cash balance of the Decision Center and maintains an adequate cash reserve for non-appropriated funds.
  - Reports quarterly on all budgetary adjustments made to the Decision Center's original budget for inclusion into the University's quarterly performance report.