

# Budgets

*following the money trail...*

April 2013

TEXAS A&M  
AGRILIFE

# Outline

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- **Introduction**
- **State Budget**
- **Budget Timeline**
- **Agency Budgets**
  - **Fund Groups & Account Structure**
  - **FY 13 Budgets**
  - **Calendar**
  - **Phase I and Phase II**

# Outline

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- Budget Terminology
- Building the Unit Budget
- Budget Reminders
- Unit Role in Budget Process
- OSRS and the Budget Process
- Year end close
- Helpful FAMIS screens
- Budget Contacts

# Introduction

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- Texas A&M AgriLife Research and Texas A&M AgriLife Extension Service prepare their annual operating budgets in the spring and summer of each fiscal year for the fiscal year that begins September 1 and ends August 31. Both agencies are reliant on funding decisions made by the Texas Legislature, which meets biennially. The actual timing of the budget varies depending on whether it is a legislative year or an off year. The legislature is currently meeting, so the budget timeline this year is influenced by the legislative dates.
- Member budgets are approved annually by the Texas A&M University System Board of Regents.

# State Budget

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- Texas prepares a 2 year (biennial) budget
- 140 day regular session every two years in odd numbered years
- State budget process:
  - Planning and proposal –statewide vision from the Governor
  - Legislative action
    - Legislative Appropriations Request (LAR) – prepared by each State Agency and Institution of Higher Education
    - General Appropriations bill draft prepared by Legislative Budget Board (LBB) and filed in each house with recommended budget for each agency, method of finance (MOF), maximum FTEs (full time equivalents), and performance measures
    - Lead on General Appropriations bill alternates between Senate and House
      - Senate Finance Committee- SB1- lead this year
      - House Appropriations Committee- HB1

