SECTION 1 GENERAL

1.1 ANNOUNCEMENTS/REMINDERS

1.1.1 Benefit costs for Additional Pay paid from self-supporting cost centers will now be budgeted and paid from that cost center. Please see Policy 3.5.3.

SECTION 2 BUDGET CONTROL

2.1 GENERAL POLICIES

Each cost center manager is responsible for ensuring that all commitments and expenditures are within the limits of the related budget. No commitments or payments should be made without identification of adequate qualified funding.

2.1.1 Transactions for all cost centers are subject to the available budget balances.

2.1.2 Adequate cost center and budget pool balances must be in the funding cost center prior to the processing of requisitions, purchase vouchers, business expense reimbursements, travel vouchers, and travel advances by Procurement.

2.1.3 Adequate cost center and account balance must be in the funding cost center before any position change is posted by the Budget Office.

2.1.4 For all non-core cost centers, funding must include sufficient provision for Fringe Benefit costs in the A5500 account. Fringe benefits are estimated at 30% of salaries for benefit eligible employees and 10% of salaries for non-benefit eligible employees.

2.1.5 The Budget Office verifies availability of funds for all cost centers except Contracts & Grants.

2.1.5.1 Contract & Grant Accounting verifies availability of funds for positions funded from Contracts & Grants cost centers.

2.1.5.2 Exceptions may be made in extraordinary circumstances to be approved by the Assistant Vice President for Budget or designee.

2.1.6 Student Information System items post without regard to budget funding. Cost center managers are expected to ensure that adequate funding is available to fulfill all scholarship, grant, and loan commitments.

2.1.7 Revenue Cost Centers: A justification must be submitted for any revenue projection where the change is $10,000 (plus or minus) or greater and is 15% or more of the prior year’s budgeted amount.
2.1.8 Service Centers: Any service center (fund code 3920) must have a rate study approved by Financial Accounting and Reporting before the annual budget will be approved by Budget and Resource Planning. The rate study must be renewed each year.

2.1.9 Fund Balances

2.1.9.1 Year-end fund balances in non-core cost centers will have automatic roll forward privileges, with the exception of Student Services Fees.

2.1.9.2 Year-end fund balances in core cost centers will have carry-forward authority as determined annually by the President.

2.1.10 Cost Center Deficit Policy: No deficit should exist on any operating cost center, except in extraordinary circumstances to be approved by the Assistant Vice President of Budget or designee.

2.1.10.1 Budget deficits can be resolved by using a budget transfer journal to transfer funds from another cost center within the same fund code; by using an interdepartmental transfer (IDT) to transfer expenses to a different cost center, or by using an ePAR (Electronic Personnel Action Request) to change position funding to a different cost center.

2.1.10.2 In addition to the above, for self-supporting accounts, budget deficits can be resolved by using a budget journal to budget prior year funds, increasing the revenue budget if appropriate, or decreasing the expense budget. See Section 2.3.

2.1.10.3 Each unit is responsible for the resolution of any budget deficits. The Vice President for Budget and Finance will review budget deficits at year-end. Unresolved budget deficits in these cost centers may only be carried forward against the budget for the next fiscal year, with approval from the President.

2.1.11 Fund Balance Deficit Policy: No deficit balance should exist in any fund, except in extraordinary circumstances to be approved by the President or designee.

2.1.11.1 During September, cost center managers should review the Available Fund Balance Overview in PeopleSoft Financials for deficits. If a deficit exists, the cost center manager is expected to reduce the expenditure budget to eliminate the estimated year-end deficit.

2.1.11.2 No budget journals will be processed that will create a deficit fund balance.

2.1.11.3 If cost center managers do not initiate appropriate adjustments to address deficits during the year, the Assistant VP of Budget or designee is authorized to initiate such adjustments.

2.2 BUDGET TRANSFERS – SALARIES AND WAGES

2.2.1 FACULTY SALARY BUDGETS (Accounts A5021, A5023, A5024, A5031, A5032)

2.2.1.1 Funding must be in the appropriate cost center and account before any personnel changes will be processed, except in extraordinary circumstances to be approved by the Assistant VP of Budget or designee.
2.2.1.2 Available budget in faculty salary accounts cannot be moved to non-faculty salary accounts, except with the permission of the Executive Vice President and Provost.

