BUDGETING

101
STATE BUDGETING

General Fund $1.6 Billion

Education Trust Fund (ETF) $5.5 Billion
STATE BUDGETING

General Fund Supports

Child Development
Criminal Justice
Conservation Efforts
Economic Development
Public Health & Safety
Mental Health
Medicaid
Court System
STATE BUDGETING

General Fund Funding

Insurance Premium Tax
Interest from ATF
Oil & Gas Lease
Cigarette Tax
ABC Board Profits
STATE BUDGETING

ETF Supports

K-12 Education
Higher Education
Public Library
Performing & Fine Arts
Scholarships
Youth Development
STATE BUDGETING

ETF Funding

Individual Income Tax
Corporate Tax
Sales Tax
Utility Tax
STATE BUDGETING

ETF Splits

K-12 Education  73%

Higher Education  27%
Post-Secondary Budgeting Process

November  Universities submit budget requests to Executive Budget Office (EBO), Legislative Fiscal Office (LFO), and Alabama Commission on Higher Education (ACHE)

February  Legislative sessions convene. Governor proposes GF and ETF budgets
Post-Secondary Budgeting Process

March-May

The House proposes its own GF & ETF Budgets

The Senate proposes its own GF & ETF Budgets

The legislative budget conference committee negotiates a budget compromise.
UAH Budgeting Process

October  Fiscal year begins

January-May  Gather tuition, mandatory, fixed-costs, & revenue information. Work on college funding formula

June  Submit preliminary tuition plan & budget parameters to BOT
UAH Budgeting Process

June-August  Develop campus budget

September  BOT considers and approves final budgets

October  Load budgets into University General Ledger
Types of Ledgers

Ledger 2  State-funded account
          Tuition & Fees
          State Appropriations
          F&A Cost Recovery

Ledger 3  Departmental account
          Faculty Start-Up
          PI 4%
          Student Activities
          Continuing Education
Types of Ledgers

Ledger 4  Auxiliary Services
         Housing Rents
         Food Services

Ledger 5  External Contracts
         Federal Government
         State Government
         Private Corporations
Types of Ledgers

Ledger 6  Endowed Scholars & Scholarships
          Gifts & Donations

Ledger 7  Plant fund account
          Transfers from state-funded accounts
Budget Summary: FY 2010-2011 (October 1)

Revenues

Tuition & Fees $60.2 M 30%
State Appropriations 44.0 M 22%
External Contracts 78.8 M 40%
Auxiliary Services 9.2 M 5%
Other 5.8 M 3%

Total $198.0 M 100%
## Budget Summary: FY 2010-2011 (October 1)

### Expenditures

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>$107.4 M</td>
<td>54%</td>
</tr>
<tr>
<td>Supplies/Operating</td>
<td>67.0 M</td>
<td>34%</td>
</tr>
<tr>
<td>Equipment/Capital</td>
<td>2.9 M</td>
<td>2%</td>
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<tr>
<td>Scholarships</td>
<td>14.3 M</td>
<td>7%</td>
</tr>
<tr>
<td>Debt Service/Transfers</td>
<td>6.4 M</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$198.0 M</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
Financial Organizational Structure

President
Office of the President
Athletics
Office of the Director
Sports Information
Soccer
Softball
Basketball
Hockey
Cross-Country/Track
Financial Organizational Structure

Academic Affairs

Office of the Provost
Enrollment Services
Dean of Students
Student Health Services
Counseling Center
Information Technology Services
Library
Academic Colleges
Instructional Departments
Financial Organizational Structure

Finance & Administration
- Office of the VP
- Budget Office
- Accounting
- Facilities
- Business Services
- Housing
- Human Resources
Financial Organizational Structure

Diversity & Student Support Services

Office of the VP
Multicultural Affairs
Financial Organizational Structure

University Advancement    Office of the VP
Alumni Affairs            Alumni Affairs
Development               Development
Financial Organizational Structure

Research
Office of the VP
Sponsored Programs
Research Centers
Managing the budget

Decentralization: Each budgetary unit head is responsible for his or her areas.

- Ledgers are broken down into many organizational codes (6-digit).
- Organizational codes are broken down into many account codes (4-digit).
Managing the budget

The combination of 6-digit organizational code & 4-digit account code form a 10-digit account number.

Typically, an individual is assigned to ensure each account number is balanced.

The individual could be a budget analyst, staff assistant, PI, chair, or director.

The individual could manage from one account to tens of accounts.
Managing the budget – Tools Provided

Financial information available:

- Banner Finance Self-Service
  - Up-to-date report
  - Drill down capability
  - Easy to use

- E-Print
  - Online monthly budget statements
  - Bi-weekly & monthly labor reports
Managing the budget – Tools Provided

Individual or group training is available

Users’ Manuals are available on the Budget Office Website:

http://www.uah.edu/admin/Budget/index.php
Managing the budget – Overspent Account

Budget unit heads with multiple account responsibility could use budget transfers to cover accounts with deficits.

Budget unit heads could use fund balance savings to cover deficits, if available.

Budget unit heads could discuss the options of inter-fund transfers if the transfers meet federal/state/university regulations.
Managing the budget – Summary

1. Budget is nothing more than a spending plan, so, set a spending plan for the entire fiscal year.

2. Track your spending often – at least once a month.

3. If you detect a problem, discuss with your immediate supervisor as soon as possible.
Budget Book and other budget information:

http://www.uah.edu/admin/Budget/budgetinfo.php

Actual Payroll Expenses:

https://apps.uah.edu/ARRAreporting/