A GUIDE TO THE BUDGET PROCESS

Presented by:

Bruce Aird
University Budget Officer

January 31, 2017
# A Guide to the Budget Process

## TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overview and Objectives</td>
<td>3</td>
</tr>
<tr>
<td>Definitions</td>
<td>4</td>
</tr>
<tr>
<td>What is a budget?</td>
<td>10</td>
</tr>
<tr>
<td>Types of Budgets</td>
<td>11</td>
</tr>
<tr>
<td>Types of Operating Budgets</td>
<td>12</td>
</tr>
<tr>
<td>Education and General (E&amp;G)</td>
<td>12</td>
</tr>
<tr>
<td>Auxiliary</td>
<td>13</td>
</tr>
<tr>
<td>Reserves</td>
<td>13</td>
</tr>
<tr>
<td>Key Differences between E&amp;G and Auxiliary Budgets</td>
<td>13</td>
</tr>
<tr>
<td>Capital Budgets</td>
<td>14</td>
</tr>
<tr>
<td>How is Virginia’s Budget Adopted (5 phases)?</td>
<td>15</td>
</tr>
<tr>
<td>The University’s Budget Process</td>
<td>17</td>
</tr>
<tr>
<td>Phase I of the Budget Process – Budget Planning</td>
<td>17</td>
</tr>
<tr>
<td>Executive Budget Planning</td>
<td>17</td>
</tr>
<tr>
<td>Five-Year Financial Planning Model</td>
<td>18</td>
</tr>
<tr>
<td>Budget Planning Working Sessions</td>
<td>18</td>
</tr>
<tr>
<td>Budget Requests</td>
<td>18</td>
</tr>
<tr>
<td>Resource Assessment Worksheets</td>
<td>19</td>
</tr>
<tr>
<td>Auxiliary Services Budget Submissions</td>
<td>19</td>
</tr>
<tr>
<td>Conclusion of Executive Budget Planning</td>
<td>20</td>
</tr>
<tr>
<td>Phase II of the Budget Process (Documentation)</td>
<td>20</td>
</tr>
<tr>
<td>Recording State-Approved Budget</td>
<td>20</td>
</tr>
<tr>
<td>Budget Guidance Memorandum</td>
<td>20</td>
</tr>
<tr>
<td>Documentation of Executive Budget Decisions</td>
<td>21</td>
</tr>
<tr>
<td>Alignment of Budgets</td>
<td>21</td>
</tr>
<tr>
<td>Base Budget Reports</td>
<td>23</td>
</tr>
<tr>
<td>Viewing Base Budgets Using FBIBUDG</td>
<td>23</td>
</tr>
<tr>
<td>Viewing Base Budgets Using Insight</td>
<td>24</td>
</tr>
<tr>
<td>Approval of the University’s Budget and Operating Plan</td>
<td>25</td>
</tr>
<tr>
<td>Base Budget Roll</td>
<td>25</td>
</tr>
<tr>
<td>Supplemental Information</td>
<td>26</td>
</tr>
<tr>
<td>Indirect Costs (IDC)</td>
<td>26</td>
</tr>
<tr>
<td>Overview of the University’s Budget System</td>
<td>27</td>
</tr>
<tr>
<td>Line Item Subaccount Codes</td>
<td>28</td>
</tr>
<tr>
<td>Subaccount Codes for Pool Budgeting</td>
<td>29</td>
</tr>
<tr>
<td>Topics Discussed in Budget Management and Financial Reporting</td>
<td>31</td>
</tr>
<tr>
<td>Sample Test</td>
<td>32</td>
</tr>
<tr>
<td>APPENDICES</td>
<td></td>
</tr>
<tr>
<td>Budget Distribution Worksheet</td>
<td>36</td>
</tr>
<tr>
<td>Fee Recommendation Worksheet</td>
<td>37</td>
</tr>
<tr>
<td>Executive Budget Planning Worksheets</td>
<td>39</td>
</tr>
<tr>
<td>FY2014 Strategic Budget Planning Position Worksheet</td>
<td>40</td>
</tr>
<tr>
<td>Auxiliary Services Budget Planning Summary</td>
<td>41</td>
</tr>
<tr>
<td>Auxiliary Services Template</td>
<td>42</td>
</tr>
</tbody>
</table>
OVERVIEW

This training session will provide an overview of the University's budget development process, which occurs annually. The process at Old Dominion University is done in two phases: Phase I starts in the Fall, and is considered the development phase, and Phase II which is the documentation phase and involves the actual distribution of the approved resource allocations to individual budget units. The focus of this training is to help participants understand the budget process and the materials used to complete the development process as well as to provide techniques to be used during the documentation phase. This session will also discuss the budget structure at Old Dominion University.

OBJECTIVES

During this session you will be provided information on the following topics:

- What is a Budget?
  - A discussion of what a budget is
  - A discussion of the different types of budgets
  - Fund/Ledger Information

- Budget Process
  - An overview of the state budget process
  - An overview of the annual budget preparation process for ODU
  - Information on the role of the Budget Office
  - A discussion of the differences between Educational and General (E&G) and Auxiliary budgets
  - A discussion of the annual budget preparation process

- Overview of the Budget System
  - Line Item
  - Pool Budgeting
Terms and Definitions

# **Auxiliary Services** - Activities within the University, which furnish a service directly or indirectly to students and faculty, are considered auxiliary services. These activities charge fees directly related to, but not necessarily equal to, the cost of service. The public may also be served indirectly by some auxiliary services. These services are essential support elements of the institution's program and are considered self-supporting (Parking Services, Housing & Residence Life, Athletics, Student Recreation Center, etc.)

# **Budget Adjustment** - When funds must be transferred from one budget to another, a budget adjustment form must be completed, signed by the budget unit director, and forwarded to the Budget Office for processing. This form must also be completed when moving funds from a "locked" line item (i.e., salaries, overtime) to another line item or pool account. Generally, funds are moved from pool account to pool account unless they fall into the "locked" (line item budgeted) category.

# **Budget, Base** – The annual budget commitment for ongoing operations of a department or area. Represents the “base” commitment of resources for operations. The base is not designed to fund special projects and/or temporary shifts in operating expenditures. The base budget may be modified during the course of an operating budget year and/or during the budget development process.

# **Budget, Operating (OPAL)** – The annual operating budgets of a department or area. The operating budget includes base funding as well as one-time funding for special projects and/or temporary shifts in operating expenditures. Budget units may shift funds within their operating budget to align resources with specific needs in a given year.