2.2.1.3 Available budget in faculty salary accounts can be moved between the various faculty salary accounts: A5021 – Faculty, A5023 – Senior Lecturers, A5024 – Lecturers, A5031 – Teaching Assistants, A5032 – Research Assistants.

2.2.1.4 Summer teaching budget cannot be moved to provide for costs of the regular academic terms, except as authorized specifically by the Executive Vice President and Provost.

2.2.1.5 Unexpended faculty salary budgets may be used to fund Summer Teaching costs.

2.2.2 A&P, CLASSIFIED, AND WAGES BUDGETS (Accounts A5011, A5041, A5050)

2.2.2.1. Funding must be in the appropriate cost center and account before any personnel changes will be processed, except in extraordinary circumstances to be approved by the Assistant VP of Budget or designee.

2.2.2.2. Available balances created by vacant A&P and Classified positions funded by Core funding will be swept under the Salary Savings Program.

2.2.2.3. If a position is reclassified between A&P and Classified, the related budget for the new reclassified position should be transferred into the appropriate account.

2.3 BUDGET JOURNALS - SELF-SUPPORTING ACTIVITIES

2.3.1 Budgeted revenue estimates are expected to be realistic. If it is determined that any budgeted revenue estimate is overstated, the unit must reduce the budgeted revenue.

2.3.2 If the reduced revenue estimate would result in a deficit budgeted fund balance, the unit must make necessary reductions in operating costs so that the operations are budgeted within available funding.

2.3.1 If the budgeted revenue estimate is understated, the unit may increase the budgeted revenue. The reason for increased revenues must be documented. If this increase results in a budgeted fund surplus, the increased revenue may be used to increase the related operating budgets.

SECTION 3 POSITION CONTROL

Position management is used to organize, establish, and track positions. A "position" is a group of duties and responsibilities to be assigned to an employee. Focusing on the position itself allows tracking of information related to the position, regardless of whether it is vacant or an employee is assigned to that position. The Budget Office is responsible for the maintenance of position data.
3.1 FACULTY POSITIONS

3.1.1 The Executive Vice President and Provost is responsible for position control for faculty positions, and will, therefore, provide any necessary instructions to deans and others relative to additions of FTE to the Faculty Salary category.

3.1.2 Faculty must be appointed for nine-month terms. This funding can be derived from multiple cost centers.

3.1.3 Appointments for less than nine months are permitted only if it is anticipated that the position will exist for that lesser portion of the year.

3.1.4 All lecturers will be considered non-budgeted positions with lump sum budget pools established during the budget process.

3.2 A&P and CLASSIFIED POSITIONS

3.2.1 Persons appointed to A&P and Classified positions must be appointed for the full fiscal year. Position funding can include multiple cost centers.

3.2.2 Appointments for less than twelve months are permitted only if it is anticipated that the position will exist for that lesser portion of the year.

3.3 TA's, RA's, STUDENT WORKERS, WORK-STUDY, and WAGES

3.3.1 Teaching Assistants (TA's), Research Assistants (RA's), student workers, work-study students and hourly workers are considered non-budgeted positions, with lump sum budget pools established during the budget process.

3.3.2 All TA appointments must be approved by the Executive Vice President and Provost or designee. TA's may be appointed on a 9 month basis and considered benefit eligible employees.

3.4 NEW POSITIONS and RECLASSIFICATIONS

3.4.1 Requests for new permanent staff positions (A&P and Classified), replacements for existing positions, and reclassifications will be requested using the Position Review and Request Form (PRR). Please refer to the Office of Human Resources Compensation Standards and Practices.

3.5 EMPLOYEE BENEFITS

3.5.1 Core Cost Centers - Benefit budgets have been centralized for all cost centers funded from "core" budgets. During payroll distribution, benefits are charged to the appropriate benefit budget pools.

3.5.2 Designated Tuition Teaching Assistant Cost Centers - Benefit costs for Teaching Assistants (TAs) paid from Designated Tuition TA cost centers are budgeted and funded centrally. Benefits for TAs assigned to other cost centers must be funded by the department.

3.5.3 Self-Supporting Cost Centers - For all self-supporting cost centers, benefit costs are budgeted and paid from the cost center paying the salary. Benefits costs for Additional Pay will be charged to the source cost center of the Additional Pay.