


THE CALIFORNIA STATE UNIVERSITY
Office of the Chancellor
400 Golden Shore
Long Beach, California 90802-4275
(213) 590-5725

Date: September 26, 1989

To: Presidents

From: 
W. Ann Reynolds
Chancellor

Subject: Revised Delegation of Fiscal Authority to California State University
Presidents - Executive Order No. 551

I am transmitting a copy of Executive Order No. 551 which delegates authority to you, within certain limitations, to approve fiscal transactions affecting your budgets for support. It is applicable to such budgets supported by the General Fund, Housing, Parking, Continuing Education and Lottery. The major change incorporated in this revised delegation is the inclusion of the Lottery budgets. Other revisions are minor and primarily delete obsolete material contained in Executive Order No. 422 which is hereby superseded, effective July 1, 1989

The authorized campus agents for carrying out this delegation presumably will remain the same as those currently identified for Executive Order No. 422. If a change in those signatories is desired, please complete a new Acceptance of Delegation form (copy attached) and send it to the attention of Mr. Louis V. Messner in the Office of Budget Planning and Administration.

It is your responsibility as President to implement Executive Order No. 551 where applicable and to maintain the campus repository and index for all Executive Orders.

WAR:eb

Attachments

Distribution:

Vice Presidents, Academic Affairs
Vice Presidents, Administration
Vice Presidents/Deans of Students
Business Managers
Budget Officers
Deans of Continuing Education
Chancellor's Office Staff

Executive Order No. 551

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

Executive Order No. 551
Title: Delegation of Fiscal Authority to California State
University Presidents
Effective Date: July 1, 1989
Supersedes: Executive Order No. 422

The authority delegated to the presidents by Executive Order No. 422 is superseded and replaced by this Executive Order No. 551, effective July 1, 1989.

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
5. CSU Lottery Education Fund

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

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.

Although this Executive Order pertains to transfers of budgeted funds, in implementing the authority delegated in Parts I and II, campuses should not make expenditure commitments exceeding their net allocation of funds which includes estimated salary savings and receipts, i.e., reimbursements and revenue.

No transfers between the General Fund and any Special Revenue Fund or transfers between the Special Revenue Funds are permitted under this delegation.

I

A. Transfers of Budget Allotments

Effective July 1, 1989, authority to approve transfers within and between the budgeted program categories of Instruction, Academic Support, Student Service, Institutional Support and Provisions for Allocation 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
(AS LISTED ON PAGE 1)

1. No transfers may be made which are not in accordance with all applicable statutes including but not limited to, the annual 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 during 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 tracking classes of 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 which increase the campus' budgeted salary savings requirement or transfer excess salary savings 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 or cost center.
 - f. Transfers from the cost center for Student Affirmative Action to any other allotment or cost center.
 - g. Transfers from allotments for Library Books, Library Periodicals or Library Serials 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.
 - i. Increases or decreases in the Management Personnel Plan related programs of administration and distributed administration.

4. No transfers to the budgeted Management Personnel Plan (MPP) and non-faculty reclassification allotments or the faculty promotion allotment may be made under this delegation. Transfers from these allotments are limited to the funding of MPP and non-faculty reclassifications or faculty promotions.
5. Regardless of the Fund from which Special Repair budgets are appropriated, no transfers between approved repair projects may be made without the approval of the appropriate office of the Chancellor's Office, Division of Business Affairs, i.e., Physical Planning and Development.

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 between projects authorized in and funded from the CSU Lottery Education Fund.
 - d. Transfers which establish serialized positions, or establish or increase Temporary Help blanket positions.
 - e. Any transfer to establish or increase allotments for Out-of-State travel.

B. Accountability, Control and Reporting Requirements.

1. Accountability

a. All Funds

The campus president is responsible for adjusting 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 receipts).

b. General Fund Only

In implementing the authority delegated for transferring funds between budgetary programs, the campus 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 for personal service expenditures will be established by each campus in accordance with Sections 8301 and 8301.1 of the State Administrative Manual. Within 60 days after the end of each quarter, unliquidated balances in these allotments shall be transferred, by Request for Allocation Order, to the Salary Savings account in the Provisions for Allocation program.

3. Reporting Requirements - All Funds

a. Intra-Program Transfers

One copy of all documents implementing delegated transactions within a program will be sent to the Office of Budget Planning and Administration for post-audit if the transfer moves funds between subprograms.

b. Inter-program Transfer

- 1) Two copies of the Request for Allocation Order form (RAO) to implement delegated General Fund transfers must be submitted to the Office of Budget Planning and Administration for implementation as approved by the campus.

- 2) One copy of all delegated non-General Fund transfers, which are implemented on a Transfer of Budget Allotment form (TBA), will be sent to the Office of Budget Planning and Administration for post-audit.
- c. Two copies of a Request for Allocation (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 receipts.
- d. If any part of a transaction, such as a form 607 or a Request for Allocation Order, requires approval by the Chancellor's Office, all documentation pertinent to the transaction shall be submitted with the document requiring approval.

II

A. Approval Authority for Forms 607

Effective July 1, 1989, authority is hereby delegated to each campus 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 classifications.

5. Conversion of full-time or part-time teaching faculty 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 and will not extend beyond June 30 of the current fiscal year.
6. Conversion of non-teaching positions to blanket positions and vice versa.
7. Campuses having classification authority delegated by the Faculty and Staff Relations Division of the Chancellor's Office may reclassify all positions subject to the guidelines applicable to that delegation and available funding sources.
8. 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 two months but not less than one week for early departures of terminating employees with extensive accumulated overtime and vacation time.
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 submission and shall be subject to review during the legislative budget process. Significant changes are defined as upward reclassifications of or to classes with a base step equivalent to the base step of 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 classification approval must be an action delegated to the campus by the Faculty and Staff Relations Division of the Chancellor's Office.

2. Classes restricted for use in the Chancellor's Office may not be established on the campus.
3. 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 classification documentation, if applicable, has been approved pursuant to a delegation to the campus of classification authority by the Faculty and Staff Relations Division of the Chancellor's Office. If the classification must be approved by Faculty and Staff Relations, the Forms 607 and related funding document(s) 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. 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.
2. The Budget Planning and Administration unit of the Chancellor's Office will conduct periodic examinations of financial documents and personnel transactions approved by the campus pursuant to this delegation.



W. Ann Reynolds, Chancellor

Dated: September 26, 1989

EXECUTIVE ORDER NO. 551
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 tracking 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. 551 are hereby acknowledged and accepted.

CAMPUS PRESIDENT

Signature: _____

Typed Name: _____

Date: _____

I hereby authorized and empower the following two individuals at

(CAMPUS)

to act for me under provisions of the authorization contained in Executive Order No. 551.

First Executive Officer

Signature: _____

Typed Name: _____

Title: _____

DATE: _____

Alternative Executive Officer

Signature: _____

Typed Name: _____

Title: _____

Date: _____

cc: Budget Planning and Administration
Trustees' Audit Staff