

THE CALIFORNIA STATE UNIVERSITY AND COLLEGES  
Office of the Chancellor  
5670 Wilshire Boulevard  
Los Angeles, California 90036

October 30, 1972

To: Presidents *HEB*  
From: H. E. Brakebill  
Executive Vice Chancellor  
Subject: Delegation of Authority (Executive Order No. 162)

At the recent meeting of the Chancellor's Council of Presidents, we indicated that an updated version of Executive Order No. 137 would be forthcoming. Attached is Executive Order No. 162 which replaces Executive Order No. 137, and is operative until superseded.

The authorized campus agents for carrying out this delegation will presumably remain the same as those originally identified for Executive Order No. 137. If a change in these signatories is desired, please complete a new set and mail to the attention of Louis V. Messner.

Executive Order No. 40 relative to the Special Funds (Parking, Housing, Extension and Summer Session) remains the same except that the reference to Executive Order No. 137 is now, in effect, a reference to the attached Executive Order No. 162.

Please change all stamps and standard typed statements placed on various documents (Form 607's, T.B.A.'s, etc.) to identify Executive Order No. 162 as the basis for campus actions pursuant to this delegation.

If you have any questions on its contents, please feel free to contact Louis V. Messner, Chief, Budget Planning and Administration.

HEB:LVM:ms

cc: Vice Presidents, Academic Affairs  
Vice Presidents, Administration or Business Affairs  
Business Managers  
Chancellor's Staff

THE CALIFORNIA STATE UNIVERSITY AND COLLEGES  
Office of the Chancellor  
5670 Wilshire Boulevard  
Los Angeles, California 90036

Delegation of Budget Authority to  
California State University and Colleges Presidents  
Executive Order No. 162

This Executive Order is issued pursuant to authority granted by Education Code Sections 23605, 24053.1, and 24053.2; and Sections 1, 2, and 4(e) of Chapter III of the Standing Orders of the Board of Trustees of The California State University and Colleges and applies to General Fund support allocations issued by the Chancellor's Office.

The authority delegated to the presidents by Executive Order No. 137 is superseded and replaced by this Executive Order, effective July 1, 1972.

The Vice Chancellor of Business Affairs is hereby delegated authority to implement and administer this Executive Order, including modification, revocation and restoration, in whole or in part, in particular cases, of matters delegated in parts I and II of this Executive Order.

In implementing the authority delegated in parts I and II of this Executive Order, the campuses should not make commitments exceeding their net allocation of funds which includes an estimated salary savings and reimbursements (income).

I

A. Intra-Program Transfer of Budget Allotments

Effective immediately, authority to approve transfers within and between Personal Services and Operating Expenses and Equipment object categories within program is hereby delegated to each president with respect to his particular campus, including the authority to further delegate to not more than two officers designated by him, all subject to the following limitations:

1. No transfers may be made which are not in accordance with all applicable statutes including but not limited to, the Budget Act; or which are not in accordance with all applicable regulations and policies of the Board of Trustees.

2. The revisions made by each transfer must provide sufficient funding for the affected activities for the entire remaining portion of the fiscal year based upon the best projection at the time of transfer.
3. Personnel transfers between subprograms within program shall be effective on a temporary basis (during fiscal year only). This restriction is to prevent "fill-in" of positions transferred to another subprogram by subsequent formula calculations for future budget allocations.
4. No transfers to the reclassification budget allotments (Class and Rank and Non-Faculty) may be made under this delegation. Transfers from these allotments are restricted to reclassifications within program.
5. Approval of the Chancellor's Office is required if the transfer is to implement any of the following:
  - a. New programs never formally authorized in the budget.
  - b. Expansion of objectives and levels of service of existing programs that significantly go beyond that formally authorized in the budget.
  - c. Reorganization plans that create additional organizational units, or administrative positions at the Deans' level or above, or both such units and positions.
  - d. Restoration of budget reductions made by the Legislature or Governor.
  - e. Transfer of funds from allotments designated as being financed by the student Materials and Service Fees.
  - f. Transfers from the Salary Savings Reserve Account to any other allotment.

B. Accountability, Control, and Reporting Requirements

1. Accountability
  - a. In implementing the authority delegated for transferring funds between budget allotments within program, the president is responsible to achieve budgeted salary savings.

- b. The president is also responsible for adjusting his expenditures in the event anticipated income (reimbursements) is below initial projections. This would be necessary since all allocations are based on net cost projections (authorized expenditures less estimated salary savings and estimated reimbursements).

## 2. Control

- a. Quarterly allotments of personal service expenditures will be established by each college in accordance with Sections 5113 and 5113.1 of the State College Administrative Manual. At the end of each quarter, unliquidated balances for these allotments shall be transferred to the salary savings reserve on Form 25, Transfer of Budget Allotment within 30 days.
- b. The Budget Planning and Administration unit of the Chancellor's Office will conduct periodic examinations of financial documents and transactions approved by the colleges pursuant to this delegation to assure compliance with applicable language contained in the appropriation item and control sections of the Budget Act, applicable statutes and regulations and policies of the Board of Trustees.

