

b. Balances remaining after plant fund accounts are closed shall be lapsed to the respective chancellor/vice president clearing accounts or to the central clearing account, depending upon the original funding source.

c. The chancellors/vice presidents shall have the option of reallocating balances to other approved projects or equipment items, or transferring the balances back to the renovation reserve for redistribution within the plant fund. If the balances are to be used for physical facilities projects or equipment which have not been approved by the President, the chancellor/vice president will submit a proposed revision to their fund balance plan.

7. Balances remaining from physical plant job projects under \$100,000 that were originally funded from restricted accounts shall be lapsed to the appropriate sources.

8. The assignment of funds into expenditure accounts and categories of expenditure is the responsibility of each chancellor/vice presidential area. After approval by the President, the breakdown by account and expenditure category is the basis for the University's operating budget which must be submitted to the Board of Trustees for approval. Individual salaries will be determined according to guidelines approved by the President. Each chancellor/vice president is responsible for submission of necessary documents to implement the July 1 payroll for each year according to procedures set forth by the Controller and Treasurer. Each chancellor/vice president is responsible for ensuring that the annual salary authorizations submitted to the Payroll Department are the same as those specifically approved for each individual within the salary guidelines established by the President.

9. Expenditures charged to a particular account must be for the accomplishment of those objectives of the program named in that account. Expenditures will not be reduced by utilization of revenue or for any other reason except correction of an error or in the case of a refund which occurs during the fiscal year in which the expenditure occurred. Expenditure of funds from nonrecurring sources must be limited to nonrecurring purposes unless prior approval by the President has been received. Expenditure of funds within a given fiscal year must be for services rendered during that fiscal year.

F. Revenue Generation

Funds allocated in the annual operating budget to each chancellor/vice president will be based on estimates of revenue by source including recharges (recharges represent expenditures of one unit in support of activities of another unit, assuming both units are included in the University operating budget.) These revenue levels will be established after detailed analysis by the President's staff and are included in approved chancellor/vice president revenue budgets. Any changes during the year in the planned revenue amounts will require submission of a revised plan of expenditures to the President which sets forth the actions proposed to deal with the revenue changes.

G. Budget Changes