



Administration and Finance

Policy No: 1303

Policy Name:
Budget Amendment

Effective Date:
January 1, 1996

Revision Date:
N/A

Approved by:
John E. Geiman
Associate Vice President for
Administration and Finance

Approval Date:
January 1, 1996

Refer Questions to:
Director, Financial Services
410-706-7776

**USM Board of Regent's
Policy Reference:**
N/A

Policy:

Once the working budget is completed, a BA is used to make all changes to the budget.

1. A BA is used to increase or decrease the appropriation by adjusting revenue and expense. The revenue may be General, Special, Federal, or Fund Balance. (For Fund Balances, refer to Policy Number 1304: "Use of State-Supported and Auxiliary Enterprises Unit Fund Balances.")
2. A BA is used to reallocate the budget either within a campus unit or among campus units. The reallocation within a unit can be among account numbers within the unit, among operating expense subcodes, or from salary to operating and vice versa.
3. A BA is also used to adjust full-time equivalent position count (FTE's), referred to on the form as "% Full Time."
4. A BA must be signed by the Dean or Director of the program, the Director of Budget and Financial Analysis, and by the Associate Director of Payroll and General Services.

Definitions and Terms:

N/A

Purpose:

To specify the policy for using a Budget Amendment and to outline the procedures for completing one.

Scope:

A Budget Amendment (BA) is the mechanism used to revise the working budget of state-supported, auxiliary enterprises, or DRIF accounts to reflect changes that occur throughout the fiscal year.

Restrictions and Exclusions:

A BA cannot be used to move money between state-supported and non-state supported funds, or to make changes to revolving funds or contracts and grants. Please reference Sponsored Programs Administration policy number III 20-6 for budget adjustments to contracts and grants.

Policy No: 1303

Policy Name:
Budget Amendment

Responsibilities:

1. The department completes the BA and obtains the appropriate signatures of the department head and Dean or Director.
2. If it involves revenue or float positions or if it contains transfers between salary and operating expenses, the department sends the BA to Budget and Financial Analysis for approval. If approved, it is forwarded to Financial Services for processing.
3. If the BA involves only salary and/or FTE changes, the department sends it directly to Financial Services for processing.
4. A BA must balance. The combined increases and decreases from the estimated income and appropriation columns must be equal.
5. After processing, the pink departmental copies are sent to the Budget Coordinators. The process takes 7 to 10 days from the time the BA is received by Financial Services or the Office of Budget and Financial Analysis.

Related / Impacted Policies:

N/A