



BOARD POLICY

Number	3-02
Policy Type	Executive Limitations
Adoption	12-18-1995
Deletion	
Revision	08-20-2001
Review Date	03-15-2021

BUDGETING

Budgeting any fiscal year or the remaining part of any fiscal year shall not deviate materially from Board objectives and established priorities, risk fiscal jeopardy, or fail to be derived from a multi-year plan which discloses planning assumptions.

Accordingly, the President will not allow for budgeting which:

1. Contains too little information to: enable credible projection of revenues and expenses, determine separation of capital and operational items and project cash flow.
2. Plans the expenditure in any fiscal year of more funds than are conservatively projected to be received in that period.
 - a. "Conservative" means the revenue is estimated based on the previous year's enrollment and tuition income, estimates of property valuations from the county clerk, and state aid estimates from the Kansas Board of Regents.
 - b. Maintains less than a prudent level of cash reserve in the general fund as established by the Board at its annual planning session.
3. Endangers the fiscal soundness of future years or ignores the building of organizational capability sufficient to achieve institutional priorities as planned for future years.
4. Fails to plan for adequate funding for capital improvements and equipment replacement.

Revision Dates: 08-20-2001.