Leadership Development Workshop
Division of Academic Affairs
August 10-11, 2010 (Tuesday/Wednesday)
Library Room 111

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 2009-2010

Revenues

Tuition & Fees	$ 51.7 M	30%
State Appropriations	51.8 M	30%
External Contracts	58.0 M	34%
Auxiliary Services	7.2 M	4%
Other	2.8 M	2%
Total	$171.5 M	100%

Budget Summary: FY 2009-2010

Expenditures

Personnel	$ 97.1 M	57%
Supplies/Operating	53.6 M	31%
Equipment/Capital	2.5 M	1%
Scholarships	12.8 M	8%
Debt Service/Transfers	5.5 M	3%
Total	**$171.5 M**	**100%**

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
                            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

Student Support   Office of the VP
                       Multicultural Affairs

Financial Organizational Structure

University Advancement

Office of the VP
Alumni Affairs
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
Biweekly & 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.