

**TEXAS TECH UNIVERSITY
HEALTH SCIENCES CENTER**

**Budget Guidelines
FY 2010**

The following Budget Guidelines have been developed to assist in the preparation of the FY 2010 Operating Budget. Each Vice President or Dean may issue more specific budget instructions as they deem necessary to allocate funds or meet school or divisional goals. Please check with the appropriate administrative official for any additional requirements.

Budget Prep System

Departments will input the FY 2010 budget into the online Budget Prep system. A Budget Prep System Manual providing detailed instructions for this system is available on the Budget Office website.

www.ttuhs.edu/budget

Timeline

- June 1 Budget Prep System open
- June 8 -12 Targets and salary policy distributed
- July 3 Budgets due to Budget Office
- July 3 No FY 2009 reclassifications or salary increases are allowed after this date.
- July 3 All reclassifications and salary increases due to the Lubbock Human Resources Office. Earlier deadlines may be established by the regional Human Resources offices. **Any reclassifications or salary increases received after this date will be effective October 1.**
- July 5 Budget Prep closed for departmental input.

Salary and Personnel Guidelines

Merit Policy

- A merit policy has not been established. The target date for establishing this policy is June 8 – 12. If a merit policy is approved, supplemental instructions will be provided.

Other Personnel Guidelines

- **Faculty Promotions**
 - Human Resources will change Position Classes for faculty approved for promotion at the March Board of Regents meeting.
 - Any salary adjustments for these faculty should be submitted to Human Resources by July 3rd.
 - The increases will be entered into the Budget Prep System by the Budget Office.
 - Funding for the faculty promotions should be budgeted in Account Code 7099.
- **Pay Plan Adjustments**
 - Human Resources has adjusted the pay grade minimums and maximums as follows:
 - Non-Exempt Titles – increased by \$0.40 per hour
 - Exempt Titles – increase by \$1,000 per year
 - All employees have been increased to the new minimum salary levels in the Budget Prep System.
 - The Budget Prep Cognos Report RPT_SPLAN_005 – Salary Increase reflects all pay

plan adjustments for each employee.

○ **Reclassification of Existing Positions**

- A [Reclassification Form](#) should be submitted to the Lubbock Human Resources Office by July 3, 2009.
- The reclassifications **should not** be entered into the Budget Prep system
- Upon approval by Human Resources, the Budget Office will enter the reclassification into the Budget Prep system.
- Funding for the reclassification should be budgeted in Account Code 7099.

○ **Other Salary Increases**

- Other salary increases not related to merits may be awarded for the following reasons:
 - To achieve market competitiveness (internal equity must be considered).
 - To maintain internal equity within departments for positions affected by the pay plan adjustments.
- These increases **should not** be entered into the Budget Prep system
- A [Salary Increases – Original Operating Budget](#) form must be submitted to Human Resources by July 3rd for both faculty and staff salary increases. This form is available on the HR Compensation website.
- Upon approval by Human Resources, the Budget Office will enter the salary increases into the Budget Prep system.
- Funding for the salary increases should be budgeted in Account Code 7099.
- An employee may be awarded both a salary increase and a merit (if a merit policy is approved) since both increases are effective on the same date and the duties of the employee are not changing.

○ **New Positions (Faculty and Staff)**

- A [New Position Request Form](#) should be submitted to the Lubbock Human Resources Office.
- Upon approval by Human Resources, the Budget Office will enter the new position into the Budget Prep system.
- Funding for the new position should be budgeted in Account Code 7099.

Balancing the Budget

Educational and General (E & G) Funds

- All E & G budgets are limited to the target amount distributed by each Vice President or Dean.
- Departments should adjust the revenue in each fund to match the target provided. Budget Prep Report [RPT_BDEV_003 Funds Out of Balance](#) can then be used to verify that your E & G budgets are in balance.

Designated, Auxiliary and Current Restricted Funds (FY)

- The revenue budget plus any use of fund balance must equal the expense and net transfer budgets for each fund.
- Budget Prep Report [RPT_BDEV_003 Funds Out of Balance](#) can be used to verify all funds are balanced.

Current Restricted Funds (MY)

- Multi-year current restricted accounts should be updated in the Salary Planner module of the Budget Prep system **only**.

Other Budget Guidelines

Budget Controls

- The budget controls used in FY 2009 are either Fund/ORGN/Account or Fund/ORGN (BAVL)
- Beginning in FY 2010, the program code will be added to the budget controls.
- Sufficient funds must exist in either the Fund/ORGN/Account/Program (FOAP) combination or the Fund/ORGN/Program (FOP) combination, depending on the type of fund.

Budget Account Codes

- **Appropriate Account Codes**
 - Departments should evaluate FY 2009 expenditures to determine the appropriate account codes to budget in 2010.
 - Pagers should be budgeted in 7017 – Communications.
 - Overtime cost should be budgeted in 6008 – Other Employee Payments
- **Longevity**
 - Employees receive longevity of \$20 per month for each two years of state service.
 - Funding for longevity should be budgeted in account code 6005.
 - Budget Prep Report RPT_SPLAN_004 – Longevity Estimate estimates the longevity for each FOP.
- **Fringe Benefits**
 - Fringe benefits must be budgeted for all non E & G funds.
 - Budget Prep Report RPT_SPLAN_003 – Fringe Benefits Estimate estimates the fringe benefits for each FOP.
 - Health Select insurance rates are increasing by 6.93%. A 7% increase for health insurance has been included in the Budget Prep System.

Use of Prior Year Fund Balance

- A justification for the use of any fund balance should be provided in the justification section of the Budget Development module of the Budget Prep System. This justification should include the specific use of the budgeted fund balance.
- Fund balance may only be used for one-time type expenditures and cannot be used for ongoing expenses.

Transfers

Transfers should be separated into two separate types:

- Transfer for Goods or Services
 - A transfer will be made for payment of goods or services
 - Use Account Codes 8095 (Internal Purchases In) and 8096 (Internal Purchase Out).
 - The accounting transfer transaction will be initiated by the department during the fiscal year.

- General Funding Transfer
 - Funding will be transferred from one fund to another for general funding purposes.
 - Use account code 8001 for the transfer in and 8002 for the transfer out.
 - The accounting transfer will be processed at the beginning of the fiscal year based on the original operating budget unless other instructions are provided to Accounting Services.

Transfers codes should only be utilized for the exchange of funding between two separate funds.

Professional Liability (School of Medicine)

Professional liability premiums, including abated premiums, should be budgeted using the FY 2010 professional liability rates.

Contact Information

If you have any questions concerning these guidelines or require additional information, please call the Budget Office at 743-2969. Below is a list of Budget Office personnel and their associated Budget Prep responsibilities:

Lesley Wilmeth (ext 251)	Correctional Managed Health Care
Gina Stockman (ext 250)	School of Medicine – Odessa School of Nursing
Amelia Prieto (ext 252)	School of Medicine – El Paso School of Allied Health Rural and Community Health
Leticia Almaguer (ext 258)	Finance and Administration – All Campuses President, Institutes, Academic Affairs Graduate School, Research School of Medicine Lubbock – Basic Sciences
Crystal Davis (ext 262)	School of Medicine – Lubbock School of Medicine – Amarillo School of Pharmacy Information Technology