MEMORANDUM

TO:       Budget Office Business Contacts
FROM:    Leslie Brunelli
DATE:    April 4, 2012
RE:     Columbia “A” Fund Line Item Budget Development – FY2013

The web-based line-item budget entry system is now available for all units to adjust the base budget. The base budget is the file from the February 29, 2012 freeze.

The web-based budget entry system will be active until Friday, April 20, 2012. By the close of business that day 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 budget currently under development.** In mid July the base budget will be loaded and no additional BD’s will be entered during the month to preserve the Board of Trustees approved budget.

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](https://image.admin.sc.edu/GLEntry.php). As in FY2012, 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 FY2012 year.

The annual solicitation for carryforward estimates will be made in the next two weeks. We expect that there will again be a surtax in place, but the parameters will not be determined until we assess the total carryforward across the University. In mid-August carryforward workbooks will be distributed to all units. As in the prior year, 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.

The 2013 fiscal year continues the recentralization of the budget. As in 2012, the 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. These base numbers have changed this year only for permanent transfers. 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. All negative budgets must be eliminated at this time.

At this time the Provost is meeting with all academic units and reviewing the five year plans. Once all are received, the Budget Office will roll them up to provide the Provost with a summary of the compiled academic unit budgets. In the fall, each academic unit will receive a revised template for their five-year budget model that includes FY2012 actual activity, and the base budget for FY2013. Fall and Spring reviews of all “A” fund responsibilities will take place as usual in November 2012 and March 2013 using the format from the previous years.

The House passed a pay package adjustment of 2% and there are expected increases in employer retirement and health insurance costs. Once those amounts are known, the Budget Office will prepare BD’s in August to distribute BOT initiative funding. At this time we do not have an estimate for the total impact, but a portion of the tuition increase is planned to be dedicated to help offset a portion of unit cost increases the pay package, retirement and health plan. Those funds will be distributed in the late fall.

As changes are made to the state budget through the Senate deliberations and Conference Committee negotiations, we will forward that to you.

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

cc: Ed Walton
    Michael Amiridis
    Dennis Pruitt