

## The State University of New York at Fredonia

### Budget Model Adopted for 2018/2019

The new budget model follows financial matching principles. Revenues are aligned with expenses, responsibilities are aligned with control and fees are matched with appropriate expenses. In addition, if a salary line is not to be filled in the current budget year it is eliminated. Therefore the line item by account budget equals the actual budget.

#### Rules of Engagement for the State Operating (Offset Budget)

The previous years approved budget will serve as the basis of the following budget year. Budgets are developed from a bottom up approach with each expense account reviewed based on past and projected spending. Although budgets are detailed at the departmental account level and reported on the Form 1; independent summarized budgets will be created and controlled by the following areas:

- **President's Office** – President (Includes Diversity Equity and Inclusion and Institutional Research and Planning)
  - **Information Technology Services** – Chief Information Officer
  - **Marketing and Communications** – Director
- **Academic Affairs** – Provost
- **Enrollment and Student Services** – Vice President
- **Advancement, Engagement and Economic Development** – Vice President
- **Finance and Administration** – Vice President

Each function (above) is expected to stay within their total budget. Individual accounts may exceed the budgeted amount but must be compensated by other accounts spending less than planned.

- **Personal Service Regular (PSR)**

- Will be budgeted for ONLY current employees that will continue in employment and new employees to be hired in the budget year. Request for hiring new PSR lines will be done at the beginning of each budget cycle and must be approved by cabinet before the budget is finalized.
- If an open PSR line is included in the approved budget, this position does NOT have to come before Cabinet prior to being filled.
- If an employee transitions from their budgeted position, in order to refill this position Cabinet must approve. Any savings from this transition can be used at the VP's/Directors discretion for that budget year ONLY.
- Budgeted amounts should be prorated by the amount of the fiscal year that the position will be filled. Budget adjustments should be made in the subsequent year to annualize any prorated positions from the previous year.
- Total contractual salary increases will no longer be housed in one account under the institutional division. The budget office will estimate contractual salary increases annually and will prorate allocation to the department level. Estimated budget allocation for UUP discretionary increases awards (DSI/DSA) will be housed in accounts at divisional levels and will be distributed to the department level once the awards are made.
- Request for new tenure lines should show a correlated decrease in the adjunct budget.
- Stipends will be reviewed annually to determine continued need.
- The practice of adding chair stipends to base after two consecutive terms will be discontinued.
- Overtime will be reviewed annually and budgeted at the department level instead of institutionally.

- **Temporary Service Lines (TS)**

- Will be budgeted in the same manner as PSR for non-student employees and employees not funded from the adjunct budget.

- If an open Temp Service line is included in the approved budget, this position does NOT have to come before Cabinet prior to being filled.
- If an employee transitions from their budgeted position, in order to refill this position Cabinet must approve.
- If a vacant tenure position was unfunded, Deans and the Provost must evaluate any adjunct budget allocation needs due to this loss of the tenure position. Changes to the adjunct budget should also be reviewed for allocation adjustments based on class size and demand.
- Requests for new tenure hires during the budget development should have a correlated decrease in the adjunct budget.
- If a vacancy occurs during the year after the budget has been set, the budget office will temporarily increase the adjunct budget with PSR allocation to cover increased adjunct expenditures.
- **Other Than Personal Service (OTPS)**
  - Expenses will be budgeted based on anticipated spending for the upcoming year.

### **Budget Re-Projections & Future Budget Reduction Targets**

Once the budget has been set, Finance and Administration will re-project the budget after the fall third week census enrollment numbers have been confirmed. This budget re-projection will serve as a planning document to determine the need for any reduction targets for upcoming budget cycle. Reductions by division for the next fiscal budget will be determined and agreed to at the cabinet level. Detailed plans on how target reductions are to be met must be approved and finalized by cabinet by June 15th of any given year.

### **Budget Funding Increases for Strategic Initiatives**

Any increases to the budget to meet strategic goals will be part of the budget planning process during the year. Any increase requests must be presented and approved by cabinet during the budget process.

### **New for 2019-2020 Budget Years:**

#### **Elimination of Institutional Accounts**

Finance and Administration will work to realign accounts that are currently under the budget category "Institutional". All accounts will be disbanded from this grouping and housed under one of the divisional departments listed above.

#### **Rules of Engagement for the State Operating DIFR Budget**

The budget process for DIFR will follow the same rules as the Operating Budget above with the addition of rate setting and capital planning.

- Residence Hall Rates will be reviewed each year and any changes for the next fiscal year will be set by December upon consultation with student leaders in the Residence Halls.
- Capital improvement requests will be reviewed each year and approved by the Residence Life Director (and team) for funding from campus funds prior to the submission of the SUNY Residence Hall Capital Plan in May.