

THE UNIVERSITY OF TEXAS AT DALLAS

**BUDGET GUIDELINES
FY2022**

(Last Revised 4/5/21)

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SECTION 1 - GENERAL

1.1 ANNOUNCEMENTS/REMINDERS

- 1.1 **Budget Process** – Budget preparation will be completed in two phases:
 - i. *Phase I* – The Budget Planning Module (BPM) will be opened to prepare expense budgets and income estimates for self-supporting cost centers.
 - ii. *Phase II* – Approved merit amounts will be entered in BPM to balance the merit allocations.
- 1.2 **BPM Enhancements**
 - i. *Vacant Positions*: Zero dollar salaries are no longer allowed
 - ii. *Split Positions*: System now checks total funding distribution and will display an error in error log.
- 1.3 **Communication** – The Budget Office will be monitoring the budget@utdallas.edu central email account during business hours. Please send all of your email communication to the central email account to prevent service delays.

SECTION 2 - BUDGET CONTROL

2.1 GENERAL GUIDELINES

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 received by the **Budget Office**. For all non-core cost centers, funding must include sufficient provision for Fringe Benefit costs in the A5500 account.
- 2.1.4 Office of Post Award Management (OPM) verifies availability of funds and end dates for positions funded from **contracts and grants (C&G)** cost centers (Fund 55XX-58XX and 5010).
 - 2.1.4.1 Departments are required to check the beginning and end dates of the project for employees funded from C&G cost centers.
 - 2.1.4.2 An employee may not be funded past the end date of the project.
 - 2.1.4.3 If applicable, departments are required to ensure alternate funding if the project ends during the fiscal year.
- 2.1.5 **Student Information System** items post without regard to budget funding. Cost center managers are required to ensure that adequate funding is available to fulfill all scholarship, grant, and loan commitments.
- 2.1.6 Projections for **revenue cost centers** are expected to be realistic and must be adjusted based on prior year actuals.
 - 2.1.6.1 The Budget Office will review revenue projections and may require business justifications and/or recommend adjustments.

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- 2.1.6.2 The Budget Office is authorized to deny or revise the projections if responses to inquiries are not received in a timely fashion.
- 2.1.6.3 Departments can request revenue increases during the fiscal year. Please see 2.2.4 for more information.
- 2.1.7 **Service Centers:** Any service center (fund code 3920) must have a rate study approved by Accounting and Financial Reporting before the annual budget will be approved by the Budget Office.
 - 2.1.7.1 The rate study must be renewed each year.
 - 2.1.7.2 Salaries and benefits allocated to service centers in rate studies will override entries in BPM if inconsistencies are identified.
 - 2.1.7.3 Please coordinate wage allocations to service centers with your departmental budget preparation coordinator.
- 2.1.8 **Fund Balances**
 - 2.1.8.1 Year-end fund balances in non-core cost centers will have automatic roll forward privileges.
 - 2.1.8.2 Year-end fund balances in core cost centers will have carryforward authority as determined annually by the President.
- 2.1.9 **Cost Center Deficits**
 - 2.1.9.1 No deficit should exist on any operating cost center.
 - 2.1.9.2 Budget deficits can be resolved by budget transfers 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 reallocate position funding to a different cost center.
 - 2.1.9.3 In addition to the above, for self-supporting accounts, budget deficits can be resolved by using a budget journal to budget prior year roll forward or carryforward funds, increasing the revenue budget if appropriate, or decreasing the expense budget.
 - 2.1.9.4 Each unit is responsible for the resolution of any budget deficits. 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.
- 2.1.10 **Fund Balance Deficits**
 - 2.1.10.1 No deficit balance should exist in any fund balance
 - 2.1.10.2 Starting 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 required to reduce the expenditure budget to eliminate the estimated year-end deficit.
 - 2.1.10.3 No budget journals will be processed that will create a deficit fund balance.
 - 2.1.10.4 If cost center managers do not initiate appropriate adjustments to address deficits during the year, the Budget Office is authorized to initiate such adjustments.

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2.1.11 Clearing Cost Centers

2.1.11.1 Clearing cost centers should be used on a temporary basis until transactions are moved to permanent cost centers.

2.1.11.2 No clearing cost centers should have fund balances by year end.

2.1.11.3 The Budget Office is authorized to reduce fund balance carryforwards or next fiscal year budgets to offset clearing cost center deficits.

2.2 BUDGET TRANSFERS AND JOURNALS

2.2.1 GENERAL GUIDELINES

2.2.1.1 There should be sufficient funds available in the appropriate budgetary account to process a transfer of funds.

2.2.1.2 Transfer and journal requests will not be processed for cost centers already in deficit regardless of the amount in the budgetary account.

