DEPARTMENT OF CORRECTIONS

Policy Number:	**403.010**
Title:	**MINNCOR Budgets by General Ledger Code**
Effective Date:	**10/16/18**

PURPOSE: To provide operating spending and revenue budgets by division and business unit to ensure accountability and to maximize the resources of the Minnesota Corrections Industries Program (MINNCOR) revolving fund.

APPLICABILITY: All adult facilities with MINNCOR production facilities and MINNCOR central office

DEFINITIONS:
General ledger code – a unique code that defines a specific revenue or expense account by division and business unit, defined in the automated electronic resource planning (ERP) system.

PROCEDURES:

A. Chief financial officer (CFO) and manager responsibilities

1. By April 10th each year, the CFO:
   a) Submits a request for budgets from each director by division and business unit;
   b) Provides historical data from the previous fiscal year;
   c) Sends sales projections for each business unit as provided by the MINNCOR vice president (VP) of business development and VP of sales; and
   d) Provides salary projections for each staff by division and business unit.

2. By May 15th each year, the managers must, for the upcoming fiscal year:
   a) Produce a spending and revenue budget;
   b) Prepare a capital request list;
   c) Produce a staffing plan; and
   d) Submit these items to the CFO.

3. The CFO then:
   a) Reviews the budget requests for accuracy and communicates any concerns and/or changes with the submitting director; and
   b) Forwards the completed budgets to the MINNCOR executive team for review.

B. The MINNCOR executive team meets to approve or change the budgets as appropriate.

C. The CFO distributes the approved budgets to the directors. Budgets and supporting documentation are retained by the CFO.

D. The CFO, where applicable, ties the MINNCOR budget into the DOC acceptable format.

E. Facility directors are responsible for variance reporting each month, as it relates to the budget/forecast versus the actual.

INTERNAL CONTROLS:

A. Fiscal year budgets and supporting documentation are retained by the CFO according to MINNCOR's records retention schedule.

ACA STANDARDS: None

REFERENCES: Minn. Stat. § 241.27

REPLACES: Division Directive 403.010, "MINNCOR Budgets by General Ledger Code," 8/5/14.
All facility policies, memos, or other communications whether verbal, written, or transmitted by electronic means regarding this topic.

ATTACHMENTS: None

APPROVALS:

Deputy Commissioner, Facility Services
Deputy Commissioner, Community Services
Assistant Commissioner, Facility Services
Assistant Commissioner, Operations Support