



PRAIRIE VIEW A&M UNIVERSITY

A Member of the Texas A&M University System

July 22, 2009

OFFICE OF BUSINESS AFFAIRS MEMORANDUM No. FY 09-103

MEMO TO: President Wright, All Vice Presidents, Deans,
Department Heads, Directors, and Account Managers

FROM: Mary Lee Hodge, Vice President for Business Affairs

RE: Operational Guidance for the FY10 Budget

Please find attached your budget packet for FY10 which includes:

- A. A summary budget data sheet for your unit,
- B. The approved budgeted accounts for your unit,
- C. The listing of personnel, who are included in the budgeted accounts for your unit,
- D. A final schedule of known costs,
- E. A listing of known items to be processed to reconcile your printed budget with changes that have occurred since the budget was completed, and if applicable,
- F. Information regarding fee requests made for FY10.

To assist you this year with certain reminders and to consolidate information about some operating changes, we have prepared a guidance document for your use.

Salary and Wage Guidance

1. This year, there are several parts to ensuring that all merit awards are properly paid to our employees and **the timelines for appointment and correction entries cannot be extended.**
 - a. The merit salary increases for regular, continuing employees who are listed in the budget documents have already been included in your packets. To avoid any errors, please double check the personnel listing to ensure that the correct employees, titles, percent times, salary amounts, and account numbers are shown for all individuals employed in your unit. **Corrections and additions to the budgeted positions should be processed via the Employee Payroll Action (EPA) module before September 3, 2009.**
 - b. Appointments for temporary, student, and adjunct employees must be entered for the FY10 fiscal year as those employees are not shown on the budget. A signed offer letter is required for non-student appointments, and a copy of that signed letter must be sent to my office. We will take care of sending copies to the various offices in Business Affairs on a "need to know" basis. **The deadline for appointments for temporary, student, and adjunct employees is September 3, 2009.**
 - c. The effective date for this year's merit increase program is September 1, 2009. The first paycheck that will contain that increase will be October 1st paycheck.

2. Memoranda of appointment for administrative & professional staff employees are included in your budget packet. These letters require that each employee attest to his/her appointment at the University. **Memoranda of appointment should be signed by each employee and returned to the Vice President for Business Affairs no later than 5:00 p.m. on September 3, 2009** in order for the individual to receive his/her paychecks at the appropriate time and to receive the appropriate benefits. Again, the VPBA Office will forward copies to the applicable Vice President, the Budget Office, and Human Resources for you.
3. For all employees who have been hired for the FY10 year and who are not shown on the budget, a signed offer letter is required for the appointment. **Copies of all signed offer letters must be sent to the VPBA Office no later than September 3, 2009**, in order for the individual to receive his/her paycheck at the appropriate time and to receive the appropriate benefits. Please attach a copy of the offer letter to the EPA document.
4. Vacant Tenure & Non-Tenure Track funds are in an unallocated faculty salary line. To access these funds, your unit must:
 - a. Process a Departmental Budget Request (DBR) Form and attach a copy of the offer letter for each employee whose salary is covered by the DBR. In the justification section, state:
 - i. Who will be appointed against these funds,
 - ii. The title of each individual,
 - iii. The beginning and ending appointment dates for each individual, and
 - iv. The salary of each individual.
 - b. Process an EPA for each individual. In the justification/comment section, include the specific instructional assignment so that the Coordinating Board Cost Study Information is directly associated with the appointment.
 - c. **DBRs and EPAs must be processed by September 3, 2009 to ensure timely employee compensation.**
 - d. Be aware that the unallocated faculty salary line is your resource to cover fall and spring teaching needs. The unallocated salary line will not be allowed to be used for summer appointments. Be careful to ensure that you do not overspend in the fall semester and inhibit your ability to fund spring appointments.
 - e. As of February 1, 2010, balances in the unallocated faculty salary line will lapse to salary savings and be used for university-level purposes.
5. All teaching appointments must be paid from an instructional account as opposed to an academic support or non-instructional account. In addition, all teaching appointments must bear an academic title. These requirements are necessary for proper Coordinating Board reporting and to comply with THECB Cost Study requirements. Appointments for teaching that are not from the proper account or that do not bear an appropriate title will be returned to the originating department. Title codes for teaching appointments were approved by the Provost Office and must be used. To obtain a listing of the appropriate title codes, see http://www.pvamu.edu/files/human_resources/docs/Appendix%20C.pdf.
6. Temporary Staff Positions have been included in the unallocated staff salary line. To access these funds the following is required:
 - a. Process a Departmental Budget Request (DBR) Form and attach a copy of the offer letter for each employee who salary is covered by the DBR. In the justification section state:
 - i. Who will be appointed against these funds,
 - ii. The title of each individual,
 - iii. The beginning and ending appointment dates for each individual, and
 - iv. The salary of each individual.
 - b. Process the EPA document. Please include the specific assignment in the justification/comment section.
 - c. **DBRs and EPAs must be processed by September 3, 2009 to ensure timely employee compensation.**
 - d. Be aware the unallocated staff salary line is your resource to cover the full 12 months for temporary appointments.
7. Vacant budgeted staff positions will lapse to salary savings at the end of each month.
8. Related fringe benefits for accounts that have to bear those costs are included in the Benefits Pool. You do not have to process a DBR to access these funds.
9. Timely submission of Payroll Documents: Budget Verification Documents (BVDs) are your certification for salaried employee payments. It is very important that they are retrieved from the Budget Office when notified. BVDs should be signed and returned promptly. In addition, timely submission of Time Traq documents for hourly appointments is critical to ensure that each worker is paid in a timely manner. **Any late EPA or payroll-related document will require that the worker wait until the next bi-weekly**

