To: Todd Barre  
Christine Curtis  
Mallie Hale  
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Laterrica Shelton  

From: Chih Loo  

Date: September 16, 2019  

Subject: Budget Transfer Guidelines  

The University’s current budgetary practices does not allow for budget transfers, during the fiscal year, to fund personnel expenditures from operating funds. However, the University operates in a dynamic environment, and, occasionally, changes are required during the year. The following guidelines on budget transfers are effective on October 1, 2019, and supersede all previously approved guidelines on budget transfers:

- The revised budget transfer guidelines apply to the following ledger accounts: ledger 2 (state), ledger 3 (departmental), ledger 4 (auxiliary), and ledger 6 (restricted).
- In accordance with the best budgetary practice that funds should be budgeted as closely as possible to actual expenses, all budget units are encouraged to plan their expenditures for the next fiscal year and budget accordingly during the annual budget development exercise. There are no limitations on budget reallocations between operating to personnel, or vice versa, before the annual operating budget is established and approved by the respective division vice president and Budget Office.
- Under limited circumstances, budgetary units may transfer up to 5% of
uncommitted budgeted operating funds to fund personnel expenditures. Any budget transfers from operating to personnel must also include the cost for fringe benefits.

- Budgetary units must exercise cautiously the need for budget transfers from operating to personnel. A unit, which has made such budget transfers, must not and cannot claim insufficient operating funds after transferring operating funds to personnel expenditures.
- During the fiscal year, all personnel vacancy funds will be captured centrally at the vice president level; therefore, the captured salary funds will only be transferable to operating expenses with approval of the respective division vice president.
- All budget transfers from operating to personnel must be approved by the respective division vice president.
- The Budget Office will have the final decision on transfer eligibility.

The above guidelines will be reviewed periodically and modifications will be issued if needed.

Please let me know if you have any questions.

cc: President Dawson