



Policy Holder: GTF	Number: GTF	Revised:
Responsible Party: Coordinator Foundation Finances		Effective Date: 8/20/2015

BUDGETING POLICY

Budget Process and Implementation

The board of the Gwinnett Tech Foundation shall approve an annual operating budget for each calendar/fiscal year that will project income and expenses and will provide for programs and support services as outlined in the work plan for the year. The board will approve the annual budget prior to the start of the fiscal/calendar year.

The board authorizes the executive director to manage the organization in accordance with the approved annual operating budget. Programmatic or operational changes that may have a significant impact on the annual budget shall be reviewed by the board between budget cycles and may lead to a budget revision.

Financial Planning

Budgeting for any fiscal period shall not deviate materially from the mission, goals, and strategies; risk fiscal jeopardy; nor fail to show a generally acceptable level of foresight. Accordingly, the executive director shall develop a budget that:

- contains enough detail to enable accurate projection of revenues and expenses, separation of capital and operational items, cash flow and subsequent audit trails, and disclosure of planning assumptions
- plans the expenditure in any fiscal year of no more funds than are available or conservatively projected to be received in that period
- maintains current assets (cash, accounts receivable, prepaid expenses, etc.) at any time to no less than 100 percent of current liabilities (accounts payable, debt due in 12 months, etc.)
- does not deviate materially from board-stated priorities and board-approved budgets (except for grant revenues received during a fiscal year and their related expenditures) without seeking board approval

Budget Process and Review

The budget process is designed to provide:

- a means by which spending limits are set based on expected revenue levels
- a system to allow for procedures to compare actual results to the set spending limits
- a means for setting program priorities and allocating resources to those priorities
- a means for comparison of actual financial results to budgeted amounts and analysis of differences from those budgeted amounts

Preparation of Budget

Prior to the end of the fiscal year, the executive director and treasurer shall review the financial activity for each of the prior two fiscal years, including actual results of operations for those two fiscal years, mission of the organization, goals, short-term plans, and any other relevant information deemed appropriate.

Approval of Budget

After preparation of the budget for the next fiscal (calendar) year, copies of the budget, proposals for cost reductions (if necessary), and proposals for cost increases (if necessary) shall be sent to all board members. At the annual meeting, the board shall meet to discuss and approve or reject the budget. If the budget is rejected, the board shall direct the executive director and treasurer to amend the budget for changes as directed by the board.

Review of Budget

Once the budget has been set for the fiscal year, the budget shall be included in the accounting system of the Gwinnett Tech Foundation. As monthly financial statements are prepared, a comparison of actual monthly results of operations to budget figures shall also be prepared. The financial statements and budget variances (with detailed explanations) shall be reviewed by the Finance Committee. When deemed necessary, the board shall revise the budget to fund additional services or make allowances for other unbudgeted revenues or expenses.