payroll to receive his/her pay so it is critical to adhere to the published deadlines. Those deadlines are shown on the Business Affairs Calendar on the Business Affairs web page.

10. Processing of supplemental payments:
 - a. Supplemental pay requests must be approved prior to the commencement of the work. A copy of the approval should be attached to the payroll adjustment form. **Payroll adjustment forms will no longer be accepted if the supplemental pay request was not processed prior to the commencement of the work. In addition, supplemental payment must be processed on a monthly basis to ensure that our University meets IRS rules.**
 - b. Non-exempt employees should be paid for overtime work at 1.5 times their regular pay (in weeks where the actual hours worked exceed 40) as opposed to a flat pay rate unless they are working in a capacity completely different from their normal duties in a department other than their normal department and outside their normal work hours. A timesheet showing all of their work hours for the week should be attached to the payroll adjustment form so that a proper audit trail is maintained in the event of an audit. The rules related to overtime pay can be found in the Business Affairs Policy Library, and the required time forms can be found in the Business Affairs Forms Library.
 - c. All classified workers must complete the weekly time sheets and those time sheets must be retained in the department for possible inspection by auditors. Be aware that the workweek is Monday-Sunday. Weekly time sheet forms can be located in the Forms Library on the web.

Budget Guidance

11. The Account Profile and Electronic Document Routing Form (Account Profile) grants authority to expend university funds. An Account Profile is mandatory for new accounts, updates and/or to close departmental accounts. Be aware that spending privileges will be suspended for accounts that do not have an Account Profile on file with the Financial Accounting Office. An Account Profile Form can be obtained from the Forms Library in the Business Affairs section of the University web page. In completing the form, please note:
 - a. It is important to accurately describe the revenue source.
 - b. The purpose of the account should state why the account is necessary, i.e., to pay salaries for the unit, to receive/expend gifts from xxx, closing an existing account, etc.
 - c. The expenditure restrictions should state what type of expenditures are to be processed on the account, i.e., salaries and wages only, scholarships only, operations & travel, etc.
 - d. It is important to know that accounts must have a zero balance in order to be closed.
 - e. Original signatures are required. Copies of signatures will not be accepted due to the need to provide an audit trail of original signatures.
12. Budgets are forecasts based upon anticipated student enrollment. Be aware that mid-year revisions may be required if student enrollment does not meet expected targets.
13. To assist you in knowing your expendable balance, fixed cost commitments will be encumbered on September 1, 2009.
14. Accounts in the range of 110000 -117999 are considered Salary Accounts. No maintenance or operations expense can be charged against these accounts.