# **Budget Prep** - Each year, budget unit directors are required to put together an estimate of projected expenditures (including justification for increases or decreases) for the following fiscal year. The process of preparing the budget materials and submitting them for approval or modification is referred to as budget prep.

# **DPB** – Department of Planning and Budget.

# **Deposit** - The term used to describe funds being put into a budget.

# **E&G** – Education and General funds. E & G funds are made up of two allocations called general and nongeneral. The general funds are tax revenues collected by the State and appropriated to the University as our share of all tax revenues. The nongeneral funds are the tuition charges paid by students.
**Encumbrance** - When a purchase order is issued, the funds for the purchase must be reserved. The process of reserving the funds is referred to as encumbrance. Once funds are encumbered, they are removed from the balance available. This prevents over-expenditures from occurring.

**Expenditures** - Refers to the actual funds expended. When a vendor bill is paid, it becomes an expenditure.

**Equipment Trust Fund (ETF)** - The Higher Education Equipment Trust Fund (HEETF) was established in 1986 by the General Assembly to provide funding to upgrade equipment needed for instruction and research. The State Council of Higher Education for Virginia (SCHEV) shares administrative responsibility for the program with the Virginia College Building Authority (VCBA) and the Department of Treasury.

**Fiscal Year** - The University's fiscal year runs from July 1 through June 30.

**Funds / Fund Balance** - A Fund is a self-balancing set of accounts, segregated for specific purposes in accordance with laws and regulations or special restrictions and limitations. The Fund Balance is the residual balance of Revenues less Expenses of the accounts maintained within the Fund.

**Indirect Costs (IDC)** - Auxiliary Enterprise units are required by the State to pay for the indirect costs of services received from E&G activities.

**Insufficient Funds** - Prior to a purchase order being issued to a vendor, the funds must be encumbered. If funds in the budget are not adequate to cover the expected expenditure, this lack is referred to as *insufficient funds*.

**Interdepartmental Transfer** - When funds must be transferred between budgets at the University, an Interdepartmental Transfer Request (IDT) form must be completed and signed by both budget units affected. The IDT form is forwarded to the Office of Finance for processing. IDTs can be requested for the following reasons: to reimburse a department for expenditures, to pay for services rendered, or to correct an original charge from one budget to another. To request research of unidentified charges to your budget, use the Accounting Service Request Form (ASR). IDTs and ASRs are discussed in *Error Correction Process (IDTs and Accounting Service Requests)* in Budget Management and Financial Reporting.

**Journal Entry** - This term refers to the actual computer entry to move revenues or expenditures from one department to another via an IDT (Interdepartmental Transfer).
# Line Item Budgeting - Certain expenditure items (for example, classified salaries, wages, overtime) are budgeted at the line item. Funds in these line items may be moved via budget adjustment only.

# Liquidation - After a purchase order is complete, the vendor bill is paid. If the amount expended is less than the original amount encumbered, it is possible some funds will remain encumbered. The process of releasing those funds is referred to as liquidation. Liquidation requests are handled by Procurement Services.

# NPS (Nonpersonal Services) - Contractual services, supplies and materials – made up of the sub-accounts in the 5000 and 6000 series.

# ODS (Operational Data Store) - This is the Ellucian product used for budget reporting using Insight. ODS is created using data from Banner. Reports are accessed via Insight.

# Org Code - The terms "budget code" and "organization (org) code" are synonymous. They represent the five digit code used to identify the department for financial transactions (i.e., 1CL00 is the budget code for the Controller's Office).

# Pool Budgeting - Refers to the items within the budget that are not "locked" into specific line item categories. Generally benefits, non-personal services, travel, and equipment use the pool budgeting method.

# Recovery - Refers to a special kind of budget used to recover funds expended by a service-oriented unit in the performance of approved activities. Recovery budgets may expend only funds for which they can charge-back other departments. For example, telephones are charged to departments as a recovery.

If funds being deposited are for recovery of services, they must be deposited to the appropriate recovery account. Recovery accounts can be either intra-agency recovery (recoveries from within the University) or inter-agency recovery (outside the University, but within the state).

# Revenues are funds paid to the University for services or for donations. Revenues are recorded in the period in which they are earned, regardless of when the payment is actually received.

# SCHEV - Established in 1956, The State Council of Higher Education for Virginia (SCHEV) is the Commonwealth's coordinating body for higher education. Their mission is "to promote the development of an educationally and economically sound, vigorous, progressive, and coordinated system of higher education" in Virginia.
Service Units are areas that provide specific types of services to the University community as a regular course of business. Examples of service units include Dining Services, telephones, and Facilities Management.

Sub-Object Code - The sub-object code is for use in identifying a category of expense or transfer payment in the budget process and for coding purchase requisitions, purchase orders, travel documents, etc.

Transfers - The act of moving money from one fund to another. Fund transfers are accounting transactions that move cash from one fund to another and are classified as mandatory (arising from binding legal agreements) and non-mandatory (agency discretion).

Vendor Number - All vendors doing business with Old Dominion University are identified by their Federal Employer Identification Number (FEIN) or, in the case of sole proprietorships, the University Identification Number (UIN). The University is required to have an IRS form W-9 (Request for Taxpayer Identification) or W-8BEN (international vendors/individuals) or an acceptable substitute on file for each vendor receiving payments from the University. No purchase orders or checks may be issued to vendors until Accounts Payable has this information on file. Departments are responsible for obtaining either the W-9 or the W-8BEN for new vendors. Please refer to Accounts Payable, Part 2: Payments for more information about vendor numbers.

Vouchers - Every expenditure made by the University has payment documentation (referred to as a voucher) for record-keeping purposes. A voucher may contain payment for more than one expenditure/invoice.
"Income"

- Agencies
- Students
- Fed
- Auxiliaries
- ODU
- State
- Customers
- Foundation
- Others

Old Dominion University  University Budget Office
"Expenses"

- Students
- Debt Svc
- Faculty
- Equipment
- Services
- Supplies
- Rents
- Staff
The University can be compared to a large business in the private sector. It has multiple sources of income and has many types of expenses associated with the operation of its business. Examples of sources of income (revenue) include tuition from students, federal, state, and local municipality appropriations, grants from various sources, and the Old Dominion Educational and Athletic Foundations. The University also earns income from its auxiliary enterprises, the Old Dominion Research Foundation, other state and local agencies, area businesses, and others too numerous to name.