# State Budget

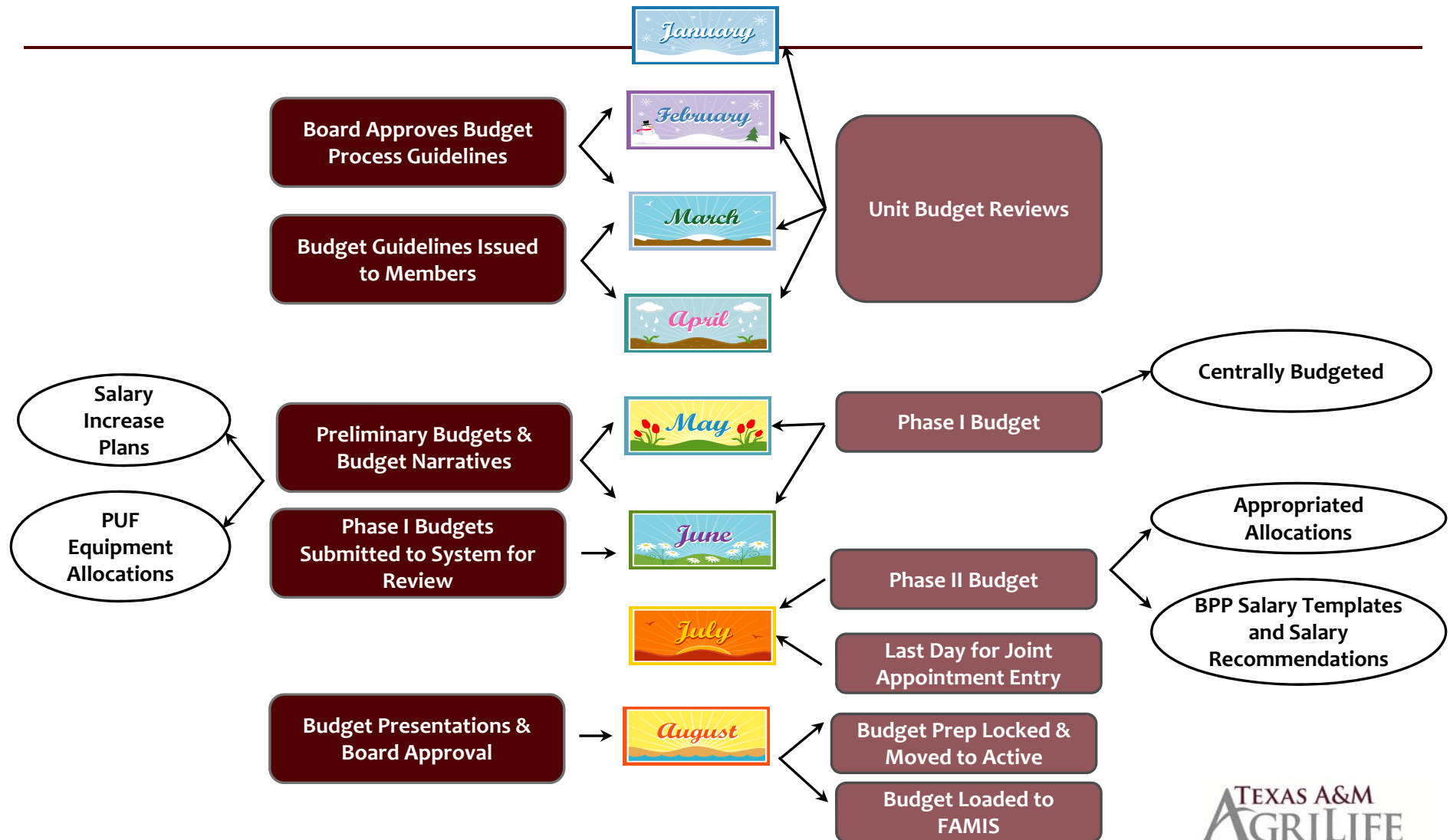
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- Markup- House and Senate committees make changes to budget document
- Conference committee- composed of members of both houses, resolves differences between house and senate versions of bill
- Final passage of appropriations bill- both houses vote on final passage
- Comptroller certifies sufficient revenue
- Governor signs, has line item veto
- Implementation and monitoring
- Resources
  - Legislative Budget Board <http://www.lbb.state.tx.us/>
  - Texas Legislature Online <http://www.lbb.state.tx.us/>

# State Budget- Timeline:

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- ➔ **Tuesday, January 8, 2013** (1st day)  
83rd Legislature convenes at noon
  - ➔ **Friday, March 8, 2013** (60th day)  
Deadline for filing bills and joint resolutions other than local bills, emergency appropriations, and bills that have been declared an emergency by the governor
  - **Monday, May 27, 2013** (140th day)  
Last day of 83rd Regular Session; corrections only in house and senate    *Session Ends*
  - **Sunday, June 16, 2013** (20th day following final adjournment)  
Last day governor can sign or veto bills passed during the regular legislative session
  - **Monday, August 26, 2013** (91st day following final adjournment)  
Date that bills without specific effective dates (that could not be effective immediately) become law

# Budget Timeline





# Fund Groups & Account Structure

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- **Fund Groups**
  - Appropriated
  - Designated
  - Restricted
  - Plant

# Fund Groups & Account Structure

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- **Appropriated Funds**
  - **Research & General (R&G)**
  - **Extension & General (E&G)**
  - **State Appropriated Funds**
  - **Federal Formula Funds**

# Fund Groups & Account Structure

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- **Appropriated Funds- Research Account Structure**
  - **1X0000- 1X4999- Research & General (R&G)**
    - X in odd fiscal years is a “1”
    - X in even fiscal years is a “2”
    - Balances do not roll forward
  - **1X7620-1X7630- ARP Advanced Research Program**
    - X in odd fiscal years is a “1”
    - X in even fiscal years is a “2”
    - Two year grants, balances roll to next year account
- **130000-139999- Sales funds-** per Texas Education Code Section 88.205... *Proceeds from the sale, barter, or exchange of crops raised on any experiment station shall be applied to defray the expenses of operating the station.*
  - Balances roll forward