2.2.1.3 All pending budget transfers and journals will be deleted by the 5th business of the month.

2.2.1.4 Transfers between certain fund groups as well as fee types are not permitted.

2.2.1.4.1 For limitations on transfers, see the Use of Funds Guide link on the Budget and Financial Planning website.
<https://finance.utdallas.edu/managing-departmental-finances/use-of-funds-guide/>

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

2.2.2.1 Available budget in faculty salary accounts cannot be moved to non-faculty salary accounts, except with the permission of the Provost Office.

2.2.2.2 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.

2.2.2.3 Summer teaching budget cannot be moved to provide for costs of the regular academic terms, except as authorized specifically by the Provost Office.

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

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

2.2.3.1 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 after HR approval.

2.2.3.2 The Budget Office is authorized to initiate transfers within the cost center or other cost centers to offset the deficit in salary budgets.

2.2.4 SELF-SUPPORTING ACTIVITIES

2.2.4.1 Budgeted revenue estimates will be periodically reviewed by the Budget Office. If it is determined that any budgeted revenue estimate is overstated, the unit must reduce the budgeted revenue.

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2.2.4.2 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.

2.2.4.3 Budget journals to increase the revenue budgets are only allowed if:

2.2.4.3.1 The actual revenue is exceeding the original revenue projection and the increase results in a budgeted fund surplus, or

2.2.4.3.2 Appropriate documentation that justifies the revenue increase is attached in the journal.

2.3 SALARY SAVINGS

2.3.1 Salary savings are initiated for certain funds as outlined in Appendix A.

2.3.2 All vacant position salaries will be swept based on the position encumbrance salary amount on "Add/Update Position" screen in PeopleSoft HCM.

2.3.3 Exception requests must be sent by the appropriate dean or vice president to the VP Budget and Finance.

2.3.4 Salary savings program may be temporarily paused at the discretion of the President.

2.4 REALLOCATIONS

2.4.1 Salaries and wages cannot be reallocated to a cost center or budgetary account in deficit.

2.4.2 Salary and wage reallocations will only be processed within three accounting periods of the reallocation request date. The reallocation request date is the date that the request was approved by the last department approver.

2.4.2.1 For example, if a department submits a reallocation on March 15th (Period 7), reallocations can only go back to December 1st (Period 4) without justification

2.4.2.2 Justifications for exception requests must include descriptions for the error/issue and the reason for reallocation to the future cost center.

2.4.2.2.1 Bad Example: Reallocating salaries from cost center X to Y to free up budget

2.4.2.2.2 Good Example: Grant awarded on 11/1 and funds received on 3/1. Reallocating salaries to the grant cost center/

2.4.3 Year-end Limitation: Reallocation of July salaries will be accepted only until August 15, and August payroll expenses cannot be reallocated.

SECTION 3 - POSITION CONTROL

Position management is used to organize, establish, and track positions. All employees except student workers, RA/TAs and lecturers are assigned to a position in PeopleSoft that reflects their title, funding begin/end dates and source of funding (cost center). The Budget Office is responsible for the maintenance of position data.

3.1 FACULTY POSITIONS

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- 3.1.1 The Provost Office 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 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 Appropriate documentation must be submitted if filled positions are inactivated during the budget process.
- 3.2.3 Vacant positions without funding will be inactivated before year end.

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 Provost Office. 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) and updates to vacant position attributes will be requested with a Position Update/Request (ePUR) document. Please refer to the Office of Human Resources Compensation Standards and Practices.
- 3.4.2 Revisions for approved requests must be made in BPM during the budget process and Personnel Action Requests (ePARs) must be initiated after the beginning of the new fiscal year.

3.5 EMPLOYEE BENEFITS

- 3.5.1 Core Cost Centers - Benefit budgets have been centralized for all cost centers funded from "core" budgets. After each payroll distribution, budget will be transferred to cover cost center benefit expenses and encumbrances.
- 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.

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APPENDIX A: POSITIONS AND FUNDS EXCLUDED FROM THE SALARY SAVINGS PROGRAM (except when section 2.3.4 applies)

All faculty positions and fund types below:

Fund Type	Fund Code
Core Research	2012
Center for Applied Biology	2020
Nanotechnology	2021
Middle School Brain Years	2022
Academic Bridge Program	2023
Science Engineering Math	2024
African American Museum	2025
Autism Research	217x
Bilingual Scholarship Program	2171
NRUF	2402
Callier	2900
Designated Tuition 11	3001
Start up	3004
NRUF VPR	3005
NRUF Provost	3006
All Non-Core Funds	