15. Accounts in the range of 210000-218999 are considered Maintenance & Operations Accounts. No salaries or wages can be charged against these accounts. Maintenance & Operations Accounts are funded from Designated Tuition. Food and Beverages should not be charged against these funds.
16. Graduate Incremental Accounts (GIT); Account range 112000-112090 will be responsible for employee benefits. **A year-end report explaining how Graduate Incremental funds were used during the 2008-2009 school year is due to the Vice President for Business Affairs by October 1, 2009.** A like report will be due at the end of FY10.
17. Accounts in the range of 118581 – 118588 will be responsible for employee benefits.
18. Communication Charges, i.e. cell phones, may not be paid on salary accounts. **You must process new communication supplements approvals for FY 2009-2010 by September 3, 2009.**
19. The University has a legal limit on the amount of out-of-state travel that can be charged against state accounts. In recent years, this limit has been reached around March. Departments who are dependent upon state funds for travel are strongly advised to process travel requests soon so that funds can be encumbered early in the year.
20. Account Managers are reminded that the Appropriations bill expressly prohibits the expenditure of state (E&G) funds for:

- a. Auxiliary enterprises.
 - b. Travel expenses incurred outside the boundaries of the State of Texas for the purpose of direct recruitment of students.
 - c. Inter collegiate athletics or athletic scholarships.
 - d. Museums.
 - e. Alumni organizations or alumni activities.
21. The account structure for the University is as follows:
- a. State Funds
 - i. Education & General Funds (E&G) Account range 110000 - 118999
 - ii. Available University Funds (AUF) Account range 180000 - 188999
 - iii. Academic Development Initiative (ADI) Account range 170202 - 179999
 - b. Local Funds
 - i. Designated Funds - Account range 200000 – 299999
 - ii. Auxiliary Funds - Account range 300000 - 399999
 - iii. Grants - Account range 400000 - 499999
 - iv. Restricted Funds - Account Range 500000 – 599999
 - c. Effective with FY2010, budgets will be set to feed to FAMIS by the following pools listed below. The procedural change will enable you to now have the ability to reconcile your original budget submission to FAMIS screen 19 and 69.
 - Pool 0001 0001-0999 Revenue Pool
 - Pool 1100 1100-1699 Salary Pool
 - Pool 1700 1700-1799 Wage Pool
 - Pool 1900 1900-1999 Benefits Pool
 - Pool 3000 3000-3399 Travel Pool
 - Pool 4000 4000-4999 Other Expenses/Supplies
 - Pool 5000 5000-5899 Other Expense Pool
 - Pool 5900 5900-5999 Scholarship Pool
 - Pool 8000 8000-8999 Capital Expense Pool

Changes and/or increases to the original budgeted pool will require an action of a Departmental Budget Request (DBR) to move between pools (example: moving funds via DBR from Unallocated to all expense pool).
 - d. Unfilled positions should continue to be lumped into the appropriate unallocated line pools as follows:
 - 1411 – Unallocated Salaries – Teaching
 - 1413 – Summer Teaching Salaries
 - 1414 – Unallocated Sal – Grad Assist-Teaching
 - 1511 – Unallocated Salaries – Non-Teaching
 - 1513 – Unallocated Sal-Grad Assist-Non-Teaching

We hope this guidance will be helpful to you. If you have any questions about these guidelines, your account balances, expenditure rules, etc., please do not hesitate to contact me at 936-261-2150 or via email at mlhodge@pvamu.edu.