# Fund Groups & Account Structure

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- **Appropriated Funds- Extension Account Structure**
  - **100000- 169999, 185820- Extension & General (E&G)**
    - Balances do not roll forward
  - **170000-179999- Continuing Education funds**
    - Federal funds
    - Balances available through September 30
  - **Extension uses support accounts to designate fiscal year**
    - 2X000 State funds where X is the fiscal year
    - 9X000 Federal funds where X is the fiscal year

# Fund Groups & Account Structure

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- **Designated Funds**
  - Sales and Service
  - Gifts
    - Restricted
    - Unrestricted
  - Residual
  - Indirect Cost
- **Account structure**
  - 2XXXXXX
- **Balances roll forward**

# Fund Groups & Account Structure

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- **Restricted Funds- Contract and Grants**

- Non federal 4XXXXXX
- Federal 5XXXXXX
- Federal appropriations 6XXXXXX (Extension only)
- Contract/grant end date applies

- **Plant Funds**

- PUF 8XXXXXX (Research only)

# FY 13 Extension Budget

FDAR670  
FY 2013 CC 07

TX A&M AGRILIFE EXTENSION SRVC  
FY 2013 Operating Budget

08/14/2012 12:51

Section: 1

Statement of Changes in Fund Balance - Board Approved

Page: 1

Description	Current Funds				Plant Funds	Total
	Functional and General	Designated	Auxiliary Enterprises	Restricted		
Revenues						
State Approp - General Revenue	42,218,520					42,218,520
State Approp - Benefits Pd by St	17,114,380					17,114,380
Federal Appropriations	11,034,131			7,451,008		18,485,139
Contracts and Grants	485,621	2,559,000		23,953,926		27,008,547
Gifts		1,173,857				1,173,857
Sales and Services		6,149,772				6,149,772
Investment Income		250,000				250,000
Other Operating Income	4,500	216,893				221,393
Total Revenue	70,857,152	10,349,522		31,414,934		112,621,608
Expenses						
Salaries - Faculty	9,610,556	606,439		880,000		11,096,995
Salaries - Non-Faculty	36,321,711	1,261,720		12,623,659		50,207,090
Wages	243,788	746,542		1,209,394		2,199,724
Benefits	19,296,804	420,687		2,826,849		22,544,340
Utilities	908,075	67,782		32,906		1,008,763
Scholarships		51,127		45,495		96,622
Operations and Maintenance	4,476,218	6,207,006		9,450,734		20,133,958
Equipment (Capitalized)		320,000		49,786		369,786
Total Expense(Less Service Depts)	70,857,152	9,681,303		27,118,823		107,657,278
Net Service Departments		20,168-				20,168-
Total Expense	70,857,152	9,661,135		27,118,823		107,637,110
Transfers						
Retirement of Indebtedness						
Other Transfers		300,000				300,000
Total Transfers		300,000				300,000
Net Change in Fund Balance		988,387		4,296,111		5,284,498

