

THE CALIFORNIA STATE UNIVERSITY
Office of the Chancellor
400 Golden Shore
Long Beach, California 90802
(213) 590- 5725

Date: August 8, 1983
To: Presidents
From: William E. Vandament
Provost and Acting Vice Chancellor
Academic Affairs
Subject: Expanded Delegation of Fiscal Authority to California State University
Presidents - Executive Order No. 422

I am transmitting to you a copy of Executive Order No. 422 which delegates authority to you, within certain limitations, to approve fiscal transactions affecting your budgets for General Fund Support, Housing, Parking and Continuing Education. The major impact of this delegation is the inclusion of authority to approve transfers between the major budgetary programs.

The authorized campus agents for carrying out this delegation presumably will remain the same as those currently identified for Executive Order No. 299. If a change in these signatories is desired, please complete a new Acceptance of Delegation form (copy attached) and mail it to the attention of Louis V. Messner in the Office of Budget Planning and Administration.

It is your responsibility as President to implement Executive Order No. 422 where applicable and to maintain the campus repository and index for all Executive Orders.

WEV:mt1

Attachments

Distribution: Vice Presidents, Academic Affairs
Vice Presidents, Administration
Business Managers
Budget Officers
Deans of Continuing Education
Chancellor's Office Staff
Administrative Information Center

Executive Order No. 422

THE CALIFORNIA STATE UNIVERSITY
Office of the Chancellor
400 Golden Shore
Long Beach, California 90802

Executive Order No. 422
Title: Delegation of Fiscal Authority to California State University Presidents
Effective Date: July 1, 1983
Supersedes: Executive Order No. 299

This Executive Order is issued pursuant to authority granted by Education Code Sections 89035, 89753 and 89754; 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 applies to support allocations issued by the Chancellor's Office for the following funds:

1. State General Fund - Support only
2. Dormitory Revenue Fund - Housing System
3. Dormitory Revenue Fund - Parking System
4. Continuing Education Revenue Fund

The authority delegated to the presidents by Executive Order No. 299 is superseded and replaced by this Executive Order No. 422, effective July 1, 1983.

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 estimated salary savings and reimbursements (income).

No transfers between the General Fund and any Special Revenue Fund nor transfers between the Special Revenue Funds are permitted under this delegation.

This delegation specifically excludes transactions affecting Trust and Capital Outlay funds.

I

A. **Inter-Program Transfer of Budget Allotments**

Effective July 1, 1983, authority to approve transfers within and between the budgeted program categories of Instruction, Academic Support, Student Service and Institutional Support is hereby delegated to each campus president with respect to his or her particular campus, including the authority to further delegate to not more than two officers designated by him or her, all subject to the following limitations:

ALL FUNDS

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. Approval of the Chancellor's Office is required if the transfer is to implement any of the following:
 - a. New activities never formally authorized in the budget.
 - b. Expansion of objectives and levels of service of existing activities that significantly go beyond that formally authorized in the budget.
 - c. Scheduling of unbudgeted reimbursements or revenue.
 - d. Transfers to or from the reimbursed program categories of Organized Research, Public Service and Independent Operations.
 - e. Transfers to or from allotments which have been specifically restricted by the Chancellor's Office for any specific fiscal year.
 - f. Transfers from any budgeted Utilities allotment to any other allotment.

GENERAL FUND ONLY

3. Approval of the Chancellor's Office is required if the transfer is to implement any of the following:
 - a. Reorganization plans that result in changes in, or creation of new organizational units and/or academic administrative positions must be submitted to the Vice Chancellor, Faculty and Staff Relations, for review by representatives of Faculty and Staff Relations, Academic Affairs, and Business Affairs in accordance with Trustee policy stated in "Review

of Organizational Guidelines for Campuses" as set forth in Agenda Item No. 1 of the Committee on Faculty and Staff Affairs for the September 25-26, 1973 meeting of the Board of Trustees.

- b. Restoration of budget reductions made by the Legislature or Governor.
 - c. Transfers from the Salary Savings Reserve Account to any other allotment.
 - d. Transfers from the State University Grant allotment to any other allotment.
 - e. Transfers from the subprogram of Supplementary Educational Services - EOP to any other allotment.
 - f. Transfers from the cost center for Student Affirmative Action to any other allotment.
 - g. Transfers from allotments for Library Books or Library Periodicals to any other allotment.
 - h. In selected instances funds allocated for specific programs from Systemwide Provisions may carry specific restrictions. Such restrictions will be stated at the time of the allocation. Approval of the Chancellor's Office of transfers from such allotments will be required if stipulated in the allocation of the funds.
4. No transfers to the budgeted non-faculty reclassification and faculty promotion allotment may be made under this delegation. Transfers from these allotments are limited to the funding of reclassifications or faculty promotions.
5. Transfers from allotments designated as being supported by the Student Services Fee to any other program category or allotment are limited to the following in accordance with CSU Trustee Policy Agenda Item No. 4, Finance Committee, March 25-26, 1980:
- a. Realignment of budgeted staff benefits and equipment allocations.
 - b. Provision of services on a chargeback basis to Student Services Fee supported activities.
 - c. Combining of Student Services Fee supported resources with those of other program categories to conduct programs that meet the goals and objectives of Student Service programs.
 - d. Providing year-end transfer of fee supported funds that would otherwise revert to the General Fund.
 - e. Campuses will report any such locally approved transfers in a format and at such times as called for by the Office of Budget Planning and Administration.

SPECIAL REVENUE FUNDS ONLY

6. Approval of the Chancellor's Office is required if the transfer is to implement any of the following:
 - a. Transfers from allotments budgeted for Continuing Education for Central Administration entitled "Chancellor's Office Overhead Charges" and "State Prorata Charges".
 - b. Transfers to equipment allotments.
 - c. Transfers to expand objectives or levels of service. For guidance refer to the following examples and definitions:

Parking: An example would be that a proposal that would change the level of enforcement staffing within the parking program would require Chancellor's Office approval.

