DATE: May 24, 2013

TO: Non-Academic Deans/Directors

FROM: Linda A. Barrett
Director, Budget and Financial Planning

SUBJECT: FY 2014 Unrestricted Budget Allocation

Returns Due to Budget & Financial Planning Office by Friday, June 14, 2013

In accordance with the FY 2014 Budget Allocation process, senior management recently approved the FY 2014 Allocation. An early estimate of revenue and expense resulted in a $4.9M shortfall; however, the incorporation of enrollment data and the latest information of all other revenue and expense items indicated a shortfall of $2M. In order to close the remaining gap between projected revenue and expense, the President, Provost, Vice Presidents and Athletic Director approved reductions as follows:

- President’s Division $100K
- Administration & Finance $600K
- Athletics $200K
- Student Affairs $500K
- Academic Affairs $600K

The application of these reductions has resulted in a tentative $375M revenue and expenditure budget for FY 2014 resulting in a balanced budget at this time.

You should be aware that there are risks and uncertainties in both the revenue and expense portions of the FY 2014 projections. If we do not receive the anticipated revenues (an additional $6.1M) from State Appropriation, tuition and fees or other areas or have unanticipated expenditures, we will be required to revisit the FY 2014 budget and make further decisions based upon our final mid-year review projection.

The freshmen enrollment is on target and together with continuing, transfer, and graduate enrollment result in an estimated 14,546 FFTE (financial full time equivalent), which is an increase of 117 FFTE from FY 2013. This is the result of efforts from many areas, including your colleges and departments. These efforts have contributed greatly to a balanced budget for FY 2014. Your commitment is very much appreciated. Please continue efforts in the Deans’ offices to encourage returning students to register for the fall semester and to return to complete their degree programs.

The revenue includes State Appropriation (excluding General Obligation Debt Service) at $64.1M, $6.1M more than the FY 2013 Mid-Year Budget. The final FY 2014 State Appropriation is expected to be announced by June 30, 2013. As you know, the possibility still exists for further reductions to the State Appropriation during the FY 2014 fiscal year.

The FY 2014 projected expenditure does not automatically project filled and vacant positions beyond the FY 2013 Mid-Year level. It is important that you review the file provided to you and determine the exact amount you must budget for each filled and vacant position. You may also access payroll distribution data. Please verify all salaries as the amounts provided are estimated. Please refer to the separate budget and technical guidelines for more information.
Please be assured that neither the Provost nor the Budget & Financial Planning Office has made a decision to project or not to project expenditures relative to a specific position or a portion of a specific position. Rather, as referenced above, all positions are projected at the FY 2013 budget level with the responsibility for the level of funding required in FY 2014 resting with the Dean/Director. This is consistent with the current process of filling positions. Although the following was removed from the RF-1 form, we are still operating according to the following:

*Please note that for positions filled after the beginning of the fiscal year or the academic year, the Dean’s/Director’s signature or authorization of this form indicates that the Dean/Director understands that he/she is fiscally responsible for fully funding this filled position’s salary & fringe in the next fiscal year.*

It is also important to remember that any position funds you may have transferred to other categories currently remain in those categories in the FY 2014 projected expenditures you receive. (i.e., if you transferred vacancy dollars to operating because a position was filled for six months in FY 2013, and the position will be filled for twelve months in FY 2014, you must reallocate the dollars from operating back to the position line.)

If your returns reflect unfunded vacancies for which there is a current search, please notify Human Resources and Affirmative Action that you have elected to cancel that search.

Please refer to the technical guidelines for further detail. You must fund all filled and committed position lines in your returns. You must also fund commitments made to any other personnel, operating, and student aid or capital lines. You may reallocate among account codes and departments except where noted (i.e. Legislative Mandates, course fee). If you reallocate to fund a position that was not funded in FY 2013, you must also provide a budget transfer for the associated fringe benefits. In order to expedite the process after returns are received by the Budget & Financial Planning Office, if known commitments are not funded, the Analyst will contact your fiscal staff to resolve the issue in a timely fashion. If the issue cannot be resolved quickly, the Budget Analyst will reallocate funds to cover the commitments and your fiscal staff can elect to re-allocate at a later date.

Graduate Research Assistant positions should be budgeted in account code 5253.

The returned budget should reflect your plan for the fiscal year. This requires planning your annual budget expenses, including multi-year encumbrances, by the appropriate account code during the Allocation process. This also reduces the number of budget transfers required during the year. Please plan and budget accordingly during the Allocation process. The number of budget transfers required during the fiscal year must be minimized. The resources for completing budget transfers will be reduced effective July 1, 2013. **Budget transfers will be restricted this year. Please do not request budget transfers if there is sufficient budget at the ORG level.** These transfers will only be completed if resources and time allow.

Your returns (due in the Budget & Financial Planning Office by Friday, June 14, 2013) must reflect the total budget as authorized by the Provost. If it does not, the Budget & Financial Planning Office will be forced to adjust (in the Deans’ Office if possible) budget returns that exceed the authorized amount.

There is a final review tab that must be completed by all areas. If not completed, we will not be able to accept your return.
The allocation package for your area has been e-mailed to you. It is important that complete and accurate data be returned in the designated format to the Budget & Financial Planning Office no later than Friday, June 14, 2013 to ensure that the data can be entered into the University’s financial system for the new fiscal year. I encourage you to attend one of the training sessions that will be offered. You may bring your file on a flash drive. Please check the Budget & Financial Planning Office website for dates and times.

Please feel free to contact your Budget Analyst if you have any questions concerning the completion of the budget forms.

Cheryl Hinkson and I will make ourselves available to any unit that would like to review the detail backup of the steps taken to arrive at the tentative allocation for your unit and/or to discuss any questions you may have concerning the allocation. Please email me at lindab@uri.edu to schedule a meeting as soon as possible.

It is important that all areas utilize the Excel spreadsheets provided. They must be returned to the Budget & Financial Planning Office in the same format. Please e-mail your return to budget_cycle_returns@etal.uri.edu by Friday, June 14, 2013.

It is expected that all areas will adhere to their FY 2014 allocation.

Thank you for your prompt attention to this matter.

cc: Robert A. Weygand, Peter Alfonso, Tom Dougan, Thorr Bjorn, Cheryl Hinkson, Michelle Curreri