

**ADMINISTRATION & FINANCE | BUDGET PLANNING & ANALYSIS****Budget Oversight****June 2025****1.0 PURPOSE**

---

The purpose of this operations detail is to establish Cal Poly Pomona’s framework for budget oversight and monitoring in alignment with the California State University (CSU) Chancellor’s Office policy. It provides a consistent set of principles for financial accountability, transparency, and fiscal integrity in the planning, execution, and management of all budget activities across the university.

**2.0 BACKGROUND**

---

Budget oversight is a foundational component of responsible financial stewardship at Cal Poly Pomona. The university must maintain compliance with CSU policy while ensuring all budgetary actions support institutional goals, are documented, and reflect effective resource utilization. The Chancellor’s Office ICSUAM Policy 02002.00 provides the foundational policy for campus-level oversight of fund balances, reserves, and expenditures.

**3.0 OVERVIEW**

---

This policy outlines Cal Poly Pomona’s approach to ensuring sound budget oversight through:

- Transparency in budget practices
- Consistent monitoring and review of fund balances
- Institutional accountability in budget decision-making

**4.0 CITATIONS**

---

[CSU ICSUAM Policy 02002.00, Budget Oversight](#)

[CSU ICSUAM Policy 02001.00, Designated Balances and Reserves](#)

[CSU Executive Order 1000, Delegation of Fiscal Authority and Responsibility](#)

[CSU Executive Order 994, Financing and Debt Management Policy](#)

[CSU Executive Order 1102, Student Tuition and Fee Policy](#)

**5.0 PROCEDURES**

---

**5.1. Fund Balance and Reserve Oversight**

Colleges, divisions, and departments are responsible for managing their fund balances within CSU-established thresholds. Budget Planning & Analysis (BPA) shall review campus fund balances annually to ensure reserves (one-time funds) are appropriately sized to support risk mitigation, strategic initiatives, and long-term sustainability.

Operating reserves must be aligned with CSU guidelines: typically, a minimum of three months and a maximum

of six months of operating expenses.

Year-end designated balances and reserves will be reported and reviewed by the CFO and incorporated into the campus annual financial planning process.

### **5.2. Monitoring and Reporting**

BPA will issue *quarterly reports* summarizing operating budget financial activities, budget-to-actual comparisons, and fund balances for all funds to the campus CFO. Units are responsible for reviewing, projecting year-end activities, addressing variances, and resolving any discrepancies at the unit level as part of an iterative financial management process.

BPA will review fund balances for all funds and document any actions taken to resolve discrepancies. Documentation shall describe any further research or analysis to be conducted, a resolution plan, as well as expected and final completion dates.

### **5.3. Self-Support and Fee-Based Program Oversight**

Self-support operations, including Housing, Parking, and College of Professional and Global Education (CPGE) and fee-funded activities, must demonstrate fiscal self-sustainability. Fee budgets must fully account for salaries, benefits, and operational needs, and maintain appropriate carryforward balances. For details, refer to the existing operations detail "BPA-06, Fee Management Guidelines" (February 2024).

### **5.4. Risk Management and Contingency Planning**

All major budget units must identify financial risks and maintain contingency plans. Risk factors may include enrollment fluctuations, changes in funding sources, or increased benefit costs. Units are encouraged to conduct scenario planning annually.

## **6.0 DEFINITIONS**

---

### **Fund Balance**

The net difference between a unit's revenues and expenses at a point in time. A positive balance indicates unspent funds available; a negative balance represents a deficit.

### **Operating Reserve**

A portion of fund balance held for emergencies, unanticipated expenses, or revenue shortfalls. Operating reserves serve as a financial safety net.

### **One-Time Funds**

Resources that are not expected to recur annually and are typically derived from unspent balances, grants, or year-end allocations.

### **Self-Sustainability**

The ability of a program to support all associated costs with its own revenue stream, without reliance on central or subsidized funding.

## **7.0 CONTACTS**

---

This operations detail is owned, administered, interpreted, and revised as necessary by the [Office of Budget Planning & Analysis](#) in the Division of Administrative Affairs.

### **Carol Lee**

Assistant Vice President of Budget, Planning, & Analysis  
[cllee@cpp.edu](mailto:cllee@cpp.edu)

## 8.0 REVISION TRACKING

---

### Revision History

Revision Date	Revised by	Summary of Revision	Section(s) Revised
06/13/1015	Carol Lee	Initial Draft	All

### Review/Approval History

Approval Date	Approved by	Summary of Approval	Section(s) Approved
<u>06/25/2025</u>	<u>Michelle Cardona</u>	<u>Approved</u>	<u>All</u>