Continuing Education: For the purpose of these budgets, a significant expansion is defined as a 10% plus or minus change in the total amount budgeted by subprogram (e.g., Executive Management).
 - d. Transfers which establish serialized positions, or establish or increase Temporary Help blanket positions.
 - e. Transfers from allotments budgeted for Staff Benefits.
 - f. Any transfer to establish or increase allotments for Out-of-State travel.

B. Accountability, Control, and Reporting Requirements

1. Accountability

a. All Funds

The president is responsible for adjusting campus expenditures in the event anticipated income (revenue or 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).

b. General Fund Only

In implementing the authority delegated for transferring funds between budgetary programs, the president is responsible for achieving budgeted salary savings.

2. Control

a. All Funds

The Budget Planning and Administration unit of the Chancellor's Office will conduct periodic examinations of financial documents and transactions approved by campuses 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.

b. General Fund Only

Quarterly allotments of personal service expenditures will be established by each campus in accordance with Sections 8301 and 8301.1 of the State 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 (TBA) within 30 days.

3. Reporting Requirements

a. All Funds

1. One copy of all documents implementing these delegated transactions, will be sent to the Office of Budget Planning and Administration for post-audit.
2. One information copy of documents (TBA) transferring funds between budgetary object categories will be sent to the Office of Budget Planning and Administration and will contain a statement indicating the proposed use of the funds and an explanation of how the funding source became available for transfer.
3. Two copies of a Request for Allocation Order (RAO) will be submitted to the Office of Budget Planning and Administration for approval when scheduling unbudgeted reimbursements or revenue. The RAO shall contain a general purpose statement explaining the intended use and the source of the additional funds.
4. If any part of a transaction (607, 613, etc.) requires approval by the Chancellor's Office, all documentation pertinent to the transaction shall be submitted with the document requiring approval.
5. Quarterly Reports of expenditures and reimbursements in a form prescribed by the Chancellor's Office.

b. General Fund Only

Due to the nature of the CSU General Fund appropriation, implementation of delegated transfers between budgeted program categories can only be accomplished by submission of a Request for Allocation Order (RAO) to the Office of Budget Planning and Administration. These submissions will be implemented as approved by the campus pursuant to this delegation.

II

A. Approval Authority for Forms 607

Effective July 1, 1983, authority is hereby delegated to each president with respect to his or her particular campus, to approve those Forms 607 effecting the kinds of position changes listed below, including authority to further delegate this authority to not more than two officers.

ALL FUNDS

1. Establishment of all new positions, including renewal of all blanket positions as authorized in the budget.
2. Abolishment of positions as authorized in the budget.
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. Campuses with a Plan of Classification Authority approved by the Faculty and Staff Relations Division of the Chancellor's Office may reclassify all positions subject to the guidelines in UCAM Section 6112 and available funding sources.
6. 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 Workers' 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.

7. 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 teaching faculty position subject to funds available. Such conversions will be for not less than one month nor more than one year in duration.
8. Conversion of non-teaching positions to blanket positions and vice versa.
9. Administrative establishment or abolishment of positions for a term not to extend beyond June 30 of any fiscal year as required to implement delegated fund transfers.

B. Limitations

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

ALL FUNDS

1. In accordance with Section 89753(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. Upward reclassifications 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 Relations 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 with a base step above that equivalent to a campus Financial Manager I. Blankets for positions above this level 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. See UCAM Section 5220.02.
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 Relations section of the Chancellor's Office. (If the Form 613 must be approved by Faculty and Staff Relations, the Forms 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:

ALL FUNDS

- a. New activities never formally authorized in the budget.
- b. Expansion of objectives and levels of service of existing activities that significantly go beyond that formally authorized in the budget.
- c. Establishment and reclassification of positions at the level of Dean and Vice President must be submitted to Faculty and Staff Relations for review and approval in accordance with UCAM Section 6112. (This includes review of major changes in the content of positions already established.)
- d. Restoration of budget reductions made by the Legislature or Governor.

SPECIAL REVENUE FUNDS ONLY


- e. Establishment of unbudgeted serialized or Temporary Help positions or increases in budgeted Temporary Help positions.

C. Accountability, Control, and Reporting Requirements

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

- 1. Campuses will submit Forms 607 implementing delegated actions directly to the State Controller with an information copy to the Chancellor's Office. Information copies of locally approved funding documents will also be submitted to the Chancellor's Office unless specifically exempted in writing.

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.


W. Ann Reynolds, Chancellor

Dated: August 8, 1983

EXECUTIVE ORDER NO. 422
DELEGATION OF FISCAL AUTHORITY

ACCEPTANCE OF DELEGATION

Please sign and return this form to Budget Planning and Administration accepting the delegation and indicating the two executive officers designated to act on behalf of the President in these matters. The two individuals appointed as the administrators of this delegation must be at the position classification of Business Manager II or higher. Any change in the individuals assigned responsibility for this delegation will require the completion of a new form and should be immediately submitted to this office.

The conditions, limitations and authority contained in Executive Order No. 422 are hereby acknowledged and accepted.

CAMPUS PRESIDENT

Signature: _____

Typed Name: _____

Date: _____

I hereby authorize and empower the following two individuals at

(CAMPUS)

to act for me under provisions of the authorization contained herein.

First Executive Officer

Signature: _____

Typed Name: _____

Title: _____

Alternate Executive Officer

Signature: _____

Typed Name: _____

Title: _____

Date: _____

cc: Department of Finance, Audits Division and Budget Division
Budget Planning and Administration
Trustees' Audit Staff