DATE: August 6, 2018

TO: Non-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 areas and departments.

Your bottom line budget for FY2019 is reflected in the web-based budget system. In addition, you will see the estimated fringe benefits for your area/unit. This allows you to see the estimated total Fund 100 resources dedicated to your area/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.

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 division head 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.)

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.

Please refer to the general budget guidelines for additional information.

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, which is reflected on the files in the budget system. If it does not, the Budget & Financial Planning Office will be forced to adjust 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.

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  
     Cheryl Hinkson  
     Colleen Robillard