

# CAMERON UNIVERSITY

## Account Deficit Policy

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### Policy Statement

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Deficits in University accounts are not permitted. Accounts should be reviewed monthly by sponsors, deans/directors, and vice presidents to ensure that deficits do not occur.

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### Contents

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- Who should know this Policy?
  - Responsibilities
  - Procedure
  - Contacts
  - Forms
  - Policy History
- 

### Who Should Know This Policy

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President	Other Accounting/Finance Personnel
Vice Presidents	Students
Deans	Other Groups
Department Chairs	All Employees
Faculty	

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### Responsibilities

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#### Responsible for Policy

University Officer Responsible

Vice President for Business and Finance

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## Procedure

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**STATEMENT OF PURPOSE:** In support of the above policy statement, the following procedures and information are provided:

### 1.0 Definition

1.1 For purposes of this policy, an account is a distinct budgetary or cash grouping of specific funds. Numeric references are assigned to identify accounts within the University's accounting system.

### 2.0 General Guidelines

21 Deficits in University accounts are not permitted. Accounts should be reviewed monthly by sponsors, deans/directors, and vice presidents to ensure that deficits do not occur. If a deficit is projected or indicated, immediate action should be taken to prevent or correct the problem. In all cases, vice presidents are ultimately responsible for the financial management of accounts within their area(s) of responsibility.

22 All deficits are to be thoroughly investigated and resolved in a timely manner; however, corrective action plans are to be submitted only for deficits of \$15,000 or more or that have an anticipated duration of 90 days or more.

2.2.1 If circumstances occur that require a temporary deficit for a special purpose, an explanation and plan for repayment must be fully documented by the appropriate vice president and submitted to the President or President's designee and Vice President for Business and Finance for review and approval.

23 If a deficit is reflected in an educational and general account on the June 30 financial reports, the departmental appropriation for the succeeding fiscal year may be reduced by the amount of the deficit.

24 All University fund groups are subject to this policy.

25 Although salaries, wages, and other account or object categories should be closely monitored, this policy applies only to the total budgetary or cash balance for each account.

26 Accounts that have been established by the Business Office for the purpose of University clearing or suspense functions are not subject to this policy.

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## Contacts

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Policy Questions: Business Office (580) 581-2225

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## **Policy History**

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### **Policy**

Issue Date: February 10, 2005

Reviewed, no revision: February 2016

Revised: April 6, 2017