2015-16 Operating Budget Overview & Assumptions

**Please note that some information contained herein is subject to change pending further instructions and details on budget preparation from the UW System Budget Office.**

The following guidelines should be followed in preparing the 2015-16 operating budget:

**Funding Sources:**
- Budgeted amounts for state appropriations (Funds 102 and 402) are limited to the total allocation received from the State. The total allocation for each area is detailed in the individual department request sheets and the reconciliation folders on the budgsub drive.
- Budgets for the following funds should be based on the anticipated level of activity for the fiscal year:
  - Program revenue: Funds 128, 132 and 136
  - Academic Student Fees: Funds 131 and Fund 189
  - Non-Federal Grants: Fund 133
  - Federal Grants: Fund 144
  - Federal Overhead: Fund 150
  - Gifts: Fund 233

**Compensation Planning:**
- Fringe benefit expenses – please use 20% plus the cost of health insurance to calculate the fringe benefit amount. We have provided a fringe benefit calculator on the budgsub drive to be used to calculate fringe benefits for program revenue operations.
- All requests for career progressions and title changes for unclassified staff should be included in the budget request forms, including dollars for re-titling or promotions. The procedures established by Human Resources must be followed and all changes must be approved at the appropriate administrative level to be included in the final Redbook budget. The HR procedures, materials, and forms are on the HR web site.
- Classified Staff are eligible to receive Discretionary Merit Compensation (DMC). Further details about DMCs are found in the Classified Handbook and on the HR website.
- We are anticipating a 1% pay plan for the 2015-16 budget year.
- Promotion to Full Professor requires a $4,825 base increase and promotion to Associate Professor, a $3,016 base increase. Units are required to budget the full amount for the promotion.
- Sabbaticals are coded to Program 6. Individuals on one-semester sabbaticals should be coded 50% to Program 2 and 50% to Program 6. Individuals on full-year sabbaticals should be coded 35% to Program 2 and 65% to Program 6.
- Each area should track any reallocations and funding changes that have been made between budget years, as we are routinely asked to provide UW System with this type of information in conjunction with the campus’s budget submission.
Instructions for Completing Campus Budget Request Sheets (Excel Files)

Budgsub Drive Summary:

The budget forms for completing area pre-merit budget requests are available on the BUDGSUB shared drive. Individuals authorized by their area leader are allowed access to the budgsub drive, which is maintained by the Budget staff. If you, or someone in your area, need to be added to the list, contact the Budget staff (Ext 2420 or Ext 2335). The BUDGSUB drive contains budget information as follows:

Reconciliation Folder
- Contains various budget reconciliations for GPR Funds for both the dollars and FTE allocated to each area.

Request Folder
- Contains separate folders for each department. These sheets are used for the data entry of the pre-merit budget requests.

1. **Request Sheets:** The file names use the XXXXRequest.xlsx format. This file is the data input workbook where the pre-merit budget is built at the department level and includes the departmental budget and staffing requests.

2. **Non-GPR/Auxiliary and Program Revenue Forms (if applicable):** Separate data input workbooks containing Auxiliary and Program Revenue budget forms are included as appropriate for each department. These workbook file names start with “x” (in a few cases the files start with “zz”) and contain the applicable Fund Code number. Note: The Division-wide 128 workbooks, which include the entire division’s activity, are located in the Division Summaries folder for the following areas: University Union, Athletics, and Clinics and Fundraisers.

Division Summary Folders: Contains three workbooks within each division summary folder. These files are automatically updated, therefore no data entry is required for these workbooks.

1. **Non-Personnel Summary:** This workbook contains department and division totals for non-salary line items,--S&E, Charges for Services (Sales Credits), Capital, Special Purpose, and Aids to Individuals (Financial Aid).

2. **Personnel Summary:** This workbook summarizes departmental and divisional personnel budgets by various employee categories.

3. **All Funds Summary:** This workbook summarizes divisional resources by personnel vs. non-personnel services.

These same summary tables are also available at the area level in the Area Summaries Folder.
**Entry of Budget Data in Excel Sheets**

**Completing the Request Worksheets (XXXXRequest.XLS)**

The request workbook contains the departmental requests and the pre-merit academic and classified staffing request worksheets. The departmental requests are on the first worksheet labeled 'Summaries'. They are contained in Columns A through T and run from top to bottom in Department ID order. There is a separate section on the worksheet for each Department ID/Fund/Program combination.

