
LAMAR UNIVERSITY
MANUAL OF ADMINISTRATIVE POLICIES AND PROCEDURES

SECTION: Budget & Financial Planning
AREA: Budget

MAPP 03.01.02

Budget Roles and Responsibilities
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I. POLICY

- A. Lamar University (LU) personnel have designated roles and responsibilities in the University’s budget process. In this way, the University supports compliance with State of Texas law and Texas State University System (TSUS) rules and regulations regarding budgets.

II. PURPOSE AND SCOPE

- A. This policy falls under the authority of applicable federal, state, and TSUS laws, statutes, rules, and regulations, including, but not limited to, the TSUS Rules and Regulations, Chapter II, Subparagraph 4.3 and Chapter III, Subparagraph 6.7, and the Texas Education Code, Chapters 51, 95, and 96.

III. DEFINITIONS

- A. **Annual Operating Budget (AOB or “budget”).** The Annual Operating Budget is the authority through which the University receives and expends monies during its fiscal year (September 1 – August 31). The budget lists all income itemized by source, with all expenditures itemized by fund, project, or department. Each fiscal year’s final, approved AOB is filed with the TSUS as a public document. Upon TSUS Board of Regents’ approval of a budget, all subsequent expenditures must conform to the budget. Changes in a current operating budget and all transfers of funds between appropriated items are subject to Board approval.
- B. **Budget Development Cycle.** Each year, LU follows a systematic process for developing an Annual Operating Budget for the upcoming fiscal year (September 1 – August 31). This budget development cycle typically extends from January to August of the year before a new fiscal year begins. During this cycle, University personnel discuss, develop, and refine a proposed operating budget. In August of each year, LU’s President submits the proposed budget to the TSUS Board of Regents. Once approved by the Board, the budget becomes operational.
- C. **Fiscal Year (FY).** From the Texas Higher Education Coordinating Board: “The period of time beginning September 1 and ending on the following August 31, both dates inclusive, which coincides with the State of Texas’ fiscal year. It is sometimes called academic year.” A given budget is known by the year in which that fiscal year ends; for example, the September 1, 2021-August 31, 2022 budget is known as the FY22 budget.

- D. **Legislative Appropriations Request (LAR).** The University's biennial budget request to the State of Texas Legislative Budget Board (LBB) and the Governor's Office, Budget Division. Each biennium, all state agencies, including LU, submit a Legislative Appropriations Request. The LAR serves as a bridge between LU's Strategic Plan and the General Appropriations Act (GAA), expressing the University's priorities in fiscal form. The LAR has two components, the baseline or base level request and requests for consideration of exceptional items, which are desired services in addition to the baseline request.

IV. BUDGET ROLES AND RESPONSIBILITIES

- A. **Lamar University President.** The University's key decision-maker on budget matters. During the budget development cycle and LAR, the President weighs budget requests against institutional priorities and decides on the final nature of the AOB or LAR. Each August, the President submits the proposed AOB for the upcoming fiscal year to the TSUS Board of Regents. Each biennium, the President submits the LAR to the State Legislature and Governor's Office. After Board approval (AOB) or State (LAR) approval, all subsequent expenditures must conform to the budget, with changes and transfers that meet certain criteria subject to Board or State approval. The President holds responsibility for ensuring the Board and State's budget conditions are met.
- B. **TSUS Board of Regents.** The final decision-maker for the University's Annual Operating Budget. At the Board's annual August Meeting, the LU President and the leaders of all TSUS institutions present their proposed AOBs for the upcoming fiscal year to the Board. Considering the needs and priorities of each institution, the system as a whole, and the state, the Board decides to approve the LU budget or require revisions. Throughout the fiscal year, as mandated in the TSUS Rules and Regulations, the Board also approves or rejects certain budgetary changes or actions requested by the University.
- C. **Chief Financial Officer (CFO).** The CFO manages financial matters for the University, subject to the President and Board's approval. The CFO also ensures that the University's financial agenda is implemented smoothly and efficiently throughout the fiscal year. In addition, the CFO participates in the annual Budget Hearing, at which Deans and Vice Presidents present budget requests. Based on these requests and University priorities, the CFO makes recommendations to the President regarding the AOB for the upcoming fiscal year. The CFO also has oversight of the LAR process.
- D. **Provost and Vice President for Academic Affairs (VPAA).** As LU's Chief Academic Officer, the Provost works with LU's academic community to establish academic priorities for the coming fiscal year or biennial LAR. Based on the University's academic needs, the Provost may advise the President on academic spending in the AOB or LAR. The Provost also chairs the Budget Development Committee.
- E. **Assistant Vice President (AVP) or Director of Budget.** Head of the LU Budget Office, the AVP/Director of Budget reports to the CFO. The AVP/Director manages day-to-day operations in the Budget Office. Under the CFO's direction, the AVP/Director sets realistic financial goals for the coming fiscal year or for the biennial LAR. The AVP/Director prepares budget drafts

