

Academic Affairs Fiscal Contacts Meeting

April 17, 2012

Announcements



Funding for 11 / 12 Salary Increases

- ▶ Funding for the academic, non-represented, SX, TX, RX employee salary increases has been allocated for the current year and in the permanent budget.
- ▶ Funding for the CX employee salary increases effective 2 / 1 / 2012 is still pending.
- ▶ Please contact Denise Christensen (dechristensen@ucsd.edu) if you have any questions.

Funding Streams Initiative – Department Implementation



Kathy Farrelly
Academic Affairs

Overview of Initiative

- ▶ Effective 11 / 12, UCOP changed funding allocation methodologies to the campuses for state funds, student fee funds, and indirect cost recovery funds
 - Most campus-generated funds are retained or have been returned to the source campus
 - Funding for undergraduate financial aid will continue to have cross-campus support
 - Funding for graduate financial aid will not have cross-campus support

Overview of Initiative (cont.)

- ▶ UCOP central operations are funded through an assessment to all campuses
 - Assessment is based on all expenditures in all fund sources
 - A single assessment rate is used for all fund sources (rate for 11 / 12 assessment is 1.6%)
 - Assessment is paid by general funds, plus other fund sources designated by the individual campus

Campus Implementation

- ▶ Consolidation of 199xx funds
 - Reduce the number of funds used
- ▶ Decoupling of 19900A
 - Separation of state general funds, student tuition funds, and indirect cost recovery
- ▶ Decentralization of benefits pool
- ▶ Changes in campus allocation methodologies for general funds, tuition, and indirect cost recovery funds

Fund Consolidations – 199xx

- ▶ 19904A
 - Balances will be withdrawn or transferred to 19900A
- ▶ 19905A
 - Balances will be transferred to 19900A or 19933A
- ▶ 19906A
 - Balances will be transferred to 19900A
- ▶ 19924A
 - No change for this fund number
- ▶ Other 199xx
 - Balances will remain in current fund number until spent

Fund Consolidation – 19904A

- ▶ In the past, 19904A has been used for instructional improvement awards and TA training, but all awards have ended and no new awards have been made over the last two years
- ▶ Fund balances as of 3/31/12 will be drawn off from departments
- ▶ Requests for the return of these funds will be considered, but will only be approved if there are unusual circumstances
- ▶ Requests can be emailed to kfarrelly@ucsd.edu

Fund Consolidation – 19905A

- ▶ Fund 19905A is allocated for equipment, grant matches, and faculty startup/retention
- ▶ For equipment allocations, 19905A will be exchanged for 19900A
- ▶ For equipment/grant matches, 19905A will be exchanged for 19933A
- ▶ For faculty startup, 19905A will be exchanged for 19933A or other source

Fund Consolidation – 19905A – Process

- ▶ We will send each department/unit a list of their indexes in 19905A that have balances and the fund source for the exchange
- ▶ Departments should set up new indexes with effective dates of 6/1/12 or earlier, annotate the list with the new indexes and return it to our office
- ▶ We will transfer balances as of 6/30/12, after the June prelim ledger deadline

Decoupling of 19900A – Permanent Budgets

- ▶ Faculty salaries (ladder–rank titles) will be funded from both 19900A and 20095A, with each faculty member split funded 50/50
- ▶ For instructional units, staff salaries and other permanent support will be funded primarily from 20095A
- ▶ For research units, staff salaries and other permanent support will be funded primarily from 19933A
- ▶ Other units will be funded by a combination of funds (to be discussed in separate meetings)

Decoupling of 19900A – Permanent Budgets – Process

- ▶ Request indexes for fund 20095A
 - Use index management tool for master and subsequent indexes
 - Use BD request form for permanent index
 - OR email Denise Christensen (dechristensen@ucsd.edu) and she will make requests
 - Index effective dates must be no later than 5/1/12
- ▶ We will confirm the permanent budget amount to be exchanged and process permanent transfers in May and June

Decoupling of 19900A – PPS Entries

- ▶ Any employee being moved from 19900A funding to another fund source must have new distribution lines entered in PPS
- ▶ Distribution lines for new funding must be effective 7/1/12
- ▶ If possible, PPS entries should be made after 6/3/12
- ▶ All PPS changes must be completed no later than 6/30/12
- ▶ Example entries will be provided to depts

Decoupling of 19900A – Staffing

- ▶ Staffing lists must be maintained
 - Funding allocations for salary or benefits increases for faculty and staff may be calculated from staffing information
 - UC policy requires faculty to be permanently budgeted
- ▶ We recommend using staffing lines to record FTE for both faculty and staff
 - PPS distributions show FTE, salary, and RGS DOS code
 - Actual pay distributions are separate
 - Examples to be provided next week

Decentralization of Benefits Pool

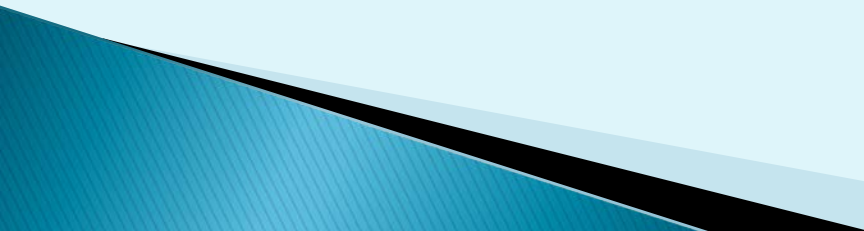
- ▶ The Campus Budget Office will no longer manage a central benefits pools for 19900A. Funds will continue to be allocated to departments from the pools through 6/30/12.
- ▶ All permanent funding in the pools has been allocated to the VC areas. This allocation is based on projected salary and benefits costs for 11/12.
- ▶ Departments can no longer request a refund of benefits from the Budget Office when disestablishing an FTE.

Future Allocations for Benefits

- ▶ Benefits costs in departments vary significantly (from 20% to more than 40% of salary)
- ▶ For 12/13, Academic Affairs will allocate funding for benefits costs on 19900A and 20095A based on actual costs
- ▶ The campus will use new revenue from the state or student tuition to provide allocations to the VCs for salaries and benefits increases in the future

Impacts on EVCAA Allocations

Fund sources for many allocations may change

- ▶ Temporary FTE
 - ▶ TA FTE
 - ▶ Administrative Stipends & Ninths
 - ▶ Equipment Allocations
 - ▶ Faculty Startup & Retention
 - ▶ Undergraduate Seminars
 - ▶ Graduate Support (including block grant)
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Additional Department Actions

- ▶ Create master indexes and other indexes as needed
- ▶ Review and update department financial reporting systems to include new indexes/funds
- ▶ Change indexes for monthly campus recharges: mail, telecommunications
- ▶ PPS entries – complete by 6/30/2012

More Information

- ▶ Meetings with divisions and other organizations over the next two weeks
- ▶ Web site
- ▶ Contacts
 - Denise Christensen (perm budget, sub-1 staffing)
 - Hang Phung (19904A & 19905A fund consolidation)
 - Nancy Santucci (sub-0 staffing)
 - Kathy Farrelly