The academic and classified staffing requests are on the second worksheet labeled ‘Salary Detail’, in Columns A through AG. They are in Department ID order. Unclassified and Classified staff are listed as separate schedules (Schedule 1 and Schedule 2) within the worksheet.

The remaining worksheets in the workbook include the following. **No data entry is required:**

- Summary tables for salaries and FTE (Salaries Prior, Salaries Request, FTE Prior, and FTE Request)
- A worksheet listing percentages used in calculating non-GPR fringe benefits (Fringes)
- Three additional worksheets (criteria, VALIDITY, and Ranges) are included to give functionality to the workbooks.

**Please contact the Budget staff (ext. 2335) if you need to add pages for a new Department ID code or add a new fund or program to an existing Department ID. Those changes will require revisions to the various summary tables. New Department ID codes must be approved during the budget process. Each department is responsible for completing the new budget pages.**

**Worksheet 1 (Summaries tab): 2015-16 Pre-Merit Budget Requests: Departmental Summaries**

The departmental summary page titled “2015-16 Pre-Merit Request” includes historical information and budget requests by major expenditure classification. A page is included for each fund and program budgeted to that Department ID. The cells in which data entry is allowed are highlighted in yellow. All other cells are protected. Enter only non-salary amounts requested for 2015-16 (Column S). Personnel requests are linked to the salary pages and are updated automatically. Enter requests as whole dollar amounts.

**Fringe Benefits**

- For GPR Funds (102, 402), no fringe benefit expenses are included in the budget (these expenses are budgeted centrally for the campus).
- Fringe benefits for non-GPR funds are automatically calculated for each category of employee using the percentages entered on the worksheet labeled “Fringes”.

Updated: October, 2014
For Non-Federal Grant (Fund 133) and Federal Grant (Fund 144), the percentages entered are the current extramural support rate for campus, which are adjusted annually.

For Gift (Fund 233) funds, actual fringe expenses are used.

For Funds 128, 131, 136, 150, 189, and 233, the percentages entered represent the System average for each classification of employees. Note: The department is responsible for the actual cost of fringe benefit expense for all employees paid on these funds. Fringe benefit costs are 20% of salary plus the cost of health insurance (which varies from an average of $8,215 for single coverage to an average of $20,470 for family coverage). Contact the Budget staff if you need to change the default fringe benefit rate for your department (Keep in mind that changing the percentages will affect the fringes assigned to all such accounts within that workbook.)

Worksheet 2 (Salary Detail Tab): Schedules 1 and 2--Pre-Merit Academic Staffing Request and Classified Staffing Request

Schedule 1 shows the unclassified staff detail for the department using the previous year’s Redbook budget as the starting point. All funds and programs approved for each department ID are included, with a fund breakdown provided in the “Fund Totals” section at the bottom of the page.

Data Entry Notes:

- Data entry is allowed only for the cells highlighted in yellow
- Changes to existing data are not allowed on this worksheet
- Dollar changes to existing personnel/provisional amounts should be entered in Column AB in whole dollars
- FTE’s are automatically calculated based on the dollar amounts entered in Column AB and the full-time rate entered in Column I
- To delete an existing person/provisional amount, deduct the amount in Column AB
- To add an individual, vacant position, or provisional amount:
  - Type in the information in Columns A through N as needed
  - Enter the dollar amount in Column AB
- Proposed base salary increases should be entered as a "Provisional Amount for Salary Increases" and not added to the individual's salary line
- If there are insufficient blank lines to enter all the proposed personnel changes, please contact the Budget staff

Please note: To have the table summarize correctly, it is important that “Type” in Column I be entered as well as the “Fund” & “Program” in columns L and N.

Appointment types are as follows:

<table>
<thead>
<tr>
<th>Academic</th>
<th>Fund</th>
<th>Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>IF</td>
<td>Instructional Faculty (Legal Faculty)</td>
<td></td>
</tr>
<tr>
<td>IAS</td>
<td>Instructional Academic Staff</td>
<td></td>
</tr>
<tr>
<td>NIF</td>
<td>Non-Instructional Faculty (Legal Faculty)</td>
<td></td>
</tr>
<tr>
<td>NIAS</td>
<td>Non-Instructional Academic Staff</td>
<td></td>
</tr>
</tbody>
</table>

Updated: October, 2014
PROV Provisional Amounts: Additional Instruction, Summer Support, etc.