## 3. Reporting Requirements

- a. Copies of all documents implementing these delegated transactions will be sent to the Chancellor's Office.

One information copy of documents transferring funds between allotments within category (TBA) will be sent to the Chancellor's Office and shall contain an explanation of the action taken.

Two copies of documents transferring funds between Budget Act categories will be sent to the Chancellor's Office. The Request for Allocation Order form shall contain a general purpose statement indicating the proposed use of funds and an explanation of how funding source became available for transfer. This is necessary for developing the Chancellor's Quarterly Category Transfer Report to the Joint Legislative Budget Committee. The two copies are required for preparing your Allocation Order at the Chancellor's Office as well as Budget Revisions and Allocation Orders sent to the State Controller and the Department of Finance by Fiscal Management.

- b. Quarterly Reports of expenditures and reimbursements in a form prescribed by the Chancellor's Office.

## II

### A. Approval Authority for Forms 607

Effective immediately, authority is hereby delegated to each president with respect to his particular campus, to approve those Forms 607 effecting the kinds of position changes listed below, including authority to further delegate his authority to not more than two officers designated by him:

1. Establishment of all new positions, including renewal of all blanket positions as authorized in the budget.
2. Abolishment of positions.
3. Downward reclassifications and restorations to the level authorized in the most current printed budget.
4. Conversion of whole positions to fractional equivalents or of fractional equivalents to whole positions, within the same classification.
5. Reclassification of positions on the Delegated Classification Review List subject to approval of funding provisions.
6. Campuses with a Plan of Classification Authority approved by the Faculty and Staff Affairs Division of the Chancellor's Office may reclassify all positions subject to the guidelines promulgated in FSA 71-71 and available funding sources.
7. Establishment of temporary parallel positions as required up to three months but not less than one week to cover absences of regular employees on military leave, jury duty, sick leave or workmen's compensation insurance leave; and up to one month but not less than one week for early departures of terminating employees with extensive accumulated overtime and vacation time.
8. Conversion of full-time or part-time teaching positions to blanket teaching positions, including establishment of up to four graduate assistant positions for each full-time faculty position subject to funds available. Such conversions will be for not less than one month nor more than one year in duration. In no event will conversions to graduate assistants exceed 2% of total faculty positions.
9. Conversion of non-teaching positions to blanket positions and vice versa.

B. Limitations

All of the foregoing position changes are subject to the following limitations:

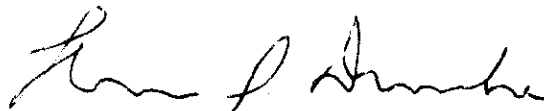
1. In accordance with Section 24053.1(d) of the Education Code, significant changes in grade or class of existing positions shall be shown as administrative adjustments in the subsequent budgetary submissions and shall be subject to review during the legislative budget process. Significant changes are defined as changes to classes with a base step equivalent to the Painter I classification. Reclassification, beyond this level, must be established on a temporary basis (i.e., expire June 30) until listed as a "Workload and Administrative Adjustment" in the printed budget. The reclassification document (Form 613) must be an action delegated to the campus by the Faculty and Staff Affairs section of the Chancellor's Office.
2. Classes restricted for use in the Chancellor's Office may not be established on the campus.
3. Temporary Help blankets for "various" classifications will not be used to appoint persons to professional positions with a base step above that equivalent to a campus Accounting Officer I. Blankets for professional positions above this amount will be restricted to a given classification series and established by conversions of that given classification. Further, the intent is to restrict the use of Temporary Help blankets to part-year and to part-time employees.
4. The following conditions must be satisfied on all changes of positions (Forms 607):
  - a. The financing is included in the approved budget, or the financing is provided by a transfer of funds that can be approved by the campus. (Transfers to augment the reclassification allotments must be approved by the Chancellor's Office.)
  - b. The Form 613, if applicable, has been approved pursuant to a delegation to the campus of classification authority, by the Faculty and Staff Affairs section of the Chancellor's Office. (If the Form 613 must be approved by Faculty and Staff Affairs, the Form 607 and related funding document must be submitted to the Chancellor's Office for approval.)

5. Approval by the Chancellor's Office is required if the position change is to implement any of the following:
  - a. New programs never formally authorized in the budget.
  - b. Expansion of objectives and levels of service of existing programs that significantly go beyond that formally authorized in the budget.
  - c. Reorganization plans that create organizational units or administrative positions at the Dean's level or above, or both such units and positions.
  - d. Restoration of budget reductions made by the Legislature or Governor.

C. Accountability, Control, and Reporting Requirements

The following procedures will be required to be performed under this delegation:

1. Campuses will submit Forms 607 implementing delegated actions directly to the State Controller with an information copy to the Chancellor's Office. The current and subsequent year's effect of non-faculty reclass actions on resources will be reported on the reverse side of Forms 607 submitted to the Chancellor's Office. Information copies of locally approved funding documents will also be submitted to the Chancellor's Office.
2. The Budget Planning and Administration unit of the Chancellor's Office will conduct periodic examinations of financial documents and transactions approved by the campus pursuant to this delegation.



Glenn S. Dumke, Chancellor

Dated: October 30, 1972

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