On the other side of the coin, like any business, the University has expenses to pay. The single largest category of expense is that associated with paying the faculty and staff to operate the business. Other expenses include those for operating the physical plant such as for utilities, maintenance, and repair. The University must also pay for supplies and equipment, travel, rental of equipment and facilities, debt service, and insurance.

Given the complex nature of our business, extensive sources of revenue, and multiple items of expense, the University must have a strategy for managing those resources. You cannot assume the revenues and expenses will line up exactly and flow so everyone=s needs will be met as they arise. There must be some sort of a plan. That plan is called a budget.

**WHAT IS A BUDGET?**

Quite simply, a budget is a flexible financial plan that integrates competing demands while working towards a common goal. In this case, the common goal is spelled out in the University=s mission statement. The essence of that goal is to provide the citizens of the Commonwealth with higher education programs that are distinguished by their excellence, accessibility, and responsiveness to individual, regional, and Commonwealth needs. The integration of competing demands recognizes the fact there is never enough money available to satisfy all the needs of our customers. The key is to strike a balance between mission requirements and the resources available. The budget is the tool we have available to provide that balance, but it also plays other roles.

The National Association of College and University Business Officers (NACUBO), in its publication, *College and University Budgeting*, lists the following roles a budget plays:

- An institutional plan of action
- An institutional contract
- A control mechanism
- A gauge of risk
- A mechanism for setting priorities
- An instrument of communication
- A political device (an expression of values)
TYPES OF BUDGETS
There are many types of budgets, but for our purposes, we will look at only two broad categories -- Operating and Capital. In general terms, they are defined by:

$ Source of funds
$ Life of Funds
$ Use of funds

OPERATING BUDGETS (day to day operations)

Operating budgets usually encompass the revenue and expenses of the day-to-day operation of an enterprise.

- **Revenue** includes
  - state appropriations,
  - student tuition and fees,
  - income from sales of products or services (i.e., non-credit programs, certificates, rentals, events),
  - transfers from foundations, and
  - routine income from grants or research projects

- **Expenses** include
  - the salaries for the faculty and staff,
  - operating supplies and equipment,
  - travel,
  - rentals,
  - service charges,
  - routine maintenance and repair,
  - principal and interest on bond sales (construction), and
  - utilities

In most cases, the funds allocated in an operating budget are usually available for one year, at which time the authority for their use expires.
# Types of Operating Budgets

<table>
<thead>
<tr>
<th>Type</th>
<th>How long do the funds last?</th>
<th>Where do the funds come from?</th>
</tr>
</thead>
</table>
| E&G       | Funds are appropriated on the basis of a fiscal year, and at the end of the fiscal year the funds expire. In other words, E&G funds can only be used from 1 July through 30 June. | Funds are made up of two allocations called general and nongeneral.  
- The general funds are tax revenues collected by the State and appropriated to the University as our share of all tax revenues.  
- The nongeneral funds are the tuition charges paid by students. These revenues are budgeted centrally. |
| Auxiliary | Funds do not expire at the end of the fiscal year but go on as long as the unit remains financially solvent. |  
- Auxiliary activities are defined as self-supporting, meaning they must earn their own way.  
- They do not receive an allocation of general funds from the State.  
- Establish fees and service charges for the services provided.  
- (Parking Services, Housing & Residence Life, Athletics, Student Recreation Center, etc.) |

## Education and General (E&G) Budget

The largest of our operating budgets, the E&G budget is an annual budget funded through the Commonwealth's General Fund and non-general funds.

- The non-general funds are mainly comprised of tuition and fee revenue collected from students.
- The revenue for the E&G budgets is managed and budgeted centrally.
- The funds allocated to the E&G budget are available for only one fiscal year and expire upon completion of that year (use or lose).
E&G funds support most of the mission of the University to include instruction, student services, physical plant, administration, academic support, etc.

Continuing Education Public Service (CEPS) budgets are a hybrid – part of the E&G appropriation but totally supported by non-general fund revenues.

**There are 3 Primary Funds within E&G budgets**

- Budgets that begin with a “1” and have the fund code 011001 – referred to as Commonwealth budget codes (state dollars).

- Budgets with fund code 011003 – Community Education Public Service (CEPS) – similar to auxiliary budgets, they are self-supporting, and each college has one. If you need more information on CEPS budgets, please contact the Office of Academic Affairs or the Budget Office.

- Budgets with fund code 011004 – ETF (Equipment Trust Fund) fund budgets for the purchase of equipment - they allow the University to replace equipment and maintain high technology levels.

**Auxiliary Budgets**

- Auxiliary budgets are funded exclusively from non-general funds (no tax dollars)

- The revenue for the auxiliary budgets is budgeted at the fund level.

- The University operates the various auxiliary enterprises using annual budgets.

- Auxiliary funds do not expire at the end of the fiscal year. The funds are available to an auxiliary unit for the life of that unit.

- Auxiliary-funded operations within the University include housing, food service, bookstore, Athletics, Housing, Parking, and Student Health Services.

**Reserves (Fund Balances)**

Auxiliary enterprises are required to build and maintain adequate reserves to ensure the longevity of their operations. Much like any business, Auxiliaries must plan and account for:

- expansion of facilities,
- establishment of new programs,
- replacement of inventory, and
- contingency funds
The University uses guidelines developed by the State Council of Higher Education (SCHEV) that suggests that fund balances should be sufficient to provide for an operating reserve, a reserve for renewal and replacement, and an expansion reserve.

- The operating reserve is based on the set aside of two amounts, 22 percent and 10 percent, to produce a maximum and minimum reserve.
- The reserve for renewal and replacement and the expansion reserve are based on known requirements except for the equipment inventory portion in renewal and replacement. The reserve in this case is based on 10 percent of the equipment inventory.

**CAPITAL BUDGETS**

Capital budgets are normally associated with major expenditures on durable items.

- The fund source for capital budgets is normally from state appropriations, debt financing, major gifts from private sources, or in rare cases, self-financing from accumulated reserves.
- Capital budget expenditures typically include construction or major maintenance/modernization of real property, large equipment purchases, and the purchase of land or other real property.
- Due to the nature of the expenditures, the funds are normally available for the life of the project with which they are associated. For example, major construction projects commonly take several years to complete. It would be impractical for the Commonwealth to appropriate funds on an annual basis. Therefore, the funding is appropriated on a project basis rather than based on time.
HOW IS VIRGINIA'S BUDGET ADOPTED? (5 Phases)

Virginia has a biennial budget system, which means it adopts a two-year budget. The biennial budget is enacted into law in even-numbered years, and amendments to it are enacted in odd-numbered years.