 Classified
 CL  Classified Positions
 PROV Provisional Amounts: Additional Staff, Overtime, etc
 LTE  Provisional Amounts for LTE
 STD  Provisional Amounts for Student Help

Full time rates entered in Column I should be the 2015-16 academic year or annual rates for unclassified personnel, and the 2015-16 hourly rate for classified staff.

HRS Position Numbers are assigned by Human Resources for all positions. Existing HRS Position Numbers have been entered in Column C on the worksheet. If a change to a position is made, such as filling a previously vacant position, the position number assigned to the vacancy should be entered in Column C on the row where the new individual is entered. A new position should be identified by entering “NEW” in Column C.

**Drop-down Boxes**
Validation checks and drop down boxes have been included for certain cells. Cells with dropdown boxes of choices will have a small box with a down arrow next to them. Clicking on the arrow opens the boxes. Information may be entered in a particular cell by selecting one of the choices in the drop-down box.
Auxiliary and Program Operations Budget Request Assumptions

Operations partially or fully funded by Fund 128 must prepare auxiliary budget submissions. Any department with a cash balance of $10,000 or more in Funds 131, 132, 136, 150, 189 must prepare a Program Revenue budget submission. Following is a list of specific guidelines and notes to use in completing the auxiliary and program revenue budget submissions. Additional details are available at the UW System Budget Office web site: http://www.uwsa.edu/budplan/annualOpBudget.htm

Reporting Threshold

- The 2015-16 reporting threshold for rate increases for Apartment rates, Parking, and total Segregated Fees is 3.0%. When submitting the campus’s auxiliary budget to UW System, the budget staff is required to provide an explanation for all rate increases that exceed this threshold. If the segregated fee increase exceeds the reporting threshold, all areas will need to complete the Seg Fee Increase Form and submit it to the budget staff.
- Any segregated fee cash balance that exceeds 15% of prior year revenue (2015-16 estimated actual), must be explained to the area leader and must be reported by the Controller’s Office to UW System at the end of the year.
- Any department with a program revenue cash balance that exceeds 12% of expenses must be prepared to submit a spending plan for the use of the cash reserves. This information will be aggregated at the campus level by the Budget Office.

The following information is provided as guidance from UW System in building the 2015-16 Auxiliary budget.

- Anticipate a 1% pay plan for 2015-16 for unclassified and classified staff.
- Fringe benefit costs are 20% of salary plus the cost of health insurance. Departmental health insurance costs for the regular health plan average $8,393 per year for single coverage and $20,894 for family coverage. High deductible plans average $7,934 for single coverage and $19,733 for family coverage.
- The auxiliary and program budget submissions, both in terms of dollars and positions should be as accurate as possible. Because these are continuing funds, spending authority and position count can be increased as needed.
- The assumptions have been pre-populated on the auxiliary budget request sheet for the anticipated increases for Interest Rate on Cash Balances, % Change for Academic Salaries, % Change for Classified Salaries and % Change for Fringe Benefits. Adjustments can be made as necessary.
- Estimated interest rates for 2015-16 are 0.07%.
- Auxiliaries that receive SUFAC funding should ensure that the approved SUFAC action agrees with the information contained in the area budget submission.
- Reserve funds should be used to smooth the impact of rate increases so no one set of students pays a disproportionate share.
• 2015-16 debt service (Fund 123) allocations will be distributed when received from System Administration.
• Capital is defined as equipment with a unit price of $5,000 or more and a useful life of greater than one year

Following is a summary of the Business & Finance Administrative Charges to the various auxiliary operations in 2015-16. For the 2015-16 budget process, the Vice Chancellor for Business and Finance has recommended a 0% increase, so the amounts will remain unchanged, as follows:

