Fiscal Management

Administrators should become acquainted with:
- All funding sources that fall within their purview
- Annual budgeted amounts and balances
- Expense restrictions associated with each funding source as well as roll forward flexibility
- Account activity (transfers and expenses)
- Variable vs fixed operational costs, e.g., NTT instruction, graduate student support, phone lines
Funding Sources of UTSA’s Operating Budget

State Appropriations: General Revenue – Benefit Cost Share
THECB Transfers: TX Grant (TPEG), Work-study, etc.
Statutory Tuition, Certain Lab Fees Other E&G

Designated Tuition & Fees, Misc. Revenue
Indirect Cost Recovery: Facilities & Administrative Overhead

Auxiliary Enterprise Funds
Restricted Funds: Gifts
Grants/Contracts
Financial Aid
State Funds
(Education & General Funds)

Academic Institutions receive direct appropriations each biennium via formula and non-formula appropriations.

General Revenue is largely used for salary expenses to take advantage of the benefit cost sharing associated with state funds.

Unexpended E&G funds do not roll forward from year to year as they must be reported as expended in the Annual Financial Report.
Designated Tuition

A local source of revenue; rates are set by the Board of Regents and vary by institution.

20% of paid UG resident tuition and 15% of paid GR resident tuition is set aside for student financial aid.

Very important revenue stream

Only discretionary source of new revenue in the 2nd year of the biennium; helps fund merit, mandatory cost increases, new faculty positions, strategic initiatives, etc.

Unexpended designated revenue rolls forward from year to year; departments are allowed to retain 30% of unexpended M&O budget amounts each fiscal year.
Mandatory & Incidental Fees

Mandatory Fees
Required to be paid by all students
Examples include the Automated Services and Library Fees.

Incidental or Course Fees
Fees that are assessed based on specific goods and/or services provided to students taking a particular course, lab or enrolled within a college.

Fee revenue rolls forward from year to year. Funds are to be used in accordance with the fee justification and generally in the year earned.
Facilities and Administrative Overhead (F&A)
Indirect Cost Recovery

Indirect cost recovery from sponsored grants and contracts
Provides reimbursement for institutional expenses that cannot be directly charged to a specific grant or contract.

Revenue is shared internally
Funds are distributed in accordance with the F&A MOU and should be used to support research activities.

F&A funds roll forward from year to year; the amount of funds allowed to accumulate in each account is governed by the *Guidelines for F&A Distribution* (developed by the F&A Task Force).
Auxiliary Enterprises

Self-supporting activity that provides goods or services to students, faculty, staff, departments, or incidentally to the general public.

Charges are directly related to, although not necessarily equal to, the cost of the goods or services.

UTSA’s Auxiliaries include:
- Bookstore
- Food Services
- Parking
- Housing
- University Center
- Athletics
- UTSA Card
Gifts and Endowments (Restricted Funds)

Funds received from donors; used per donor restrictions

Endowments
- Funds invested to produce revenue for operations
- Distributions may or may not be restricted in purpose by the donor
- Examples include scholarships, endowed faculty positions.

Gift Reporting
- University reports back to the donor on the use of the funds and the benefits derived therefrom.
- Annual reporting is required of endowment holders.

Gift funds roll forward from year to year; balances are monitored and reviewed by VPER and the Provost.
Grant and Contract Funds

Funds awarded by federal, state, local and private funding agencies; provides support for research and/or educational programs.

Majority of funding awarded is for federal research.

Allowable expenses and funding periods are governed by the grant and contract agreements.
Recurring Funds
Department Operating Budgets

Budgeted allocations that support
Faculty and staff salaries
Operations
Wages

Departmental budgeted revenues
Incidental Fees
Service Centers

RECURRING FUNDS
aka “Permanent Funding”
Non-Recurring Funds
One-time Distributions

One-time allocations
  Start up for new faculty
  Faculty recruiting & travel distributions
  F&A distributions

Gifts / Donor Funds

Unexpended end of year balances that roll forward
  Funds allocated for graduate students
  Unexpended fee, M&O and F&A funds
Department Financial Operations

- Chair has fiduciary responsibility
- Familiarize yourself with the university guidelines
- All expenses are approved by the Dept. Chair
- Be aware of deadlines
- Be aware of restrictions
- Understand your financial position
- Responsible for Management Certification & Fiscal Management Sub-Certification Survey
  - You are certifying that all the cost centers under your Dept ID are being reconciled and all the errors are being corrected in a timely manner
Reconciliation

