Budget Update Document

BUD

Overview and Preparation Process

FY 2014-15

BUD document website link
https://utdirect.utexas.edu/budget/bud/home.WBX

Budget office website
www.utsa.edu/financialaffairs/budget
AGENDA

• Part I – Overview
  • Calendar - Key Dates
  • General Information
  • Revenue Budgets – Source of Funds
  • Expense Budgets (Status Quo E&G 14 & 19-7)
  • Special Instructions for Non-E&G Accounts
  • Data Source of BUD Documents

• Part II - Step by Step Budget Document Processing
<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
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<tbody>
<tr>
<td>Feb. 5</td>
<td>Board of Regents Budget Policies and Guidelines Approved</td>
</tr>
<tr>
<td>Feb. 5-25</td>
<td>Budget coordination of salary review reports of permanent positions and related funding</td>
</tr>
<tr>
<td>Feb. 27</td>
<td>University Strategic Resource Planning Council (USRPC) Meeting</td>
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<tr>
<td>Feb. 27</td>
<td>Draft Revenue Projections (Mandatory and Incidental Fees) provided to Fee Funded areas</td>
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<tr>
<td>Mar 4 – 5</td>
<td>Budget Training – Overview and BUD Document preparation (published in T&amp;D booklets)</td>
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<tr>
<td>March 6</td>
<td>Benefits Template (website) and Longevity Reports (via Rowdy Space) provided to areas</td>
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<tr>
<td>March 6</td>
<td>FY15 Budget Document Preparation Begins <strong>(BUD System opens to departments)</strong></td>
</tr>
<tr>
<td>March 7</td>
<td>Draft Debt Service Budgets provided to Financial Area reps</td>
</tr>
<tr>
<td>March 12-13</td>
<td>Budget Training – Hands on training available (available workstations for data entry)</td>
</tr>
<tr>
<td>TBA by Areas</td>
<td>Internal Department Deadlines for Budget Document review and approval</td>
</tr>
<tr>
<td>March 31st</td>
<td>FY15 Budget Documents are due to Budget Office <strong>(BUD System closes to departments)</strong></td>
</tr>
<tr>
<td>April 1-6</td>
<td>Preparation for UT System Budget Goals &amp; Priorities Hearing</td>
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<tr>
<td>To Be Determined</td>
<td>USRPC Meeting to review Resources and Requirements</td>
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<tr>
<td>April 16</td>
<td>UT System/UTSA Budget Goals &amp; Priorities Hearing</td>
</tr>
<tr>
<td>May 12</td>
<td>Draft FY15 Operating Budget due to UT System</td>
</tr>
<tr>
<td>May 14-15</td>
<td>Board of Regents to approve Tuition and Fee Proposal</td>
</tr>
<tr>
<td>June 2</td>
<td>Final FY15 Operating Budget due to UT System</td>
</tr>
<tr>
<td>July 26</td>
<td>1st Draft LAR Biennium 2016-17 due to UT System</td>
</tr>
<tr>
<td>August 8</td>
<td>Final LAR Biennium 2016-17 due to UT System</td>
</tr>
<tr>
<td>August 20-21</td>
<td>FY15 Operating Budgets approved by Board of Regents</td>
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</table>
General Information

- Processing of BUD documents will create departmental operating budgets (ORIGINAL BUDGET in DEFINE) for the upcoming fiscal year beginning September 1st
- Original Budgets + permanent transfers between budgeted accounts represents “status quo” budgets
- BUD document processing begins before final decisions and allocations are known
- Final BUD updates are processed by Budget Office following authorized and approved changes by Campus Management and Operations (CMO)
- Consult with your Financial Area Representative for additional requirements and deadlines pertaining to the BUD process (refer to back of training book for contact FAR listing).
General Information: Account Groups

- BUD documents start with a budget group:

- BUD documents are required for the following funds:
  - 14 – State Appropriated Funds (E&G)
  - 18 – Service Areas
  - 19 – Designated (Local) Funds (NON – E&G)
  - 29 – Auxiliary Funds

- BUD documents for Grants/Contracts (26); Gift (30) and Plant Funds (36) accounts are NOT created by departments. Instead, Central Budget Office captures and reports at a higher level for reporting purposes only.

<table>
<thead>
<tr>
<th>Budget Group (first 8 numbers)</th>
<th>Budget Category (Sub-Account)</th>
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</thead>
<tbody>
<tr>
<td>14</td>
<td>023500</td>
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</tbody>
</table>
General Information:
Revenue Budgets - Sources of Funds

- **State Funds** (E&G budgets - 14’s & 19-7’s accts)
  - State Appropriations: Formula Funding, Special Items, Benefits
  - THECB Transfers: TX Grant, Work-study, etc.
  - Statutory Tuition, Certain Fees

- **Designated Funds** (Institutional or Local Funds - 19-accts)
  - Designated Tuition, Mandatory, Course & Incidental Fees
  - Indirect Cost Recovery: Facilities & Admin Overhead

- **Auxiliary Enterprise Funds** (100% Self-Supporting Ops – 29-accts)
  - Housing, Parking, Athletics, Bookstore, University Center, Food Services

- **Service Center/Recharge** - Budget form available on Budget Website to formalize budget requirements and approval of recommended budgets from Grants/Contracts
  
  www.utsa.edu/financialaffairs/Forms/grants/AnnualOperatingBudget18accts.pdf

  - Chargeback to other funds for services (18-accts)
Revenue Budgets – Projections & Assumptions

