FY21 BUDGET DEVELOPMENT

March 4, 2020
Agenda

• Introduction
• UTD Current Financial Status
• FY21 Budget Overview
• Budget Process
• Projects in Progress
• Questions
Budget and Resource Planning

Orkun Toros
AVP for Budget
Ext. 4735

Eva Burnett
Budget Director
Ext. 6387

Anita Zeiler
Senior Financial Analyst
Ext. 4776

Amber Andrews
Senior Financial Analyst
Ext. 4331

Beckie Quach
Budget Analyst II
Ext. 2664

Raphael Chellan
Budget Analyst II
Ext. 4810

Please contact us at budget@utdallas.edu for your inquiries
UTD Current Financial Status
Persistent Challenges

**UTD Historical Core Funds Budget Results**

- **FY15**: $434M ($15M), $449M ($13M)
- **FY16**: $465M ($23M), $487M ($17M)
- **FY17**: $507M ($20M), $521M ($21M)
- **FY18**: $530M ($8M), $555M ($17M)
- **FY19**: $550M ($6M), $592M ($5M)
- **FY20 (proj)**: $597M, $92M

**Negative Core Funds Balance**

- **2014**: $35M, Net: $32M
- **2015**: $35M, Net: $35M
- **2016**: $24M, Net: ($39M)
- **2017**: $25M, Net: ($41M)
- **2018**: $41M, Net: ($55M)
- **2019**: $48M, Net: ($96M)

**All Students Designated Tuition Scholarship**

- Costs & Percentage of Gross Tuition Realized
  - **Fall 2017**: $63M, 69%
  - **Fall 2018**: $77M, 65%
  - **Fall 2019**: $87M, 63%

**Declining Grad/Transfer Enrollment**

- **FTIC Cohort**: 9,547, 8,366, 7,357
- **New Transfers**: 8,966, 8,205, 7,621
- **New GR**: 8,391, 8,381, 8,366
- **Retain Enrollment**: 8,366
- **ACHieve 4% Growth**: 9,547

March 2020

THE UNIVERSITY OF TEXAS AT DALLAS
Office of Budget and Finance
FY21 BUDGET
Budget Overview

• Total enrollment is growing but continues to slow down
• Operating expenses continue to increase
  • Scholarships
  • Benefits → rate and employee size growth
  • Retiree insurance → rate and retiree growth
  • Other – contract increases, new building operating costs, etc.
• 2% Merit program will be self-funded
• Classified salary range adjustments will be self-funded
Budget Process

Budget Purpose

• The budget is an annual plan for the university and reflects goals and priorities as a result of planning.

• All budgets must be aligned with the strategic and operating objectives of both UT Dallas and the individual divisions and schools.

Budget Planning Module (BPM)

• Gemini Financials: Main Menu>Commitment Control Custom>Budget>Budget by Campus Group

• Phase I – BPM opened to prepare expense budget and revenue projections

• Phase II – BPM re-opened to enter approved merit amounts
BPM Process: Phase I – Budget Development

• Validate funding - cost centers and distribution percent are accurate
• Review filled and vacant position attributes – salary, job code, FTE, and etc.
• Review for position or incumbent transfers between or within your campus group(s)
• Faculty must be appointed for nine months
• A&P and Classified positions must be appointed for twelve months
• When inactivating a filled position in BPM, justification is required.
  • Add a justification to the notes section or attach documentation in BPM
  • If justification is not received, position will be re-activated and M&O reduced

• Vacant positions must be budgeted
  • Should reflect last incumbent’s salary or ePUR/PRR salary if new position
• No positions under clearing cost centers unless Grant related or approved by Budget
• State funds should only include Full-Time salaries (funds 2010, 2011)
  • No Part-Time salaries, Summer salaries, M&O, stipends, supplements, and etc.
• Service center rate study approved by AFR will determine entries in BPM
BPM Process: Phase I – Budget Development

