

## **Memorandum**

**To:** Budget Units  
**From:** Sharon Hayes, Director of Budgeting  
**Date:** April 3, 2009  
**Subject:** FY09 & FY10 Budget Review - Expenditures

As you know, the July Budget cycle has been delayed this year due to the economic downturn and late release of the Governor's State budget on March 23. We expect budget guidelines from TBR next week incorporating the Federal Stimulus program. In the meantime, we ask that you begin reviewing the expenditure budgets in your area of responsibility and confirm 1) *final estimates for the current year*, and 2) *the preliminary base*.

For the current year, please evaluate your budget status compared to actual and adjust as needed to reflect estimated operations for the remainder of the current year. For the base budget, please update for corrections and known shifts in recurring budgets. Any base reductions or reallocations will be considered by the President's Council at a later date. See schedule of the overall process at our budget website: <http://bf.memphis.edu/finance/budget/FY2010%20Preliminary%20Budget%20Timeline.pdf>

### **Budget Reports**

The following reports are available to assist in your review: All reports are as of April 3, 2009.

- **Base Budget by Major Budget Unit** (FYBR019 ePrint) – Summary of preliminary base budgets by major budget unit broken down by 1) Unrestricted E&G funds, and 2) Unrestricted/Designated & Revenue-Supported Fund Groups. Comparative columns are shown for the Current Budget and YTD Expenditures (excludes encumbrances).
- **Report for Base Budget Estimates by Organization** (FYBR005 ePrint) – Detail of base budgets by organization and program. Included are comparative columns for prior year actuals and YTD Expenditures/Encumbrances.
- **Current Budget Detail** - please go to Banner Self-Service (online queries)
- **Current Budget Status & Availability by FOAP:** UoM Report FYBR006 (ePrint).
- **Current Labor Distribution by FOAPAL by Payroll:** UoM Report NYPR001 (ePrint).
- **Base Positions by Organization:** NYBR002 (ePrint) Filled & unfilled positions with base funding.

**Benefit Budget Information** – Benefit costs are distributed to all unit budgets to reflect the full estimated cost of compensation at the unit level. You will see estimated annualized benefits in both the base and current budget reports. For E&G units, Financial Planning will revise these budgets each spring and fall cycle based on updated benefit rates, compensation levels, and actual payrolls. Thus the benefit accounts for E&G units are provided for your information--no action is required by your E&G unit to revise or make corrections. However, auxiliary and revenue units should continue to monitor and update benefits each budget cycle.

## **FY10 Original/Adopted Budget: Base Budget Revisions & Cut-Off**

At this time, Financial Planning plans to cut-off by April 14 to produce the original budget for next fiscal year, which is due to TBR in early May. It is therefore important that your base budgets be updated for as many adjustments that can be identified at this point. Routine revisions to realign expenditures are **due to Financial Planning by April 10**.

To make future/base operating revisions, Banner Budget Form BD02, Permanent Request Budget Adjustment should be used: <http://bf.memphis.edu/forms/finance.php>. The form should balance between expenditure accounts or with revenue equal to expenditures. (Note for base adjustments: Because Banner automatically posts BD02 entries in both Current & Base, please process an additional BD04 entry to reverse the current entry).

Position changes, corrections, and transfers received through **April 10** will be processed and reflected in the Personnel Budget for the new fiscal year beginning July 1. Position changes should be submitted on NBAPBUD - HR Position Budget Revision. No additional base position changes can be made in the system until the new fiscal year is open in July.

## **FY09 Final Budget (Spring Estimate): Current Revisions & Deadline**

Please anticipate your budget needs for the remainder of this fiscal year and adjust your current/temporary budget accordingly by the **April 10 deadline** for the final budget. Any significant shifts or changes in revenues or expenditures must be submitted by this deadline for inclusion in the final budget to TBR for this year.

We are discouraging any budget changes after the final TBR budget is produced to avoid budget exceptions in the year-end comparison of approved budget to actual expenditures. Budget changes that would impact the final figures include functional changes, functional changes between program codes, revenue-funded expense increases, and one-sided fund balance increases. Written justification will be requested for any post-budget changes.

Budget revisions for current year shifts or transfers between the categories of travel, operating, and equipment may be made online in Banner Self-Service. For other changes between funds or revenues, Banner Budget Form BD04, Temporary Request for Budget Adjustment should be used: <http://bf.memphis.edu/forms/finance.php>. The form should balance between expenditure accounts or with revenue equal to expenditures. **Again, the deadline is April 10.**

## **Plant Project Budgets & Renewal & Replacements**

Plant and capital projects require TBR approval. The budget for any planned projects should be established by the April 10 cut-off for submission in the upcoming TBR Budget. This would include projects for auxiliaries and service units funded with Renewal & Replacement Funds. Projects that may be funded with Federal stimulus funds will be handled in a separate process.

## **Budget Management and Review**

Please review carefully the information on your budget reports and in Banner Self-Service. Please align budgets in accordance with planned spending and correct any deficit lines for units in your area of responsibility. Let us know if we can assist you. Thank you for your attention to your budget. See Recap and Links below.

c: Budget Unit Business Officers

## RECAP:

- Review expenditure budget reports
- Remember benefits are for information in E&G units (i.e. no budget revision by unit)
- Update Current Year for Final Estimates; PLEASE anticipate budget needs for the remainder of the fiscal year to minimize changes after the April 10 deadline.
- Update Future/Base Year for Permanent/Recurring Changes
- Submit Budget Revision for any Changes
  - Current/Temporary Changes
    - Online for Operating/Travel/Equipment Transfers
    - Form BD04 for Revenue and Fund Changes
  - Future/Permanent Base Changes – Form BD02
- Return completed budget revisions no later than April 10 noon
- Call Financial Planning with questions: Deborah Keeney 2118

## LINKS:

Budget Forms: <http://bf.memphis.edu/forms/finance.php>

NBAPBUD <http://bf.memphis.edu/forms/finance.php>

Budget Timeline:

<http://bf.memphis.edu/finance/budget/FY2010%20Preliminary%20Budget%20Timeline.pdf>

Spectrum Lookup: <http://bf.memphis.edu/spectrum/>

Expense Tips: <http://bf.memphis.edu/finance/budget/fptraining.php>