Developing the Commonwealth's budget is a process, which takes many months and involves many participants, from the public to state agencies to the legislature. The process includes five distinct phases:

1. **Agency budget preparation phase.** State agencies analyze their programs and needs through a strategic planning process which includes a review of their mission and how well they serve their customers through customer satisfaction surveys or other methods of public input. Based on this analysis, agencies prepare and submit their requests for funding to the Department of Planning and Budget (DPB). Agencies generally present their proposals to DPB in the early fall.

2. **Budget development phase.** DPB analyzes the budget requests of agencies to verify costs, confirm the need for services, investigate any alternatives for funding, and identify policy issues for the Governor's consideration. This analysis takes place during the fall. In the late fall, the Governor and his Cabinet Secretaries work together to prepare a proposed budget which reflects the Administration's priorities. The Governor submits his budget proposals to the General Assembly on or before December 20 in the form of a bill. He also distributes a budget document, which sets forth an explanation of his proposals.

3. **Legislative action phase.** The General Assembly convenes each year on the first Wednesday of January. The Governor's proposed budget is submitted to the General Assembly in the form of a "bill." In each house, the budget bill is referred to committees which hold public hearings and committee discussions. In the House of Delegates, the House Appropriations Committee reviews the budget bill. In the Senate, the budget bill is referred to the Senate Finance Committee. The committees may introduce amendments to the budget bill.

   After review by each of these committees, the amended budget bill is brought to the floor of each house, where other amendments may be made. Each house votes on the amended budget bill. After each house votes on its own version of the budget bill, the bill "crosses over" to the other house where it is again debated and voted on. Before the General Assembly adjourns for the session, a conference committee resolves any differences between the versions passed by the two houses. The General Assembly then sends the budget bill to the Governor for his signature.

4. **Governor's review phase.** The Governor reviews the bill passed by the General Assembly. He may sign it, veto the entire bill or certain line items, or recommend amendments. If the Governor vetoes the bill or any items of the bill, it goes back to the General Assembly during a reconvened session in the spring. If he recommends amendments, the bill is returned to the reconvened session for
consideration and action by the General Assembly on the Governor’s proposed amendments.

5. **Budget implementation phase.** The budget passed by the General Assembly and enacted into law goes into effect on July 1 in even-numbered years and on the date of passage in odd-numbered years.
THE UNIVERSITY BUDGET PROCESS

The University budget process is accomplished in two separate and distinct phases.

The first phase, **Budget Planning**, is used to develop and approve the budget. It starts in the Fall and continues into the Spring.

In the second phase, **Budget Documentation**, the approved budget is documented and loaded in the budget system. This phase begins in the Spring and is completed in June.

**Phase I: Budget Planning**

**Executive Budget Planning**

The President, Chief Operating Officer, Provost, Vice Presidents, and Athletic Director with the support of the Budget Office engage in Executive Budget Planning activities. Members of this committee may also Chair and/or directly participate in work groups tasked with addressing or identifying critical issues facing the University. The efforts of this committee establish the strategic framework and financial scope for the University Budget.

Executive Budget Planning includes:

- Assessments and updates of the University Strategic Plan,
- Previously Funded Initiatives,
- Enrollment and Revenue Projections,
- Critical issues facing the University and
- The Five-Year Planning Model

**Planning Assumptions**

- Inconsistent State Funding
- More Dependency on Institutionally-Generated Funding
  - Tuition & Fees
  - Auxiliary Revenues
  - Private Gifts and Donations
  - Externally Funded Grants
  - Reallocation of Existing Resources
5 Year Financial Planning Model

The Financial Planning Model incorporates the major cost drivers associated with implementation of the University Strategic Plan and critical success factors:

- Mandatory Cost Increases
- General Operating Cost Increases
- Enrollment & Retention Initiatives (Students & Faculty/Staff)
- Strategic Initiatives

In many aspects, the model assumes no new General Fund support for these costs and portrays what amount of Tuition and Fee Increases or other University generated financial resources will be required to achieve institutional priorities over the next 5 years. As our ability and desire to increase Tuition and Fees is significantly limited, other external funding sources (gifts, grants, sales of services) and re-allocations of existing resources are critical to the University’s success. The model is used as a starting point for budget deliberations and establishes the priority framework in which budget development occurs.

Budget Planning Working Sessions

The President, Chief Operating Officer, Provost, Vice Presidents, and Athletic Director with the support of the Budget Office engage in a series of planning sessions to establish the strategic framework and financial scope for the University Budget. While these sessions take into account a broad spectrum of external influences and drivers that have an impact on the University, one of the main activities of the committee is identifying the primary strategic and operational investments that will be recommended and pursued by the University.

Budget Requests

The Executive Budget Committee members are provided guidance and templates for compiling their prioritized budget requests by the University Budget Office. Requests are to be in support of the University Strategic Plan and in congruence with the 5-Year Financial Planning Model and include the following requirements:

- Base and One-time resources required and/or the reallocation of existing resources
- New or modified fees and service charges, and
- Position actions associated with implementation of the initiative.
- While the Budget Office provides budget planning worksheets (sample in appendix) to each Vice President, they may institute their own internal processes for collecting budget requests and strategic initiatives from their respective staff.
The Executive Budget Planning Committee reviews and deliberates all budget requests as a committee, engaging in dialogue and debate on the critical nature of requests and their overall importance in relationship to the University’s priorities and critical success factors. During this process, the Committee regularly develops new solutions and/or identifies internal and external resources that may be able to be leveraged to achieve the desired results without use of General Funds and/or increased Tuition and Fees.

Resource Assessment Worksheets

Another aspect of the budget development process involves assessing the initiatives that were funded in the prior budget cycle. The Chief Operating Officer, Provost, Vice Presidents, and the Athletic Director receive an assessment workbook via the Budget Office that provides a listing of all initiatives that were funded in the previous two budget cycles. The respective areas must complete the workbook to provide a status update on the progress of the initiative and to what degree the expected outcomes will or have been achieved. The assessment process contributes to the overall budget development process in highlighting initiatives that may warrant additional investment or be discontinued, but most importantly, enables the University to gauge the success and outcomes of each initiative.