# FY 13 Research Budget

FDAR670  
FY 2013 CC 05

TEXAS A&M AGRILIFE RESEARCH  
FY 2013 Operating Budget

08/14/2012 12:51

Section: 1

Statement of Changes in Fund Balance - Board Approved

Page: 1

----- Current Funds -----						
Description	Functional and General	Designated	Auxiliary Enterprises	Restricted	Plant Funds	Total
<b>Revenues</b>						
State Approp - General Revenue	51,046,831					51,046,831
State Approp - Benefits Pd by St	14,038,984					14,038,984
Federal Appropriations	8,908,502					8,908,502
Contracts and Grants	288,750	15,181,000		72,416,928		87,886,678
Gifts		1,687,500		185,000		1,872,500
Sales and Services	5,816,500	13,372,000				19,188,500
Investment Income		4,670,970		400,000		5,070,970
<b>Total Revenue</b>	<b>80,099,567</b>	<b>34,911,470</b>		<b>73,001,928</b>		<b>188,012,965</b>
<b>Expenses</b>						
Salaries - Faculty	17,933,392	1,460,489		4,220,761		23,614,642
Salaries - Non-Faculty	26,323,736	6,148,825		21,481,691		53,954,252
Wages	545,000	1,455,500		5,937,000		7,937,500
Benefits	16,203,413	1,452,498		4,299,615		21,955,526
Utilities	5,024,052	1,090,500		275,000		6,389,552
Scholarships		793,000		2,750,000		3,543,000
Operations and Maintenance	13,883,887	21,308,107		32,530,000		67,721,994
Equipment (Capitalized)	357,500	2,581,500		2,180,000		5,119,000
<b>Total Expense(Less Service Depts)</b>	<b>80,270,980</b>	<b>36,290,419</b>		<b>73,674,067</b>		<b>190,235,466</b>
<b>Net Service Departments</b>		<b>4,510</b>				<b>4,510</b>
<b>Total Expense</b>	<b>80,270,980</b>	<b>36,294,929</b>		<b>73,674,067</b>		<b>190,239,976</b>
<b>Transfers</b>						
Retirement of Indebtedness		2,002,190-				2,002,190-
Other Transfers					1,350,000	1,350,000
<b>Total Transfers</b>		<b>2,002,190-</b>			<b>1,350,000</b>	<b>652,190-</b>
<b>Net Change in Fund Balance</b>	<b>171,413-</b>	<b>3,385,649-</b>		<b>672,139-</b>	<b>1,350,000</b>	<b>2,879,201-</b>



# Agency Budget- Calendar

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- **Late April** Load chart of accounts, roll active budget to prep budget
- **June 21** Agency Phase I budget due to System
- **Early July** Phase II unit budget meeting  
Appropriated allocations to units  
Electronic salary templates to units
- **Mid July** Electronic salary templates due back  
901 reports run for verification  
Last day to enter joint appointments
- **July 31** SEP requests due to Human Resources
- **August 9** Payroll corrections due

# Agency Budget-Phase I

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- **Phase I** is the first part of the annual budget process where the “lump sum” budgets are developed and entered into the FAMIS budget module
  - Handled centrally by both Extension and Research
    - Extension- Kay Schubert
    - Research- Andrew Juranek
  - Due to System Budget Office June 21

# Agency Budget-Phase II

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- **Phase II** is the second part of the annual budget process where salary recommendations are budgeted by employee. This information will result in the “goldplate” budget for the new fiscal year
  - Department, Institute and Unit allocations are made
  - Salary changes are made for the next fiscal year
    - Salary budget templates distributed
    - Return to [budget@ag.tamu.edu](mailto:budget@ag.tamu.edu)
  - Working hours for FY 14: 2080
  - Be available in July for Phase II

# Budget Terminology

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- Adloc- identifies who “owns” employee
- System part number- unique 2-digit system identifier
  - 02 Texas A&M University
  - 06 Texas A&M AgriLife Research
  - 07 Texas A&M AgriLife Extension Service
  - 11 Texas A&M Forest Service
  - 20 Texas A&M Veterinary Medical Diagnostic Laboratory
  - 26 Office of Sponsored Research

# Budget Terminology

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- Pin- determined by Adloc should reflect primary source of funding
  - A-pin Texas A&M AgriLife Research or College of Agriculture & Life Sciences
  - F-pin Texas A&M Forest Service
  - V-pin Texas A&M Veterinary Medical Diagnostic Lab
  - X-pin Texas A&M AgriLife Extension Service