**Business and Finance**  
**Administrative Charges**  
**For Fiscal Year 2015-16**

<table>
<thead>
<tr>
<th>Department</th>
<th>Total Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parking</td>
<td>$ 8,309</td>
</tr>
<tr>
<td>Dean of Students</td>
<td>97</td>
</tr>
<tr>
<td>Bookstore</td>
<td>52,193</td>
</tr>
<tr>
<td>Golf Course</td>
<td>13,060</td>
</tr>
<tr>
<td>Program Support</td>
<td>81</td>
</tr>
<tr>
<td>University Union</td>
<td>54,475</td>
</tr>
<tr>
<td>Athletics</td>
<td>59,182</td>
</tr>
<tr>
<td>Intramurals</td>
<td>11,133</td>
</tr>
<tr>
<td>Residence Life</td>
<td>96,324</td>
</tr>
<tr>
<td>Health Services</td>
<td>1,023</td>
</tr>
<tr>
<td>Student Organizations</td>
<td>967</td>
</tr>
<tr>
<td>Fleet Vehicles</td>
<td>271</td>
</tr>
<tr>
<td>Student Life</td>
<td>1,117</td>
</tr>
<tr>
<td>Security</td>
<td>309</td>
</tr>
<tr>
<td>Bursar</td>
<td>289</td>
</tr>
</tbody>
</table>

$ 298,830
Instructions for completing the Auxiliary and Program Revenue Budget Requests (Funds 128, 131, 132, 136, 150, 187)

Operations partially or fully funded by Fund 128 must prepare auxiliary budget submissions. Programs with cash balances greater than $10,000 must also prepare budget submissions. Workbooks for each of these operations are in the appropriate department/division folder and begin with either “x” or “zz”. Workbooks are named as “xXXXXXXXXFund###.xls.” The workbook contains three worksheets, as follows:

1. Auxiliaries and Program Revenue sheets
This worksheet includes the following information:
- Revenue and expenses for the preceding three years (entered by Budget staff)
- Beginning cash balance (entered by Budget staff)
- Current year estimates
- The 2015-16 budget year
- Projections for the next five years. These columns are self-generating based on the percentages entered in the Assumptions tab. The formulas can be overridden with Budget Office approval.
- All applicable revenue and expense information should be completed by the department.
- All entries should be done as whole dollar amounts.

2. Assumptions Sheet
Schedule 1: This worksheet is for entering the assumed percent increases or decreases for the revenue and expense categories, as well as the anticipated interest percent earned on cash balances. Leaving any particular box blank will mean that no increase from the prior year is anticipated. Different percentages, positive or negative, may be assumed each year within individual categories. The information included on this page will automatically be applied to the prior year revenue and expense items on the “Auxiliaries or Summary” page. Note: these amounts have been pre-populated with the estimated percent changes. Adjustments can be made as necessary.
**Master Fee Schedule**

**Instructions for Fee/Charges Proposals (Fee Forms):**

During the budget planning process, *all new fees and fee increases* must be identified and submitted to the area leader for approval. A copy of the 2015-16 Master Fee Schedule is included in the ‘1516Request / Master Fee Schedule’ folder for your information.

The campus master fee schedule, as provided on the budgsub drive, has been separated by area. Authorized individuals will have access to area fee schedules for the purpose of updating existing fees with proposed changes.

For the 2015-16 budget process, any changes to existing fees within the 3.0% threshold require Area Leader approval. The Fee Change Request Form must be used for (1) **proposed fee changes that exceed the 3.0% threshold and (2) all proposed new fees** – both of which require Area Leader and Chancellor approvals. Once fees have been approved by the Area Leader, all forms should be submitted to the Chancellor, via the Budget Office, for approval. All approved forms should be given to Budget Officer.

The area fee schedule sheets will be available on the budgsub drive. All approved fees will be effective July 1, 2015.

Please review relevant guidelines for all fees, especially course fees. Keep in mind that UW System Financial Policy Paper G29 covers instances where course fees can and cannot be charged, and states:

"Institutions may assess special course fees to pay for certain instructional costs that are not covered by the institution's regular instructional budget. Special course fees may be used for a variety of purposes, as deemed necessary by the institution, for the delivery of a credit course. Some examples of purposes for which institutions may charge special course fees include the cost of transportation and admission on field trips; materials for projects that result in tangible products retained by students; and private lessons provided to non-music majors.

Special course fees shall be used solely for approved purposes and in support of the courses for which the fees were assessed. Institutions must strive to provide all students in a course who are charged a special course fee with a reasonable opportunity to benefit equally from the fee.

Institutions may not use special course fees as a substitute for obtaining adequate regular budget support for a course. Institutions are prohibited from charging special course fees for costs that should reasonably be covered by the institution's regular instructional budget."

Updated: October, 2014