

**BURRELL COLLEGE
OF OSTEOPATHIC MEDICINE
POLICY MANUAL**

SECTION: Board Policies

BCOM Policy 1015

TOPIC: Fiscal Management

Approval Date: 11/2016, 5/17

Effective Date: 11/2016, 7/1/17

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Approved: *Signature on File*

Purpose:

To ensure proper fiscal management and accountability of the College, and to authorize effective delegation of authority and responsibility.

Scope:

This policy applies to the fiscal management and governance of the College.

Policy:

In the interest of the sound fiscal management of the College, the Board of Managers, through the Board of Trustees, has delegated certain authority through the President, specifically to sign contracts and authorize the encumbrance and payment of funds on behalf of the College, to receive funds and other assets on behalf of the College and take responsibility for the safekeeping and upkeep of those assets, to develop budgets for the operation of the College and for capital projects, and to develop or cause to be developed systems of budgetary and internal control to support the sound fiscal management, timely financial reporting and full accountability surrounding financial matters of the College. The procedures supporting this policy statement shall be documented by the College.

Budget Development and Management:

An annual budget will be developed with the involvement of the Academic Department Chairs, and the Assistant or and Associate Deans or equivalent positions, for the review and approval of the Dean/Chief Academic Officer, and the President. The approved budget will be presented by the College for Board approval, following the approval of the Managing Member and the approval of Rice University Members, at least 60 days prior to the end of any fiscal year.

All financial transactions are subject to budgetary review and control within this approved budget. The President is responsible for presenting, or causing to be presented, a budget request in compliance with these requirements annually, and with ensuring proper budgetary control is exercised during the year. As a matter of policy, the Dean and Chief Academic Officer shall approve all budgets and financial transactions prior to their submission for final approval as required by members of the Board, and shall have authority to initiate internal budget revisions within approved line items. Budgetary reports will be provided to all members quarterly, and to management at least monthly, or on demand.

As a matter of sound budgetary management policy, within the above structure, the Dean/Chief Academic Officer has delegated appropriate budgetary authority and responsibility to the level of Academic Department Chair. The signature approval chart below summarizes the delegation of authority for approval of various financial transactions:

Purchase Requisitions:

Position Level	Disbursement Approval Authority (per item)
Department Chair	Up to \$250
Assistant or Associate Dean or equivalent	\$250-\$1,000
Dean/Chief Academic Officer	\$1,000-\$25,000
President	\$25,000-\$50,000
Managing Member	\$50,000-\$250,000
Managing Member and Rice Member	\$250,000 and above (\$150,000 for capital items)

Note: The Finance Office reviews all disbursement requests for allowability per policy, appropriate documentation, and budget availability. As a principle of sound internal control, the Finance Office does not approve or deny any request, but instead makes recommendations to the Dean/Chief Academic Officer and President. No employee may approve his/her own travel or reimbursement as a matter of internal control.

**Both Board of Managers and Rice Trustee and Member approval is required, per operating agreement, for specified dollar amounts pertaining to contributions to NMSU Foundation or affiliates, selling of assets, indebtedness and capital expenditures.*

Personnel Requisition Processing:

Action	Initiated	1st Level Validates Policies Being Followed	Budget Revision Form	2nd Level Validates Budget of Position	3rd Level Authorizes Action	4th Level if Annual Salary >\$150,000
	<i>Associate/ Assistant Dean</i>	<i>HR Manager</i>	<i>CFO/ Controller</i>	<i>Controller</i>	<i>Chief Academic Officer/President</i>	<i>Managing Member</i>
Replacement of Existing Position	X	X		X	X	X
New Position	X		X	X	X	X
Permission to Hire	X	X		X	X	X