# Budget Terminology

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- Add to base- an increase in unit's base general revenue funding
- One time allocation- increase to unit funds on a one time basis- not added to unit's general revenue base allocation- funding request must be initiated by unit
- Salary savings- funds generated when a position vacates or when salaries are moved from a state source to another source of funds
- ACAP/Lump sum payment- annual leave balance due upon employee termination (accrued compensable absences payable)

# Budget Terminology

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- SEP- Salary Enhancement Program- see Texas A&M AgriLife Extension Service procedure 31.01.01X0.03 or Texas AgriLife Research procedure 31.01.01.A0.03
  - Requests for participation in the Salary Enhancement Program are due to the Human Resources office no later than July 31 each year and are routed for appropriate OSRS, budget and administrative approval

# Building the Research Unit Budget

Unit/Department  
Budget Allocation  
FY 2014 Budget Base

**FY 2013 General Revenue Base – 1XXXXX** **\$749,067**

**Additions to Base Funding:**

Return on staff vacancy per salary policy	35,000
Return on faculty vacancy per salary policy	76,000
New Faculty Appointments – New Hire effective 1/1/13	25,500
Promote Faculty	4,500
Merit Increase	2,500
Equity Adjustment	5,000
Pay Plan Adjustments – Funded by the College	2,000
General Appropriations Act Mandated Increase	17,970
Other Add to Base Adjustments - Increase Operating/ As approved by Admin	10,000

**Deductions to Base Funding:**

Staff Terminations/Vacancies – Vacated Position effective 12/31/12 -per salary policy	(45,000)
Faculty Terminations/Vacancies – Vacated Position effective 12/31/12 -per salary policy	(95,000)
Budget Reduction	(10,000)
Other Deductions	(2,000)

**FY 2014 General Revenue Base – 1XXXXX** **\$775,537**



# Building the Extension Unit Budget

Unit/Department  
Budget Allocation  
FY 2014 Budget Base

<b>FY 2013 E&amp;G Base – 1XXXXX</b>	<b>\$621,500</b>
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**Additions to Base Funding:**

Salary policy- Name	35,000
Salary policy- Name	76,000
Promote- Name	4,250
Promote- Name	3,900
Merit Increase	2,500
Equity Adjustment	
General Appropriations Act Mandated Increase	14,920
Other Add to Base Adjustments – Dept Head commitment	10,000

**Deductions to Base Funding:**

Salary policy-Name	(45,000)
Salary policy-Name	(95,000)
Budget Reduction	(5,000)
Other Deductions	(1,500)

<b>FY 2014 E&amp;G Base – 1XXXXX</b>	<b>\$621,570</b>
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<b>Partial Cost Recovery Funds</b>	<b>\$8,050</b>
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<b>Total Budget</b>	<b>\$629,620</b>
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# Budget Reminders

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- Account for all budgeted personnel on salary template
- Budget employees for their full appointment
- Account end dates matter for budgeted salaries
- Coordinate joint appointments with appropriate adloc
  - May be another System part or campus
  - May be another unit or department
- Salaries on general revenue accounts cannot exceed general revenue allocation by account

# Budget Reminders

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- Account clean up
  - E&G/R&G accounts to close- send to Budget office
  - Contract/grant accounts to close- send to OSRS
  - Cost share accounts to close- send to Budget office
- Reconcile salary pools on general revenue accounts monthly
- Request salary savings & commitments throughout year- these are not automatic

# Unit Role in the Budget Process

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- Stay within E&G/R&G allocation on E&G/R&G accounts
- Use unit designated account to budget salaries awaiting valid contract/grant account numbers
- Sept 1- contact budget office for administrative bridge account if needed
- Phase II- prepare and submit the BPP salary template via email to [budget@ag.tamu.edu](mailto:budget@ag.tamu.edu) by due date

# Unit Role in the Budget Process

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- **Phase II salary template:**
  - **Rec 0 should reflect base salary**
    - Remove SEP from Rec 0
  - **Salaries on OSRS managed accounts**
    - Contract end dates matter
    - Available budget matters
    - Budget at support account matters

