DATE: August 6, 2018

TO: Academic Deans/Directors

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

SUBJECT: FY2019 Unrestricted Budget Allocation

PBCS Allocation Files must be completed by Friday, August 31, 2018

Thank you for your patience this year as we experienced a delay in providing the Fund 100 budget files to all colleges/areas. For many reasons beyond our control, this was a complex budget development year that required additional time to develop and calibrate a workable budget. Our final state appropriation was not known until late June. Further, as you know, we have implemented a new web-based budget system (PBCS). The new budget system will allow colleges and departments to access a web based method to complete their budgets, easy access, current up-to-date information and increased security.

In accordance with the FY2019 Budget Allocation process, senior management recently approved the FY2019 final allocation. The University will receive an annual increase of $3.3M in General State Appropriation. After a review of all revenue and expense, the result is a potential shortfall of ~$2M, which may be able to be addressed at the mid-year budget cycle. The earliest we will have an indication if we are successful in resolving the potential shortfall will be December 2018 when all revenue and expense projections are reviewed and updated.

Depending upon the outcome of the FY2019 Mid-Year Review and if the University is allowed to request a tuition increase in FY2020, as we plan for FY2020, it could become necessary to explore thoughtful and strategic base reductions to ensure a balanced budget for FY2020.

In summary, there are many moving parts and numerous discussions that are anticipated during the next twelve months on these issues. Please be assured that every effort will be made to provide funding at an appropriate level to ensure student success and to effectively carry out the academic, research, public service and economic development missions of the institution. As always, we appreciate your continued efforts, contributions, and patience as we move forward together.

Highlights of the FY2019 Allocation are provided below.

The freshmen enrollment is on target and together with continuing, transfer, and graduate enrollment, provides the majority of revenue in the unrestricted budget.

The yield of the freshmen class and the retention of students is the result of efforts from many areas, including your colleges and departments. 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.

For the eighth year, budget hearings were held and each college/unit was provided the opportunity to present their challenges, opportunities, primary budget priorities, requests for FY2019 as well as faculty
positions, and the strategic emphases of the college. They were also provided the opportunity to share their future vision of their college and the University. I had the opportunity to participate in the hearings and at the completion of all hearings, I joined the Provost and his staff to review all related information.

The information you will access via the web-based budget system reflects decisions by the Provost relative to funding for your college. Your bottom line budget for FY2019 as approved by the Provost is also reflected in the web-based budget system. In addition, you will see the estimated fringe benefits for your college/unit. This allows you to see the estimated total Fund 100 resources dedicated to your college/unit.

The FY2019 Allocation establishes the projection for each area and includes adjustments. An example of an adjustment is: reversals of all one-time only budget allocations, such as start-up transfers from the Provost’s Office.

The FY2019 projected expenditure does not automatically project filled and vacant positions beyond the FY 2018 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 2018 budget level with the responsibility for the level of funding required in FY2019 resting with the Dean/Director. This is consistent with the current process of filling positions. As noted on the Request to Fill Form (RF-1):

*Dean/Director’s signature (email from requesting office acceptable in lieu of signature) authorizes the filling of the position, certifies position FTE and funding exist in the existing budget, and indicates the Dean/Director’s responsibility to fully fund this position in the next fiscal year(s) regardless of the level of funding required for the position in the current 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 FY2019 projected expenditures you receive. (i.e., if you transferred vacancy dollars to operating because a position was filled for six months in FY 2018, and the position will be filled for twelve months in FY 2019, you must reallocate the dollars from operating back to the position line.)

In accordance with the budget principles established within Academic Affairs, the Provost is continuing the process whereby new vacancy dollars related to faculty will be captured for reallocation by the Provost. In addition, as reflected in the letters to each college, Lecturer, Senior Lecturer and Teaching Professor vacancy dollars will also be captured for reallocation by the Provost. As is done each year, these funds have been allocated based on criteria developed by the Provost. These criteria include consistency with strategic priorities, unit productivity, cost effectiveness, and innovation as discussed in the Council of Deans meetings.

Consistent with the FY 2019 process, one-time-only allocations related to the curriculum delivery to the freshman class will be processed by the Provost's Office this summer and shortly after the start of the fall semester when student need for seats have been determined and seats have been added.
Please note that funding for PTFU faculty will initially be at the old rates; after the start of the fall semester when course offerings are known along with student enrollment in those courses, the per course budget will be adjusted accordingly.

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 budget allocation URI Planning and Budgeting Slide Deck which can be found by accessing the following link: http://web.uri.edu/budget/resources/

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. course fee). If you reallocate to fund a position that was not funded in FY 2019, 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.

Fund 104 includes State Appropriation designated for a specific purpose by the Executive branch. Currently there are three accounts in this category. Endeavor Support $500,000, Coastal Resiliency $100,000 and Jason $75,000.

Please refer to the general budget guidelines for the process and information related to course fee budgets and budgets for fee areas.

The Faculty Development Funds will be distributed to the colleges by the Provost’s Office after the budget has been uploaded to the financial system.

Startup and other transfers from the Provost’s Office are not reflected in your FY2019 projections. These transfers were reversed before calculating the FY2018 Projections. Startup dollars and any other Provost transfers will be distributed by the Provost after July 1, 2018.

FY2019 Allocations for new match dollars, which are budgeted in Fund 110, will be distributed by the Vice President for Research & Economic Development after July 1, 2018.

The completed budget in PBCS 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. Please do not request budget transfers if there is sufficient budget at the org categories.

Your allocation must be completed in PBCS by Friday, August 31, 2018 and must reflect the total budget as authorized by the Provost, which is reflected on the files in the budget system. 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.

The allocation package for your area is available in the budget system. It is important that complete and accurate data be entered in PBCS in the designated format no later than Friday, August 31, 2018 to
ensure that the data can be entered into the University’s financial system as soon as possible.

Please feel free to contact your Budget Analyst if you have any questions concerning the completion of the budget forms in PBCS. A separate letter from the Provost may reflect specific college information not contained in this memorandum.

I will be 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 PBCS to complete their budget allocation. They must be completed by **Friday, August 31, 2018**.

Thank you for your prompt attention to this matter.

cc: Donald H. DeHayes
    Abigail Rider
    Michelle Curreri
    Matt Bodah
    Dean Libutti
    Laura Beauvais
    Ann Morrissey
    Cheryl Hinkson
    Colleen Robillard