- **Mandatory Fees** – Revenues for Budget 2015 will remain at the Forecast levels for FY 2014. These amounts were distributed by Budget Office to Fee Administrators on **Feb 25th**
  - Revenue projections are based on paying SCH and/or student headcount
  - Any deviations to budget projections need to be discussed and approved by the Senior Budget Director prior to start of the budget process or opening of BUD documents (**March 6th**)

- **Incidental Fees** - Revenues for Budget 2015 will remain at the Forecast levels for FY 2014. These amounts were distributed by Budget Office to Area Reps for coordination on **Feb 26th**
  - Any deviations to budget projections need to be discussed and approved by the Budget Director prior to departmental completion of BUD documents (**March 31st**)
Expense Budgets

Status Quo Budgets E&G
(14 acct. and 19-7 accounts funded with Designated Tuition)

• **Status Quo Base Budgets (14 and 19-7 accounts primarily)**
  - Department Operating Budget Preparation assumes no new money:
    *Original Budgets + permanent transfers between budgeted accounts (i.e. commitment section) represents “status quo” budgets.*

• University Strategic Resource Planning Council (USRPC) reviews Resources and Requirements with final budget allocations authorized and approved by Campus Management and Operations (CMO)
### Status Quo Budgets funded by Designated Tuition via E&G Control (14 accounts) and E&G M&O Clearing (19-7 accounts)

#### Base Budget Allocations / Establishing & Reconciling the Transfers-In from Designated Funds to E&G Budgets

<table>
<thead>
<tr>
<th>E&amp;G Funds (14-Accts)</th>
<th>Clearing Accounts</th>
<th>Designated Funds (19-Accts)</th>
<th>Auxiliary Funds (29-Accts)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Designated Tuition 19-0232-01</td>
<td>F&amp;A Indirect Cost Recovery 19-8001-01</td>
</tr>
<tr>
<td></td>
<td></td>
<td>E&amp;G Transfer Control 19-0235-06</td>
<td>Misc 19-Accts (Not Fee Accounts)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>E&amp;G M&amp;O Clearing 19-0230-97</td>
<td>19-7 M&amp;O Accounts</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Misc Other Income Generating Accts</td>
<td>Auxiliary Enterprise Accts</td>
</tr>
</tbody>
</table>

- **$51.2 Mil**: Flow from Designated Tuition 19-0232-01 to E&G Transfer Control 19-0235-06.
- **$11.4 Mil**: Flow from E&G M&O Clearing 19-0230-97 to Misc Other Income Generating Accts.

When a permanent transfer is authorized between 19-7 accounts, that change should be directly reflected in the BUD E&G M&O Clearing (acct 19-0230-97) vs. showing the transfer to another 19-7 acct. Contact BUDGET OFFICE for updates.

All such transfers to fund the E&G budget must be authorized by Budget – no exceptions.
Special Instructions for Non-E&G Budgets

- **Fee Related accounts (19 & 29 accts) and Service Center accounts (18 accts)**
  - Based on revenue budgets approved and allocated to appropriate accounts.
  - Authorized Service Centers (18 accts) must submit approved service level agreement through Office of Grants & Contracts.
    - www.utsa.edu/financialaffairs/Forms/grants/AnnualOperatingBudget18accts.pdf

- **Fringe Benefit Rates** - benefit sub account with appropriation code (2F)
  - Budget based on actual cost experience of employees paid from Non-E&G accounts.
  - Fringe Benefits Calculation Tool available on Budget Website
    - http://www.utsa.edu/financialaffairs/budget

- **Longevity Pay** - salary subaccount with appropriation code (3D)
  - Budget Office provided electronic reports to FAR Representatives for estimates via RowdySpace on **March 6th**

- **Debt Service** – certain 19 and 29 accounts only
  - Budget Office will provide *preliminary* data to Area Reps on **Mar 10th**
  - Use debt subaccount with appropriation code (E2)
Data Source of BUD document

- Revenue accounts and associated transfers (T1/T2) start with prior year budget amounts and REQUIRE update by central fee account administrators based on approved revenue projections.

- Positions in HRMS with “budgetary funding” or “permanent additional pay” on budgeted accounts will load budget dollars to salary subaccounts.
  - Positions in BUD will NOT update actual funding records in HRMS.

In summary, positions in the BUD are for informational purposes and used to reconcile and account for all positions which are budgetary funded (i.e. permanent position tracking).
BUD Loads from Two Sources

For salary subaccounts (-01, -09, -10, etc.)

- Position and incumbent information load from HRMS

- Position Base Pay:
  - Will only load in a BUD if a position has budgetary funding
  - For filled positions, the rate that loads in the BUD will be the incumbent’s rate that is effective 9/1 of the next fiscal year in HRMS for that position.
  - For vacant positions, the rate that loads in the BUD will be the FY Baseline that is effective 9/1 of the next fiscal year in HRMS for that position.
  - The allocation that loads in the BUD will be determined by the budgetary funding distribution that is effective 9/1 of the next fiscal year in HRMS for that position.

- Incumbent additional pay:
  - For filled positions, the amount loads in the BUD will be the incumbent’s permanent additional pay amount(s) effective 9/1 of next fiscal year in HRMS.
  - Additional pay only applies to filled positions; not applicable for vacancies
BUD Loads from Two Sources

Non-Salary Expense subaccounts (50, 75, etc)

- Starting point is prior year BUD ± permanent transfers.

- Refer to Reconciliation page of BUD for permanent transfers listed in Commitment Section

- Permanent transfers loaded to BUD occurred from 9/1/13 to 2/28/14

- In preparation for transition to PeopleSoft, permanent transfers after 2/28/14 will not be permitted in DEFINE (VT1/VT2). Updates should be made directly into BUD documents.

ORIGINAL Budget for Non-Salary Account ± Commitments