- Must submit ePARs after 9/1 for FY21 funding changes not reflected in BPM
  - Reminder: Two-year DBT ePARs are only for appointments and not for positions
- Enter revenue projections
  - Budget Office will review revenue projections and might require documentation and/or adjustments
  - Tool: Five Year Revenue Trend report
- Main Menu> Commitment Control Custom> Budget> Budget Reports
  - Salary Roster Report
  - Trial Balance Report
- Main Menu> Reporting Tools> UTD Reporting Console
  - Five Year Revenue Trend Report
- BPM Checklist
  - https://www.utdallas.edu/finance/resources/training-materials/
BPM Process: Phase I – Budget Development

Reclasses/Promotions/Market/Equity Increases (excluding merit)

• Core and non-core, any % increase, whether approved or not

**Add to Reserve**

• BPM Cost Center Detail> Budget FY – Sal
  • Job Titles with A → A & P Lump Sum A5011
  • Job Titles with F → Faculty Lump Sum A5021
  • Job Titles with C → Classified Lump Sum A5041

Budget Office **will enter** final increases in BPM and reduce reserves

• No BPM job code changes unless position has an approved through an ePAR/ePUR/PRR

  Budget Office will enter the 9/1 approved job code changes in BPM
BPM Process: Phase I – Budget Development

When to use the Salary Adjustments column?

- BPM Payroll tab → Merit
  - Only to adjust a new employee or vacant position salary
  - Increasing a position’s salary to meet the minimum range
BPM Process: Phase I – Budget Development

Preparing for Merit Process

• Core allocations will be reduced by 2.4% of 3/1 salaries for self funded merit program
  • Where does the 2.4% come from?
    • 2% of core salaries plus 19% for benefits
  • Once BPM Phase II opens, Budget will add back the 2% allocation for merit
  • The benefit portion will be held centrally

• Non-core cost centers
  • Reserve 2% of salaries in BPM reserves (lump sums)
  • Once BPM Phase II opens, reduce reserves to offset merit awards
BPM Process: Phase II – Merit

• Reminder: Core allocations will be reduced by 2.4% of 3/1 salaries
• Merit will be entered in BPM
• Merit Workbooks will be created as Plan B
• Increases of 7% or more must by approved by President/Provost
• Merit guidelines and instructions expected to be distributed in April 2020
Summary

New Employee or Vacant Position Salary

- **Phase I:** Use Salary Adjustments column to update the salary
- **Phase II:** No action

Increases **with** Reclass/Promotion/Equity involved

- **Phase I:** Use A&P or Classified lump sum columns to enter the salary increase
- **Phase II:** Enter merit (if allowed)

Budget/Provost will update the title and salary upon HR review

Increases **without** Reclass/Promotion/Equity involved (Merit)

- **Phase I:** No action
- **Phase II:** Enter merit
# Budget Calendar (Tentative)

<table>
<thead>
<tr>
<th>Date</th>
<th>Action</th>
<th>Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>02/06/2020</td>
<td>User access and campus group forms email sent</td>
<td>Budget</td>
</tr>
<tr>
<td>02/21/2020</td>
<td>User access and campus group forms due to Budget Office</td>
<td>Campus</td>
</tr>
<tr>
<td>03/01/2020</td>
<td>BPM loaded with FY20 data</td>
<td>Budget</td>
</tr>
<tr>
<td>03/04/2020</td>
<td>Kickoff Meeting</td>
<td>Budget</td>
</tr>
<tr>
<td>03/04/2020-03/11/2020</td>
<td>Budget Hearings</td>
<td>Leadership</td>
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<tr>
<td>03/06/2020</td>
<td>BPM Training sessions</td>
<td>Budget</td>
</tr>
<tr>
<td>03/11/2020</td>
<td>Phase I - Budget Development Begins (BPM opens)</td>
<td>Campus</td>
</tr>
<tr>
<td>03/15/2020</td>
<td>Salary increases/Reclasses/Promotions requests for 9/1/20 due to HR</td>
<td>Campus</td>
</tr>
<tr>
<td>03/16/2020-03/22/2020</td>
<td>Spring Break</td>
<td>Campus</td>
</tr>
<tr>
<td>03/27/2020</td>
<td>Phase I - Last day to submit to Provost Office (Academic Units)</td>
<td>Campus</td>
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<tr>
<td>03/27/2020</td>
<td>Phase I - Last day to submit to Budget Office (Administrative Units)</td>
<td>Campus</td>
</tr>
<tr>
<td>04/03/2020</td>
<td>Phase I - Completed</td>
<td>Campus</td>
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<tr>
<td>04/10/2020</td>
<td>Phase I - Reviews and Adjustments for University Completed</td>
<td>Budget</td>
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<tr>
<td>04/15/2020</td>
<td>HR provides approved Salary Increases/Reclasses/Promotions requests to Budget</td>
<td>HR</td>
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<tr>
<td>04/16/2020</td>
<td>Approved Salary Increases/Reclasses/Promotions entered in BPM</td>
<td>Budget</td>
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<tr>
<td>04/22/2020</td>
<td>Phase II - Merit Process Begins (BPM re-opens) - pending approval</td>
<td>Campus</td>
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<tr>
<td>05/01/2020</td>
<td>Phase II - Last day to submit to Provost Office (Academic Units)</td>
<td>Campus</td>
</tr>
<tr>
<td>05/01/2020</td>
<td>Phase II - Last day to submit to Budget Office (Administrative Units)</td>
<td>Campus</td>
</tr>
</tbody>
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Budget Calendar (Tentative) - Overview