• What is reconciliation?
  » Basically it is matching department transaction log to the PeopleSoft and ensuring all back-up documentation is available

• Reconciliation Process
  – Receive documentation from staff or faculty
  – Record it in a Transaction Log
  – Download Monthly MFR from PS
  – Ensure all items in Detail MFR are correct and have been logged in Dept transaction log.
  – Ensure all items in Dept Transaction Log
  – Retain third party back-up for each transaction
  – Request correction for all the items incorrectly posted in PeopleSoft MFR
Dept Cost Center Listing Report
Dept Cost Center Listing Report

Click on Excel

UTS_DEPT_CC_LOOKUP - UTSA Depts and CCs

[Table]

<table>
<thead>
<tr>
<th>SetID</th>
<th>Dept</th>
<th>Department Name</th>
<th>Department Status</th>
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View Results
# UTS_DEPT_CC_LOOK UP - UTSA Depts and CCs

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Budget Overview
Sources of Funds UTSA Operating Budget

- **State Funds (EGxxxxx)**
  - State Appropriations: Formula Funding, Special Items, Benefits
  - THECB Transfers: TX Grant, Work-study, etc.
  - Statutory Tuition, Certain Lab Fees

- **Designated Funds (Dxxxxxx)**
  - Designated Tuition, Mandatory, Course & Incidental Fees
  - Indirect Cost Recovery: Facilities & Admin Overhead

- **Auxiliary Funds (AXxxxxx)**
  - Housing, Parking, Athletics, Bookstore, Rec Wellness, Univ Center, Food Srvs

- **Restricted Funds:**
  - Gifts (30-accts)
  - Sponsored Programs - Grants/Contracts (26-accts)
  - Federal Financial Aid (26-accts)

- **Service Areas:** Chargeback to other funds for services (18-accts)

- **Capital Funds** (36-accts)

---

State Funds
14-Accounts
Also referred to as E&G: Educational & General budgets

Designated Funds
19-Accounts
Also referred to as Local funds

29-Accounts
Must be 100% Self-Support; no subsidies from other funds
Understanding Budget

• PeopleSoft Nomenclature
  – Types of Cost Centers
    • **E&G (14):** Education & General (used for salaries, benefits are transferred in on monthly basis)
      – EG + College Reference + 3 digits (EGE001)
      – EG + College Reference + R or F +2 digits (R= Reserve & F= Faculty Reserve)
        » Used for fund transfers for summer support, generally at college level rather than Dept level
    • **Designated Fund & Tuition (19)**
      – D + College Reference + 3 digits
        » Maybe **unrestricted or restricted** depending on the funding source
        » Have to cognizant that **incidental fees** are being used only for the intended purposes
    • **Restricted Funds**
      – Gift Funds: G + 5 numbers
      – Endowment: E + 5 numbers
        » Generally earn revenue each quarter (Nov, Feb, May, Aug)
        » Benga Adeeko
Understanding Budget

- **Business Unit:** The highest-level key structure (UTSA1)
  - Grants & Capital Projects may be different

- **Fund:** Source & Use for Funds
  - E&G: 2100, 2110, 2115, 2120, 2150
  - Designated: 3100, 3105, 3115
  - Grants: 5100, 5200, 5300, 5400
  - Restricted: 5500, 5600

- **Account:** Revenue or Expense (5 digit, 6 = Expenses; 4 = Revenue)

- **Function:** Expenditure Classification
  - 100 = Instruction; 200 = Research;
  - 300 = Public Service; 400 = Academic Support
  - see useful links for more info

- **Dept ID:** a 6 digit alpha-numeric Chartfield value that identifies the dept within the organization

- **Cost Center:** Groups transactions & funding sources together; used for all transaction except grants & capital projects