Auxiliary Services Budget Submissions

From a budget perspective, Auxiliary Services differ from other university operations in that Auxiliaries are self-sufficient, meaning they generate their own dedicated revenue streams to support their current and on-going operations and do not receive General Fund support from the State. In that regard, Auxiliary Services budgets are developed and approved differently than other areas of the university, though it is critical that decisions about Auxiliary operations be made in concert with the overall University Budget and Operating Plan.

At a minimum, Auxiliaries are required to submit the following components as part of their budget plan.

- Executive Summary
- Auxiliary Budget Planning Summary Form (See Appendix)
- Current and Proposed Base Budget Report (See Appendix)

The Budget Office and Executive Planning Committee incorporate the proposed plans of each Auxiliary Operation into the overall university budget plan and provide guidance and approval for proposed rate/fee changes, position actions, and ensure that adequate reserves are established and maintained.
Conclusion of Executive Budget Planning

Upon notification of the approved Governor’s Budget, the Budget Office and the Executive Budget Planning Committee formalize the strategic initiatives which will be pursued as well as any proposed changes to Tuition, Fees, and Other Service Charges. Final decisions are documented in the Executive Planning Worksheets and formally communicated to each respective member of the committee in the form of a Budget Guidance Memorandum. Upon distribution of this communication, the University shifts into Phase II of the Budget Process, Budget Documentation.

Phase II: Budget Documentation

Recording State Approved Budget

Upon notification of the approved Commonwealth Budget, the Budget Office centrally records Commonwealth Appropriations and Allotments into the University Operating and Budget Plan model. This process also includes documenting anticipated allocations from the Commonwealth’s central appropriations for things such as compensation and benefit changes.

Budget Guidance Memorandum

The communication used to start the documentation process is a budget guidance memorandum sent directly from the President to each Vice President. The guidance memorandum communicates;

1. The Strategic Initiatives that have been approved and the overall funding (Base or One-Time) to support each initiative, including any
   a. associated fee changes (must be approved)
   b. associated position actions (summary)
   c. required re-allocations of funding

2. Fee/Service Charge changes not associated with Strategic Initiatives

3. Planning Assumptions
   a. Indirect Cost Rates (for Auxiliary Services)
   b. Employee Benefit Costs
   c. Salary and Wage Increases
   d. Enrollment Projections
Documentation of Executive Budget Decisions

With this information in hand, each Vice President is required to document the detailed allocation of resources within their respective budget units. In addition to documenting Base and One-Time-Only (OTO) operating allocations, detailed documentation of each position action must also be documented. The Budget Office provides templates that must be utilized to complete the documentation phase of the budget process.

Modifications to existing fees and service charges, as well as new fees and service charges, must be approved during the budget process and prior to implementation.

The Budget Office utilizes the documentation submitted by each Vice President to update the associated Base Budgets in the budget system, and to populate the Operating Plan with all Base and One-Time funding.

Alignment of Base Budgets

In the documentation phase of the process, the goal is to load the budgets, as approved, into the budget system. With the documentation of the strategic initiatives complete, each budget unit is encouraged to align their base budgets to reflect current operations and/or known plans for the upcoming budget year. This is the opportunity for you to realign your operating budget sub-accounts based on your best expenditure projections so that budgets roll with accurate expenditure patterns in NPS, travel, and equipment. The budget unit director records the adjustments necessary on the Budget Distribution Worksheet (available in the appendix and on the Budget Office web site), which will be used by the Budget Office to input the budget unit’s desired changes into the base budget. Budget units have until mid-May to submit reallocations and adjustments to expenditure patterns (must net to zero).

An example of the form used to align base budgets follows. This form, along with many others, is currently under revision and will be posted to the updated Budget Office web site in the near future.

Realigning your budget reduces the number of budget adjustments required and shows a more accurate expenditure pattern.
## BASE BUDGET DISTRIBUTION WORKSHEET

**For FY [___]**

**Functional Area/Action:**
**Contact Person:**
**Date:**

<table>
<thead>
<tr>
<th>ORG CODE</th>
<th>SUBACT CODE</th>
<th>AMOUNT</th>
<th>POS NO</th>
<th>FTE</th>
<th>DESCRIPTION</th>
</tr>
</thead>
</table>

*Use this form to re-align operating budget sub-accounts - must net to zero.*

---

**Budget Distribution Form**

**CDU Budget Office**
Base Budget Reports

Two primary tools are available to view current base budgets (you must have the appropriate Banner access).

1. **Banner Budget Query Form** (FBIBUDG) – Provides a single view of the future, current, and previous base budgets in the banner query form.

2. **Insight (ODS) Base Budget Reports** – Includes 8 different base budget reports that include varying levels of summary and detail information. Reports may be downloaded to excel, PDF, and/or emailed.

**Viewing Base Budgets using FBIBUDG**

Budget Unit Managers may access this information by utilizing the Banner FBIBUDG screen report. To access this Banner Report, use the "GO TO" tool in the upper left hand corner of the banner entry screen and type in "FBIBUDG."

On the FBIBUDG Form, enter the following:

- In the Budget ID field, type “16BUD”
- In the Organization field, type your budget unit number (Org)
- Under the Selection Criteria Key 1, select “Account”
- Use Next Block (Ctrl+Page Down) and you will have the Base Budget by sub-account displayed over multiple Banner pages.
  - Phase 1 – The column entitled 17Base refers to the current Base budget in development which will “roll” into the FY2017 Operating (OPAL) budget on July 1, 2016.
  - Phase 2 – The column entitled 16Base refers to the Base Budget that “rolled over” on July 1, 2015.
  - Phase 3 – The column entitled 15Base refers to the Base Budget that “rolled over” on July 1, 2014.
Viewing Base Budgets using Insight

Multiple Budget Reports are also available via Insight. Once logged onto Insight, navigate to the Public Folders Tab > Access Pages > Budget Tracking > Base Budgets.

The menu below lists the various Base Budget Reports available via Insight

(CBB = Current Base Budget)

Please consult the Appendix to the Budget Management and Financial Reporting training materials for specific information about each available report.
APPROVAL OF THE UNIVERSITY BUDGET & OPERATING PLAN

With all of the budget decisions documented, the budget office compiles the University Operating Budget and Plan for presentation and approval by the Board of Visitors. This comprehensive document outlines the strategic direction, external influences, benchmark data and trend analysis, and comparisons with peer institutions, as well as highlights of the Governor’s Budget impacting the University and the investments the university has incorporated into its operating budget and plan. Additional tables and appendices provide resource summaries for the University and each Vice Presidential area.