• **Phase I – Budget Development (3/11-3/27)**
  - Academic: 2.5 weeks to submit to Provost Office
  - Administrative: 2.5 weeks to submit to Budget Office

• **Phase II – Merit (4/22-5/1)**
  - Academic: 10 days to submit to Provost Office
  - Administrative: 10 days to submit to Budget Office
BPM – What is New?

• ‘Core/Non Core’ tab is now ‘Cost Center Detail’
• Cost Center Detail page can be sorted by department
• Automated email to Executive Reviewer for approval
• Debt Service column added
• Increased number of characters in comment section
• Include last incumbent in payroll tab
• Capital column changed to Utility
• Unallocated is now hidden
• Clicking between payroll and overview page freezes where you were instead of taking to top of the screen
• Warning for out of salary range

• Benefits are calculated for the following groups:
  • Full-Time (A&P Lump Sum, Classified Lump Sum, and Faculty Lump Sum)
  • Part-Time (Graduate Assistants, Hourly Wages, Research Assistants, and Teaching Assistants)
  • Supplements
  • Lecturers

• New Report – BPM Executive Reviewer
  • Location: Reporting Console → Budget Related
  • Shows high-level overview of budget comparison
  • All BPM users have access
  • Potential enhancements to report based on feedback
Budget Updates

• UG Advising Fee and GR Advising Fee are now combined (effective 9/1/20)
  • Fund codes 3102 and 3103
  • Personnel and M&O expenses to provide assessments to students on academic and career issues, and to improve retention and graduation rates

• Budget Journals/Transfers Attachments
  • Approvers can now add attachments
Budget Updates

• Benefits transitioning from central cost center to departmental cost centers effective 9/1/20
  • Benefits will continue to be budgeted centrally for core funds in BPM
  • During September, Budget Office will provide budget to offset benefit encumbrances
  • Adjustments to benefits budget will be processed on a routine basis
  • Transfers in/out will not be allowed from benefits account (A5500, A5061, A5062) for core cost centers

• Retiree assessment effective 9/1/20
  • 2.5% of retirement eligible salaries
  • BPM benefit estimate adjusted for all benefit increases
BPM Training Session

• Location: Brazos Lab
• Date: Friday, March 6th at 10am
• Sign up sheet is available
• Additional training session available upon request
Projects in Progress

- **Automation of PRR form**
  - Now called Position Update/Request form - ePUR
  - Targeting May 2020 for schools

- **Review Available Funding grid – ePAR**
  - Target date: Summer/Fall

- **New Reporting Console Reports**
  - Detailed Budget Overview with drill-down capabilities
Questions?

FY21 Budget Guidelines

https://www.utdallas.edu/finance/resources/training-materials/

budget@utdallas.edu