# OSRS and the Budget Process

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- **Budgeting at the support account level**
  - Needed when more than one support account on a grant
  - Unit sets up SA- SA budget flag must be set to Y on screen 50 (or screen 58 after initial set up)
  - Transfer budget to SA using screen 53
  - SA expenditures cannot exceed SA budget

# OSRS and the Budget Process

F0026 Please enter desired modifications

058 Support Acct Category Maintenance

03/28/13 06:47

FY 2013 CC 07

Screen: \_\_\_\_ Account: 299106 64202

EBEAM & XRAY IRRADIATION TECH

## Support Account Flags

Y - Bottom Line Budget Control / Unprotect Budget Control

Note: A Budget Control Flag of 'N' does not check Bottom Line  
and turns off protection of Protected Categories.  
The 'P' flag on Screen 10D will still display.

R - Default Category Control

Default Category Tolerance Pct: \_\_\_\_\_

Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10---PF11---PF12---

Hmenu Help EHelp

Warns

4-©

1

Sess - 1

128.194.103.18

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# OSRS and the Budget Process

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- **Cost share support accounts**
  - Award agreement determines cost share
  - Research cost share
    - OSRS coordinates with Project Records to generate cost share number; communicates to unit
    - Unit sets up cost share SA using screen 50
  - Extension cost share
    - OSRS generates cost share number, communicates to unit & budget office
    - Budget office sets cost share SA up



# OSRS and the Budget Process

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- **Cost share coding**

- Screen 50 coding important for Annual Financial Reporting-  
*information for screen 50 will be provided by OSRS*
- Effort category- must match effort category of grant
  - CSOR- cost share- organized research (typically Research grants)
  - CSOS- cost share- other sponsored activities (typically Extension grants)
- CS acct link- must fill in the system part and grant number

# OSRS and the Budget Process

F0013 Please enter desired modifications  
051 Support Account Attributes 03/11/13 16:22  
FY 2013 CC 07

Screen: \_\_\_ Account: 149000 46190 COST SHARE-06-504571 OSRS:

Account Title: COST SHARE-06-504571 Security: \_\_\_  
Resp Person: 202006749 LOPEZ, ROEL R SA Group: \_\_\_  
Bot Ln Cntl: Y Deflt Cat Cntl: R Deflt Cat Tol Pct: \_\_\_  
Default Bank: \_\_\_ Override: \_ Delg Type: \_ Old Acct: \_\_\_  
Alt. Banks: \_\_\_ Roll BBA To Base: \_  
P-Card Bank: \_\_\_ Effort Cat: CSOR\_

CC	Dept	S-Dept	Exec	Div	Coll	Mail	Cd	Stmt
Primary:	IRNR_		AG	EP	AG	C2260	Y	Sys Member: _
Secondary:								Off Campus: _
Admin For:								---- Indirect Cost ----
Center:								Base: _
90 Day Pre:								Rate: _
Start Date:								Distribution: _
End Date:								Expense Obj: _
Long Title:								Revenue Obj: _

\*\*\* All fields entered on this screen override fields on the Parent SL \*\*\*  
Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10---PF11---PF12---  
Hmenu Help EHelp

# OSRS and the Budget Process

050 Dept Support Account Attributes 03/18/13 11:33  
FY 2013 CC 06

Screen: \_\_\_ Account: 111265 46250 COST SHARE 528130 OSRS:

Account Title: COST SHARE 528130 Security: \_\_\_  
Resp Person: 202006749 LOPEZ, ROEL R SA Group: \_\_\_  
Bot Ln Cntl: N Deflt Cat Cntl: N Deflt Cat Tol Pct: \_\_\_  
Old Acct: \_\_\_  
Roll BBA To Base: \_\_\_  
Effort Cat: CSOS\_

	CC Dept	S-Dept	Exec	Div	Coll	Mail	Cd	Stmt
Primary:	IRNR_	___	AD	AG	AG	C2260	Y	
Secondary:	___	___				___	___	___
Admin For:	___	___						
Center:	___	___						