BASE BUDGET ROLL

As the final step in the documentation phase, the Budget Office “rolls” the base budget into the Banner system for the new fiscal year and it becomes the operating budget for the new fiscal year (BD01 transactions in Banner). This does not apply to ledger 5 and ledger 6 budgets or one-time funding.

- Ledger 5 and 6 budgets are loaded via budget adjustment (BD02 transactions in Banner) once final reconciliation is complete.

- One-time only budget allocations (OTOs) are not part of the base budget and, therefore, not “rolled” on July 1. OTOs are loaded by the Budget Office via budget adjustment shortly after July 1 (BD02 transactions in Banner).

- Each Budget Unit Director should verify that the budgets were loaded correctly. If you experience difficulty in verifying the data, you should call the Budget Office for assistance.

The budget prep process is now over. Nearly nine months go by from the beginning of executive planning to the point that the approved budgets are loaded. On July 1 the base budget is interfaced in the Banner Financial System, and the base budget becomes the current operating budget. It is the current operating budget that is used on a daily basis to monitor and account for the financial activities of the budget. The base budget is recorded with the State and remains active and adjustable until the start of the next budget process.
Indirect Costs (IDC)

Auxiliary Enterprises units are required by the State to pay for the indirect costs of services received from E&G activities. Indirect costs cover University offices that support all budgets regardless of the fund source. Examples of such offices include the Office of Finance (Accounts Payable, Payroll), Human Resources, and the Department of Procurement Services. The basis of charges is that, without the E&G central offices, auxiliaries would have to provide the services for their operations.

The Office of Finance prepares an indirect cost study to determine the indirect cost rate and submits the study to SCHEV for review and approval every two years. The approved IDC rate is used for planning purposes in developing the Operating Budget and Plan as well as by the Office of Finance in allocating IDC costs.

The Office of Finance typically conducts a preliminary IDC allocation in the spring of each year based on current year-to-date expenditure totals, followed by subsequent IDC allocations/adjustments at year-end to account for final expenditure totals.
OVERVIEW OF THE UNIVERSITY’S BUDGET SYSTEM

The budget system helps budget unit directors plan for and manage all aspects of the financial activity of the University.

There are approximately 515 categories of financial activities identified by subaccount codes in three general areas:

1. Revenue
2. Fund Transfers
3. Expenses

Old Dominion University uses two types of budget methods:

- Line item budgeting is used for controlled sub-accounts
  - All revenues (3XXX)
  - All transfers (99XX)
  - Some expenses including
    - Personal Services (salaries – i.e., 4001, 4002, 4025, etc.)
    - Expense Recoveries

- Pooled budgeting is used for all other expenses (see NOTE below)
  - Employee Benefits (4999)
  - Non-personal Services (6999)
  - Travel (7999)
  - Equipment (9899)

NOTE:

- Budgets are rolled at the line item level except for Benefits, which are rolled at the pool level.
- Subsequent budget adjustments to Benefits, NPS, travel and equipment are made at the pool level.
- You should check FGIBAVL to ensure that you have sufficient budget available before you expend or encumber funds for goods/services.
## LINE ITEMSUBACCOUNT CODES

<table>
<thead>
<tr>
<th>Financial Category</th>
<th>Subaccount Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>3XXX</td>
</tr>
<tr>
<td>Transfers</td>
<td>99XX</td>
</tr>
<tr>
<td>Personal Services Expenses</td>
<td>40XX</td>
</tr>
<tr>
<td>Expense Recoveries:</td>
<td>Inter &amp; Intra</td>
</tr>
<tr>
<td>Personal Services</td>
<td>4798 &amp; 4799</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>4948 &amp; 4949</td>
</tr>
<tr>
<td>Nonpersonal Services:</td>
<td></td>
</tr>
<tr>
<td>Contractual Services</td>
<td>5498 &amp; 5499</td>
</tr>
<tr>
<td>Transfer Payments</td>
<td>5598 &amp; 5599</td>
</tr>
<tr>
<td>Insurance, Leases, Service Charges</td>
<td>5748 &amp; 5749</td>
</tr>
<tr>
<td>Obligations</td>
<td>5998 &amp; 5999</td>
</tr>
<tr>
<td>Supplies &amp; Materials</td>
<td>6898 &amp; 6899</td>
</tr>
<tr>
<td>Travel</td>
<td>7198 &amp; 7199</td>
</tr>
<tr>
<td>Equipment:</td>
<td></td>
</tr>
<tr>
<td>Equipment</td>
<td>9891 &amp; 9892</td>
</tr>
<tr>
<td>Property &amp; Improvements</td>
<td>9893 &amp; 9894</td>
</tr>
<tr>
<td>Plant &amp; Improvements</td>
<td>9895 &amp; 9896</td>
</tr>
<tr>
<td>Capital Lease Payments</td>
<td>9897 &amp; 9899</td>
</tr>
</tbody>
</table>

Inter = recovery of the cost of services provided to other (external) agencies
Intra = recovery of the cost of services provided to University programs.
## SUBACCOUNT CODES FOR POOL BUDGETING

<table>
<thead>
<tr>
<th>Financial Category</th>
<th>Subaccount Codes</th>
<th>Pool Codes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Benefits</td>
<td>49XX</td>
<td>4999</td>
</tr>
<tr>
<td>Nonpersonal Services</td>
<td>5XXX &amp; 6XXX</td>
<td>6999</td>
</tr>
<tr>
<td>Travel Services</td>
<td>7XXX</td>
<td>7999</td>
</tr>
<tr>
<td>Equipment</td>
<td>9XXX</td>
<td>9899</td>
</tr>
</tbody>
</table>

To see a complete listing of sub-object codes, including descriptions, the following link will take you to the page where you can access the Banner sub-account code listings of revenue and expenditure codes (screen shot of first page shown):