- throughout the AOB and LAR cycles. As the budget is implemented, the AVP/Director provides oversight and monitoring of the budget. The AVP/Director also communicates with LU departments to ensure budget information is properly disseminated, including during the AOB and LAR cycles.
- F. **Budget Office.** The Budget Office's mission is to facilitate optimal use of LU's financial resources and provide serviceable budget information to University stakeholders. On a day-to-day basis, the Budget Office's AVP/Director and staff manage and monitor budget matters. Working with the LU President, Vice Presidents, Deans, Chairs, and business managers, the Budget Office's AVP/Director and staff develop and draft the AOB and LAR, based on priorities conveyed by the University's departments.
- G. **Budget Development Committee.** This committee advises the University President on funding for new or expanded budget initiatives. The committee considers budget requests from faculty and staff and makes recommendations regarding resource allocation. Membership consists of LU faculty, staff, and a student representative. The Provost chairs the committee.
- H. **Deans and Vice Presidents.** Deans and Vice Presidents facilitate and advocate for their area's financial needs. Throughout the budget development and LAR cycles, Deans and Vice Presidents meet regularly with their chairs and business managers to set and refine goals for the upcoming fiscal year or the biennial LAR. In addition, Deans and Vice Presidents participate in the mid-year review, "prep cycle," and annual Budget Hearing, at which they present their budget requests to President and/or Provost or CFO.
- I. **Department Chairs.** Chairs communicate with their Deans and LU business managers to convey departmental priorities for the coming fiscal year or biennial LAR. Chairs are expected to present an effective budget to support department operations for an entire fiscal year, within a base budget established by the University.
- J. **Business Managers.** Specialists who facilitate LU budget matters. Each budget development or LAR cycle, business managers work with the Budget Office, Deans, Vice Presidents, Chairs, Department Heads, and other stakeholders to develop the coming year's AOB or biennial LAR. In addition, throughout the fiscal year, business managers work closely with Deans and Department Heads to support and monitor budget issues. Business managers also facilitate communication, channeling information about budget priorities among other members of the budgeting process.
- K. **Account Manager.** The account manager is responsible for the financial operation of a specific account, also known as an "index." Responsibilities include, but are not limited to, budget oversight, finance reporting, and daily financial activities. The responsibility of the manager of an account or index is a serious obligation. The account manager is personally accountable for the expenditures within an account. The account manager is not authorized to expend beyond the approved budget limits of any item within the account or index.

V. REFERENCES

- A. State of Texas, Legislative Appropriation Request: Detailed Instructions for Agencies, June 2016
- B. Texas Education Code, Chapters 51, 95, and 96
- C. Texas Higher Education Coordinating Board, Glossary of Terms, 2017
- D. TSUS Rules and Regulations, Chapter II, Subparagraph 4.3 and Chapter III, Subparagraph 6.7

VI. REVIEW AND RESPONSIBILITY

Responsible Party: Chief Financial Officer

Review: Every three years on or before September 1

VII. APPROVAL

Jamie Larson	08/31/2022
_____ Chief Financial Officer	_____ Date
Dr. Jaime R. Taylor	09/16/2022
_____ President	_____ Date

REVISION LOG

Revision Number	Date	Description of Changes
1	07/05/2022	Version completed.
	09/16/2022	Version approved by President.