

Subject: Budget Guidelines for Centers of Excellence	Author:
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Approved By:	Page 1 of 2

A. Policy:

1. Line item budgets will be prepared for each Center of Excellence in accordance with established University guidelines. This will be accomplished by the program director during the preparation of the University's annual operating budget.
2. The Council on Postsecondary Education (CPE) award for University Centers of Excellence will be budgeted in a separately identified general fund account. These accounts will serve as cost centers for recording all direct costs relating to the CPE award.
3. Other departmental general funds, apart from the CPE award, supporting the Center of Excellence will be identified by the program director during the normal budgeting process. The budget for these line items will remain in departmental accounts, although they subsequently will be consolidated with the center award funds for financial reporting to the CPE.
4. Restricted funds including gifts, grants, and contracts that directly relate to the Center will be line item budgeted in separately identified restricted fund accounts. Consistent with budget guidelines, these restricted funds will be considered a part of the Center's overall operating budget and included as such on financial reports.
5. Adjustments to the approved budget will be made through the budget adjustment process in accordance with established University policies. Program directors may reallocate funds within the Center account as programmatically justified. Transfers between expenditure categories (i.e., movement from salaries to current expenses) are permitted. Please note, however, that program directors are required to provide written justification for significant budget transfers in the progress report to the CPE.
6. Fringe benefit costs for personnel assigned to the Center will be budgeted and expended in accordance with the University's established practices. The President will entertain requests from units to use unexpended fringe benefit budgets from the CPE award.
7. Funds remaining at fiscal close will be carried forward into the new fiscal year as allocated fund balances. Program directors will be required to rebudget the fund balances that are carried forward. Overdrafts on Center of Excellence accounts will be deducted from the subsequent year's budget allocation.
8. It will be the responsibility of the program director to prepare progress reports to the CPE and coordinate them with their dean. Reports should be forwarded through the Office of the Provost to the Office of the VP for Finance (VPF). VPF will be responsible for

reviewing all financial reports and coordinating the final progress report with the Council staff. The President or Provost will approve all final reports.

9. As part of the progress report to the CPE, special consolidated financial reporting is required. It will be the responsibility of the program director to maintain cost information, for both general and restricted funds, for use in preparing the consolidated financial reports.