[http://www.odu.edu/facultystaff/university-business/budget/resources](http://www.odu.edu/facultystaff/university-business/budget/resources)
<table>
<thead>
<tr>
<th>Description</th>
<th>Type</th>
<th>Sub-Accounts</th>
<th>Pool Codes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ALL REVENUES</td>
<td>Line</td>
<td>3XXX</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PERSONAL SERVICES</td>
<td>Line</td>
<td>40XX</td>
<td>n/a</td>
</tr>
<tr>
<td>RECOVERY - PERSONAL SERVICES</td>
<td>Line</td>
<td>4798/4799</td>
<td>n/a</td>
</tr>
<tr>
<td>BENEFITS</td>
<td>Pool</td>
<td>49XX</td>
<td>4999</td>
</tr>
<tr>
<td>RECOVERY - BENEFITS</td>
<td>Line</td>
<td>4948/4949</td>
<td>n/a</td>
</tr>
<tr>
<td>NPS</td>
<td>Pool</td>
<td>5XXX &amp; 6XXX</td>
<td>6999</td>
</tr>
<tr>
<td>RECOVERY - NPS</td>
<td>Line</td>
<td>Multiple</td>
<td>n/a</td>
</tr>
<tr>
<td>TRAVEL</td>
<td>Pool</td>
<td>7XXX</td>
<td>7999</td>
</tr>
<tr>
<td>RECOVERY - TRAVEL</td>
<td>Line</td>
<td>7198/7199</td>
<td>n/a</td>
</tr>
<tr>
<td>EQUIPMENT</td>
<td>Pool</td>
<td>98XX</td>
<td>9899</td>
</tr>
<tr>
<td>RECOVERY - EQUIPMENT</td>
<td>Line</td>
<td>Multiple</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>TRANSFERS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ALL TRANSFERS</td>
<td>Line</td>
<td>99XX</td>
<td>n/a</td>
</tr>
</tbody>
</table>
Topics Discussed in Budget Management and Financial Reporting

- Banner Finance Access
- Benefits
- Establishing a Budget
- Fund / Ledger Differences (color of money)
- Fund Transfers
- Position Actions
- Reporting
- Responsibilities of Budget Unit Directors
- Budget Adjustments
- Gift Fund Management
- Forecasting
A GUIDE TO THE BUDGET PROCESS

SAMPLE TEST QUESTIONS

PART 1: Circle the correct response(s) for each question.

1. The budget system:
   a. helps budget unit directors plan for and manage all aspects of the financial activity of the University.
   b. is set up to check the availability of funds, before transactions are processed.
   c. helps in the planning, monitoring and execution of the financial activity that the Office of Finance processes against your budget.
   d. b and c only
   e. all of the above

2. Line item budgeting is used for:
   a. employee benefits
   b. revenues
   c. transfers
   d. personal services
   e. expense recoveries
   f. equipment

3. What are the three primary funds within E&G?
   a. Commonwealth budgets – fund code 011001
   b. CEPS budgets – fund code 011003
   c. Equipment Trust Fund (ETF) budgets – fund code 011004
   d. Auxiliary budgets – various fund codes
   e. All of the above

4. Pool budgeting is used for:
   a. non personal services
   b. travel
   c. transfers
   d. employee benefits
   e. expense recoveries
   f. equipment
5. Which items are part of the Budget Documentation Phase at ODU?
   a. Recording the state-approved budget
   b. The Budget Guidance Memorandum
   c. Documentation of Executive Budget Decisions
   d. Alignment of Base Budgets
   e. All of the above

6. What statements are true about the Budget Guidance Memorandum?
   a. It communicates strategic initiatives that have been approved.
   b. It provides fee/service charge changes not associated with strategic initiatives.
   c. It provides planning assumptions for indirect cost rates, employee benefits costs, salary and wage increases, and enrollment projections.
   d. All of the above.
   e. None of the above

7. What is a budget (circle all that apply)?
   a. It is a flexible plan that integrates competing demands on limited resources.
   b. It is a control mechanism.
   c. It is a mechanism for setting priorities.
   d. It is not an instrument of communication.

8. Revenue includes:
   a. State appropriations.
   b. Student tuition and fees.
   c. Transfers from foundations.
   d. All of the above.
   e. None of the above

9. Educational and General (E&G) funds
   a. Expire at the end of each fiscal year.
   b. Expire at the end of every other fiscal year.
   c. Never expire.
   d. None of the above.
10. The following statements are true about capital budgets:
   a. Capital budgets are normally associated with major expenditures on durable items.
   b. The fund sources can be from major gifts from private sources.
   c. The funds expire at the end of each fiscal year.
   d. All of the above.
   e. None of the above

PART II: Indicate whether the following statements are true (T) or false (F).

   _____ 1. Line item budgeting is convenient because it requires fewer budget adjustments.
   _____ 2. The pool account code for nonpersonal services is 6999.
   _____ 3. The revenue for E&G budgets is managed and funded centrally.
   _____ 4. Auxiliary Enterprises budgets receive all funds from the State.
   _____ 5. Non-general funds are mainly composed of tuition and fee revenue collected from students.
   _____ 6. Auxiliary budgets must submit an Executive Summary as part of their budget plan.
   _____ 7. The pool account code for equipment is 7999.
   _____ 8. Some of the subaccount codes used for line item budgeting include 4001, 4002, 4025, 4028.
   _____ 9. The budget guidance memorandum communicates Strategic Initiatives to the vice presidents.
   _____10. It is important for E&G funded organizations to make sure they hold adequate reserves.
   _____11. Modifications to existing fees must be approved prior to implementation.
   _____12. CEPS budgets receive all funds from the Commonwealth’s General Fund and non-general funds.
   _____13. Indirect costs are charged to Auxiliary Enterprises units for services that are provided by E&G services.
14. Equipment budgets do not need to be monitored because any shortage of funds will be reimbursed by the Equipment Trust Fund.

15. E&G funded activities are dependent on their ability to earn revenues to support the budget.

16. The revenue for auxiliary services budgets is budgeted at the fund level.

17. The final step in the documentation phase of the budget process is the budget roll.

ANSWERS:

<table>
<thead>
<tr>
<th>PART I</th>
<th>PART II</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. E</td>
<td>1. F</td>
</tr>
<tr>
<td>5. E</td>
<td>5. T</td>
</tr>
<tr>
<td>8. D</td>
<td>8. T</td>
</tr>
<tr>
<td>10. A, B</td>
<td>10. F</td>
</tr>
</tbody>
</table>
Functional Area/Action:  
Contact Person:  
Date:  

<table>
<thead>
<tr>
<th>ORG CODE</th>
<th>SUBACT CODE</th>
<th>AMOUNT</th>
<th>POS NO</th>
<th>FTE</th>
<th>DESCRIPTION</th>
</tr>
</thead>
</table>

Use this form to re-align operating budget sub-accounts - must net to zero.
Prepare a worksheet for each change to an approved fee or a request to establish a new fee.

