MEMORANDUM

TO: Budget Office Business Contacts
FROM: Leslie Brunelli
DATE: July 12, 2010
RE: Columbia “A” Fund Line Item Budget Development and Budget Execution – FY2011

Later today the web-based line-item budget entry system will be available for all units to adjust the base budget. The base budget is the file from the February 28, 2010 freeze with the budget cut. The responsibility total was sent to you near the end of the prior fiscal year. Recall that due to the significant level of budget cuts to start FY2011, we suspended budget development at the line item level this past spring.

The web-based budget entry system will be active for a period of two weeks. By noon on Monday, July 26 we will bring the system down and prepare line-item BD’s for all Columbia “A” fund units. Units may not increase total budgets during this step – the budget must match the BOT approved budget. We expect to load all campuses and selected auxiliary unit budgets next week. Once the base budget is in the system no additional BD’s will be entered in July to preserve the Board of Trustees approved budget. The full Board of Trustees Budget Document is now available on the Budget Office website at the following link:


Beginning in August units may send budget transfers via the BD entry tool available through the Accounting Services Intranet at: https://image.admin.sc.edu/GLEntry.php. As in FY2010, budget transfers will be accepted between the 5th and 20th of each month. Budget transfers should be kept to a minimum, but are allowed as needed by each unit. This will allow you to assess your budget plan in relationship to the actual financial transactions that occur as your unit progresses through the fiscal year. The variance analysis of budget to actual will assist in budget forecast reporting as well as measuring the progress toward achieving the objectives established by the University and your unit. The Budget Office will prepare a responsibility-level variance analysis of all units after the fourth post-close of the FY2010 year.

Carryforward workbooks will be distributed to all units in mid-August. The Budget Office will book all carryforward to each unit’s main account and then assess the surtax. A calculation will be provided for the surtax.

With the recentralization of the budget, academic units will receive a base budget allocation that includes previous state appropriations less cuts, fall and spring tuition, and
both the tax in and tax out. The Provost will review the actual tuition collections and make budget allocations based on the tuition reports. As in prior years units may use object code 50000 for unobligated budgets including carryforward funds that are not expected to be expended during the next fiscal year, but each unit must insure that all other object codes, especially personnel and fringe, are adequately budgeted.

Later in the fall, each academic unit will receive a revised template for their five-year budget model that includes FY2010 actual activity, and the base budget for FY2011. Fall and Spring reviews of all “A” fund responsibilities will take place in November 2010 and March 2011 using the format from the previous years.

Since there is no state pay package adjustment, the Budget Office will prepare BD’s in August to distribute BOT initiative funding including the Budget Reallocation Initiative funds allocated by the Provost to help offset a portion of budget cuts. The employer contribution for health insurance will increase effective January 1, 2011. We expect the increase to be 10.3%, but we do not yet have the actual rates per health plan. A portion of the tuition increase is dedicated to help offset a portion of unit cost increases for the health plan. Those funds will be distributed in the late fall.

It is possible that the University receive additional state budget reductions during FY11 and we are planning for another significant cut to start FY12. As information becomes available, we will forward that to you.

If you have any questions, please contact your budget analyst.

cc: William Moore  
Ed Walton  
Michael Amiridis