- **Sponsored Projects:** Use 10 digit Project ID
PeopleSoft Commitment Control

Budget Overview - Create the Inquiry

1. Navigate to the **Budget Overview** Screen

2. Select the tab **Add a New Value**

3. Enter a name in the **Inquiry Name** field

4. Select the **Add** button
PeopleSoft Commitment Control

Budget Overview – Initial Inquiry Setup

5. Business Unit (Default is UTSA1)

6. Choose Ledger Inquiry Set from the Ledger Group/Set dropdown list

7. Enter appropriate option in Ledger Group field (OPE_OPR)
PeopleSoft Commitment Control

**Budget Overview—Initial Inquiry Setup (OPE/OPR)**

8. Enter the **Budget Criteria** Budget Period – if necessary (Current years is default)

9. Enter the **Chartfield Criteria**

10. Select the **Search Button**
PeopleSoft Commitment Control

Budget Overview – TimeSpan
Calendar Options:
Select Detail Accounting Period to specify the Budget Periods
PeopleSoft Commitment Control

### Inquiry Results

#### Business Unit:
- **UTSA1**

#### Type of Calendar:
- **Detail Budget Period**

#### Amounts in Base Currency:
- **USD**

#### Revenue Associated:
- **Yes**

#### Ledger Totals (6 Rows)

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<th>Encumbrance</th>
<th>Pre-Encumbrance</th>
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#### Revenue Estimate
- **Recognized Revenue**: 64,200.00
- **Available Budget**: -200.00
- **Collected Revenue**: 0.00
- **Uncollected Revenue (Rec.-Coll.)**: 64,200.00

#### Cost Centers

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Issues with Budget Overview Screen

• **Endowment & Gifts**
  – Under Accounting Detail Period, the Revenue is not associated until year-end

• **Designated Funds**
  – To calculate the true balance, add recognized revenue and deduct estimated revenue

• **Encumbrances**
  – Constantly change and may not be reflective of actual financial commitment
Monthly Financial Report

- http://www.utsa.edu/financialaffairs/training/Accounting/JOBAID_AccountReconciliationReport.pdf
Useful links

- [http://www.utsa.edu/financialaffairs/opguidelines/0103.html](http://www.utsa.edu/financialaffairs/opguidelines/0103.html) (sub-certification)
- [http://www.utsa.edu/Compliance/RiskServices/QAR.html](http://www.utsa.edu/Compliance/RiskServices/QAR.html) (QAR Audit)
- [https://www.utsa.edu/utshare/Training/References/](https://www.utsa.edu/utshare/Training/References/) (miscellaneous training material)
- [https://www.utsa.edu/utshare/docs/COA-QuickReference.pdf](https://www.utsa.edu/utshare/docs/COA-QuickReference.pdf) (COA reference guide)
- [http://www.utsa.edu/financialaffairs/forms/details.cfm?form_number=100](http://www.utsa.edu/financialaffairs/forms/details.cfm?form_number=100) (Official Occasion Guidelines)
Contact Info:
rubina.saya@utsa.edu
X8034
Department Chair
Recommendations

Dr. Robert Cardy – Chair, Department of Management, College of Business
The “Big Five”
Chair Training Session
September 1, 2016
Dr. Robert Cardy, Chair
Department of Management
Responsibilities (HOP 1.02 & 1.03)

• Represent faculty and university on policies, plans, and procedures
• Operation of the Department
• Maintain an environment of collegiality and shared governance
• Be integral part of departmental activities that promote student success
• Engage in external fundraising and outreach programs
• Contribute towards creation & implementation of strategic plan and academic mission
• Provide leadership in faculty and staff recruitment & development
• Any additional expectation that is College specific
Suggestions

1. Put the Department first.
   – A Question to ask:
     What is our job/goal here?
     (If the issue does not directly relate to serving students, research, and being good citizens of the university, then it is probably not of direct concern.)
   – Equity is a central issue. Make it a central factor in your decision making!
2. Take Care of the Junior Faculty & Students.
   – Part of your role is to protect junior faculty.
     • Keep a watch on
       – Service demands
       – New course preps

3. Do performance Reviews Well.
   – Know what is important and make sure it drives performance ratings.
   – Provide the performance context.
     • Share distributional information.
4. Keep a written trail.
   – Sending an email summarizing an agreement or situation can clarify and provide documentation.
   – Some considerations regarding documentation:
     • It is all potentially public.
     • Broadly share good news, but generally keep bad news for private interactions.
5. It’s a team sport!

- You need to lead the department, but correctly carrying out procedures and taking care of details requires a good administrative associate.
  - You are only as good as your administrative associate.
  - Treat your staff well.