

FY 2013
BUDGET BUILDING GUIDELINES FOR INCOME/EXPENSE ACTIVITIES

MEMORANDUM OF UNDERSTANDING

Review annually and revise as necessary. If revised, submit to the Office of Financial Analysis and Budgeting (FAB) electronically for review.

RATE CALCULATION

For FY 2013 budget building, all income/expense activities must submit a calculation electronically (with formulas included) to FAB no later than Friday, May 4th. However, activity managers are encouraged to submit rate calculations as soon as complete. This will allow time for approval. Any concerns will be addressed prior to loading the new year budget into PeopleSoft. Rate calculation and budget must coincide.

Rate calculations are discussed in the Income/Expense manual (section III) located on the web at:
http://www.uvm.edu/~ofabweb/Income_Expense_Manual.pdf

instruction, research, and public service and 2) revenues of activities that exist to provide instructional and laboratory experience for students and that incidentally create goods and services that may be sold to students, faculty, staff and the general public. sales and services to students, faculty, or staff, rather than training or instruction, is the purpose of the activity the revenue should be classified as Auxiliary.

Other Revenue (109)s none of the above and not related to the tuition and fee accounts used to bill students through banner. Examples are miscellaneous rentals and sales, miscellaneous fees, and other items not material enough to warrant separate disclosure.

Subsidy ±A portion of the rate charged for sales/services may be an internal charge to a specific subsidy budget (unit support or general fund support). Unit Support is to be budgeted in account 54870. If you have been notified that a portion of your activity revenue will be subsidized by General Fund Support, the agreed upon amount is to be budgeted in account 54899.

Use of Prior Year Fund Balance ±If a surplus balance from the prior year(s) exists, it may be necessary to include a portion as a source of revenue thus reducing the amount charged to users or subsidy Budgeted. the amount included in the rate calculation in account 54649.

EXPENSES ±All expenses of the activity should be budgeted and charged to the activity.

Salaries and Wages Budget and charge to the appropriate individual account.

ACTIVITY CHART STRINGS

All Income/Expense activities (Fund 150) will use the newly assigned source value(s) no longer 102001 or 102010 starting in FY13. Also, activities currently using function 998 have been reassigned to a different function.

Consistency in the use of chart strings is the key. Activity chart strings should clearly identify the activity through source value(s) of FY13. The function should clearly relate to the activity's expense and revenue.

Please make us aware of any questions or concerns regarding rate calculations, budget activity chart strings that might also be helpful to be included in these new year budget guidelines. Contact Ann Barnes (Ann.Barnes@uvm.edu) or Nancy Towle (Nancy.Towle@uvm.edu). There is also a new listserv that can accommodate communication on income/expense issues that may be common to other managers; Expense@LIST.UVM.EDU

Materials to submit:

Rate calculation and equipment depreciation schedules submitted electronically (demonstrating the use of formulas in the spreadsheet) prior to May 4th thereby allowing approval prior to submitting the budget through EPM

Budget through EPM and

Revised Memorandum of Understanding (MOU) if necessary, send electronically for initial review.

SALARIES

General fund base budgets for non-represented staffRate

8.7% Rate