1. Please indicate what type of fee recommendation by checking the appropriate box below:
   - [ ] New Fee
   - [ ] Change to Existing Fee
   - [ ] Other (Explain)

2. Fee Description
   a. Course Fee: ____________________________
      Department ____________________________
      Course Number _________________________
      Fee Title: ______________________________
   b. Lab Fee: ______________________________
      Department ____________________________
      Course/Lab Number _____________________
      Fee Title: ______________________________
   c. Other (identify): ________________________
      ____________________________
      Department ____________________________
      Course Number _________________________
      Fee Title: ______________________________

3. Describe the change to the approved fee or request to establish a new fee:

4. Identify the "itemized cost" of expendable supplies consumed as a result of offering one section of the course or lab covered by this proposed fee.
   (Attach additional page if needed.)
5  For the proposed fee, provide the following information:

a. Currently approved fee amount:

b. Recommended new fee amount:

c. Budget Unit to which fee is deposited:

d. Revenue subaccount code:

e. Revenue collected in FY 20XX-XX (last fiscal year):

f. Estimated revenue for FY 20XX-20XX (current fiscal year):

g. Estimated revenue for FY 20XX-20XX (next fiscal year):

h. Sections offered per Academic Year:

i. Average Enrollment per Section:

j. Rationale for 20XX-20XX (next fiscal year) estimate:
   (Include information such as anticipated increased fee amount and other variables such as changed participation, enrollment, etc.)

6  Do you recommend the increased revenue be shared among various units?

   No _______ (No change)  Yes _______

   (1) If yes, provide rationale:

   (2) If yes, provide recommended revenue distribution.

   %  Amount

   Department share:  ______________  ______________

   College/Activity share:  ______________  ______________

   University:  ______________  ______________

   Other:  ______________  ______________
### FY2014 Strategic Budget Planning Summary Form

<table>
<thead>
<tr>
<th>VP Area (select)</th>
<th>Priority #</th>
<th>Title</th>
<th>Summary of Strategic Initiative</th>
<th>Strategic Objectives to be Achieved</th>
<th>University (select most applicable)</th>
<th>TJ21 / 6 Yr. Plan (select most applicable)</th>
<th>Primary Critical Success Factor (select most applicable)</th>
<th>Source (select)</th>
<th>Base</th>
<th>OTO</th>
<th>Associated Fee Increase / Change or New Fee?</th>
<th>Source (select)</th>
<th>Amount</th>
<th>Total Funding</th>
<th>Position Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEES</td>
<td>1</td>
<td>Student Retention &amp; Success</td>
<td>Implementation of new programming specifically targeting focus areas of student retention and success. (Continuing with additional description of the initiatives and their contribution to the University’s success…)</td>
<td>4. Enrich the Quality of Campus Life</td>
<td>8. Optimal year-round use of the institution’s facilities and instructional resources to improve student completions and cost efficiencies</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>SEES</td>
<td>1</td>
<td>Student Retention &amp; Success</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### FY2014 Strategic Budget Planning Fee Worksheet

<table>
<thead>
<tr>
<th>VP Area (select)</th>
<th>Priority #</th>
<th>Title</th>
<th>Action (Select)</th>
<th>Fee Name</th>
<th>Rationale for New Fee or change to existing Fee</th>
<th>Allocated to (select)</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEES</td>
<td>1</td>
<td>Student Retention &amp; Success</td>
<td>Change</td>
<td>Student Activity Fee</td>
<td>Increase student activity fee to provide base funding for new initiatives for student success and retention.</td>
<td>4 - Local Auxiliary</td>
<td>25,000</td>
</tr>
<tr>
<td>VP Area (select)</td>
<td>Priority #</td>
<td>Title</td>
<td>Position Action</td>
<td>Position Type</td>
<td># of Positions</td>
<td>Estimated Cost (Salary &amp; Benefits)</td>
<td></td>
</tr>
<tr>
<td>-----------------</td>
<td>------------</td>
<td>------------------------------</td>
<td>--------------------------------</td>
<td>-------------------</td>
<td>----------------</td>
<td>-----------------------------------</td>
<td></td>
</tr>
<tr>
<td>SEES</td>
<td>1</td>
<td>Student Retention &amp; Success</td>
<td>Salary Adj. (Change in Duties)</td>
<td>Wage / P-Time</td>
<td>10</td>
<td>15,000</td>
<td></td>
</tr>
<tr>
<td>SEES</td>
<td>1</td>
<td>Student Retention &amp; Success</td>
<td>New Position</td>
<td>Classified</td>
<td>1</td>
<td>40,000</td>
<td></td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>Fund:</th>
<th>Fund Name:</th>
</tr>
</thead>
</table>

**FY14 Auxiliary Services Budget Planning Summary**

<table>
<thead>
<tr>
<th>FY14 Beginning Fund Balance:</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY14 Operating Budget</th>
<th>FY14 Projection</th>
<th>FY15 Projection</th>
<th>FY16 Projection</th>
<th>FY17 Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenditures</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Profit / (Loss)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

**Ending Fund Balance**

| | | | | |

If any of the projected revenue increase is attributed to projected increases in the Student Activity Fee, please indicate the amount of the projected SAF Increase.
## Statement of Proposed Changes

### A Proposed 3% increase in room & board rates

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>2013</th>
<th>2014</th>
<th>Adjustment</th>
</tr>
</thead>
<tbody>
<tr>
<td>3801</td>
<td>Student Rent-Reg Session</td>
<td>$25,367,038.00</td>
<td>$26,128,049</td>
<td>761,011</td>
</tr>
<tr>
<td>3802</td>
<td>Student Rent-Sum Session</td>
<td>$1,300,099.00</td>
<td>1,339,102</td>
<td>39,003</td>
</tr>
</tbody>
</table>

### B Anticipation of 2% salary increases and associated benefit costs

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>2013</th>
<th>2014</th>
<th>Adjustment</th>
</tr>
</thead>
<tbody>
<tr>
<td>4001</td>
<td>Administrative Salaries</td>
<td>$19,004</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4002</td>
<td>Classified Salaries</td>
<td>$6,524</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4025</td>
<td>Student Wages - W/O FICA</td>
<td>$5,723</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4026</td>
<td>Student Wages - W FICA</td>
<td>98</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4999</td>
<td>Pool-Employees Benefits</td>
<td>$11,364</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### I Request to establish Business Manager Position

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>4002</td>
<td>Classified Salaries</td>
<td>50,000</td>
</tr>
<tr>
<td>4999</td>
<td>Pool-Employees Benefits</td>
<td>16,500</td>
</tr>
</tbody>
</table>