CS Acct Link: 07 528130

Long Title: COST SHARE 528130

\*\*\* All fields entered on this screen override fields on the Parent SL \*\*\*  
Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10---PF11---PF12---  
Hmenu Help EHelp

4-© 1 Sess-1 128.194.103.18 TAMT0040 1/3

# OSRS and the Budget Process

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- **Closing OSRS managed accounts**
  - Use DCRs to process voucher corrections in timely manner on contracts/grants that are overspent
  - Once fiscal year closed, salaries can only be corrected to a designated account or another contract/grant
  - OSRS will coordinate with Agency Chief Financial Officer if unit doesn't respond in timely manner

# Year end closing

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- Payroll corrections must be submitted by due date- August 9
- Review all encumbrances at year end for validity (don't just cancel the document, you must complete it to remove encumbrance)
- Concur encumbrances

# Year end closing

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- Disbursement deadlines
- Aged account receivables due to Gwen Tucker in Accounts Receivable office
- DBRs and DCRs drop out of system if not fully routed
- Old year encumbrances and disbursements should be paid and/or cleared out by mid October

# Year end closing

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- Unencumbered balances in E&G/R&G accounts transferred out of accounts at close of Month 13
- Month 13- an accounting month used by fiscal office for year end accruals and other entries needed for the Annual Financial Reports
- Reconcile Month 8 and Month 13 activity together as one month

# Helpful FAMIS Screens

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- FAMIS screens- subsidiary ledger (SL) accounts
  - 19 Transaction totals by object code
  - 21 List of outstanding encumbrances
  - 23 Transaction inquiry
  - 29 List of accounts
  - 34 Summary balances by budget pool
  - 46 Transactions for month by Ref 2 or 4
  - 48 Transaction inquiry by month, by account, by subcode
  - Use f11 for variety of features depending on screen ex: view current month; view pennies; view SA



# Helpful FAMIS Screens

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- FAMIS screens- support accounts (SA)
  - 50 Support account attributes
  - 61 Encumbrances (similar to 21)
  - 63 Transaction inquiry (similar to 23)
  - 65 Scrolls through each SA on an SL with category totals
  - 68 Lists all SA's on an SL (similar to 29)
  - 69 Transaction totals by object code (similar to 19)
  - 74 Balances by budget pool (similar to 34)

# Helpful FAMIS Screens

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- Payroll screens
  - 755 Payroll encumbrance by pin
  - 757 Payroll encumbrance by account
  - 770 Payroll detail by UIN
  - 771 Payroll detail by S/W (salary or wage) account
- Budget move screens
  - 53 Move budget between SAs on an SL
  - 520 Create DBR- to move budget between allowable SL's

# Helpful FAMIS Screens

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- Voucher inquiry screens
  - 160 Inquiry by vendor, lists invoice numbers
  - 162 Inquiry by vendor, lists vouchers paid
  - 168 Inquiry by voucher number
  - DCR Can only be done from Canopy
- Other screens
  - 80 Inquiry by subcode
  - 288 Document summary
  - 850 Contact information- useful when coordinating with other units

# Helpful FAMIS Screens

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## FAMIS Links:

- FAMIS online manuals  
<http://www.tamus.edu/offices/famis/usermanuals/>
- FAMIS FRS online screens  
<http://www.tamus.edu/offices/famis/usermanuals/sdocs/frsscreens/>

# Budget Contacts

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## Extension

Kay Schubert

[k-schubert@tamu.edu](mailto:k-schubert@tamu.edu)

979-845-1495

## Research

Andrew Juranek

[andrewjuranek@tamu.edu](mailto:andrewjuranek@tamu.edu)

979-458-8543

**Submitting budget documents via email:**

[budget@ag.tamu.edu](mailto:budget@ag.tamu.edu)