

BUDGET PREPARATION AND CONTROL POLICY

Board of Governors for Higher Education
State of Rhode Island and Providence Plantations

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The Board of Governors is responsible for the submission of the proposed budgets of the public institutions of higher education and the Office of Higher Education. After the proposed budgets have been submitted, the Chair of the Board, with such assistance from, the Commissioner, Associate Commissioners, other members of the Board and from the presidents of the institutions as is deemed appropriate, shall maintain the necessary contacts with the Budget Officer, the Governor and the General Assembly in support of the requested appropriations. In budget hearings, the Commissioner and the presidents will be expected to explain the budgets of their respective institutions.

The Board will review the budget proposals submitted by the Commissioner and the presidents of the institutions with such careful consideration that it can accept responsibility for (1) the policies implicit in the proposed budgets which it approves, (2) the appropriation requests which are made, and (3) the wise and economical use of the appropriations if granted. In other words, the requests for appropriations are requests by the Board, and therefore, will be a financial expression of its corporate purposes.

In the proposed budgets, estimates of expenditure shall be realistic, adequately inclusive for efficient operation but sufficiently limited to require discerning economy in administration. In this connection, it is important to note that effective budgetary control involves not only a negative restraint upon unnecessary expenditures but also an affirmative encouragement of wise expenditure when there are needs to be met and funds are available for that purpose.

In the proposed budget, estimates of income from sources other than state appropriations shall be realistic, based upon cumulative experience and all available information regarding future prospects.

If and when new estimates of income are available after the proposed budgets have been submitted to the State Budget Office but before the state budget is completed, such revised estimates shall be made known to the State Budget Officer.

The Board expressly enjoins approaches to the Governor and his/her executive associates or the General Assembly, by members of the staffs of the institutions, soliciting legislative appropriations for special purposes, except in the case of the president of an institution and such persons as he/she may designate when acting with the consent and on behalf of the Board. In so far as it is in a position to do so, the Board will also discourage such approaches for such purposes by alumni groups and others.

The Board's mid year review process will take place after the Governor has submitted his recommendations in January. Updated revenue and expenditure projections at mid year will be forwarded to the State Budget Office and the House and Senate Fiscal Offices prior to the final

enactment of the appropriation bill.