MOREHOUSE SCHOOL OF MEDICINE

BUDGET REQUEST INSTRUCTIONS

FISCAL YEAR 2010 – 2011

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BUDGET REQUEST
FISCAL YEAR 2010-2011

OVERVIEW INSTRUCTIONS

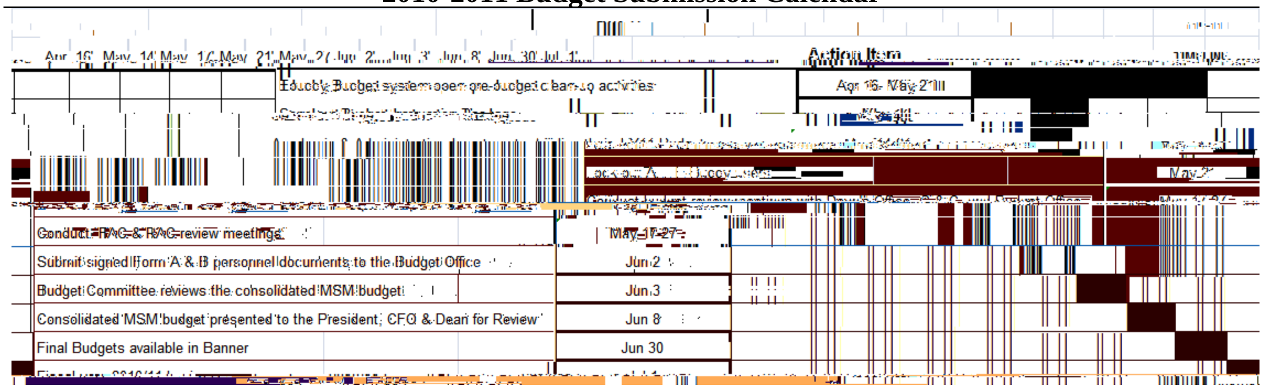
Budgeting Expenditures

The purpose of the budgeting process is to confirm revenue sources and amounts and to allocate personnel and non-personnel expenditures to all funding sources, including those listed below:

- Unrestricted – Current Fund
- State Capitation
- Title III
- Disproportionate Share (DSH)
- Hospital Affiliations (Faculty and Residents)
- Clinical Revenues, including PCBS, Grady Collections and Contracts
- Special Funds
- Grants and Contracts (personnel only)
- Endowment Income

These instructions provide guidance for developing your budget requests for FY11. The Budget Office will consolidate all budget requests to develop MSM's FY11 operating budget and submit it to the President for approval. Once approved, this budget will be loaded into our financial accounting system to establish spending targets at an account number / object code detail level.

2010-2011 Budget Submission Calendar



PERSONNEL BUDGET PREPARATION GUIDELINES

To budget <u>personnel</u> expenditures, you are requested to provide information on both institutional funds and other available funding sources such as: Restricted Grants and Contracts and Special Funds. All <u>currently</u> approved vacant and filled positions are loaded into your budget database. There is a checklist of all positions in your home department.

<u>General Information</u>

A list of new personnel object codes with definitions will be posted on the Ebuddy website for FY11 budget development. Before you get started, print out the employee checklist and verify that each position is in your home department. Review position titles, FTE, home department and salaries due to position upgrades or downgrades. If you identify any errors contact the Budget Office immediately. Any of the above changes will need a Personnel Action Form included with your budget package.

- Each position, filled or vacant, should have a full annual salary allocation if funds are available. If funding is not available refer to the position guidelines outlined on page 3.

- All bridge funding requests for existing research faculty and non-faculty personnel should use the Request for Bridge Funding account number (1-4-4015-00103). These personnel and non personnel funding shortages will be reviewed by RAC.

- Chairs/Unit Heads must use all available funding sources, using grant funds first. Positions that can be charged to grants and contracts should be allocated to such accounts in accordance with the effort percentage and amount allowed by the sponsor taking into account the DHHS/NIH salary cap of $196,700 as the maximum annual salary basis that can be charged to such federal grants.

- Clinical department patient revenue projections for FY11 should be based on projections negotiated by MMA and the clinical department chairs. Current budget obligations for Grady Collections, Grady Contracts and Clinical Departmental Special Fund accounts will be derived from these income estimates.

- When funding a salary from grant or contract sources, you must allocate the salaries based on

Capital Expenditure Requests

Capital equipment is defined as tangible personal property having a useful life of more than one year and an acquisition cost of $5,000 or more. Requests for Capital Expenditures must be submitted during the FAC process. The requested amount must include all elements necessary to acquire, deliver, install and otherwise put the capital

(4) verify that the total budget submission does not exceed the current budget obligation or remaining balance for that account.

- Please schedule a meeting with your respective budget analyst prior to the deadline date outlined in the above timeline.

QUESTIONS AND ASSISTANCE

For assistance and answers to questions regarding the completion of the FY 2011 budget package, please call your respective Budget Analyst. If you need more extensive assistance, you may contact Lois Wiggins (1960) for Administration related budget questions and Sandra Watson (1723) for Academic budget questions.

MOREHOUSE SCHOOL OF MEDICINE

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FISCAL YEAR 2009 – 2010

Outlined below are guidelines for Phase I and II of the 2009/2010 budget process.

PHASE I

- *Current Budget Obligations* Phase I of the budget process consists of allocating your baseline budget for personnel and non-personnel items. Current Budget Obligations have been established and preloaded in the "eBUDDY" budget system for the State Operating Grant, Current Fund, Title III, DSH and Grady Services. The current budget obligations represent required adjustments to your FY09 budget to meet your FY10 obligations. Requests for additional institutional funds to meet current obligations must be presented to the applicable FAC or RAC committee and discussed in a meeting with your budget analyst.

- *Release Funds* Employees paid from State Operating, Current Fund, DSH, and Title III are expected to remain on the same source of funds as approved in FY09. Institutional funds that have been released because of new grant funding will become part of the pool of funds made available to the president and dean to help support institutional priorities.

- *Merits, Promotions* An initial pool of institutional funds has been set aside to support a 0-3% range for FY10 merits. Employees funded 100% on grant funds may include their recommended merits in Phase I. Once we have verified institutional commitments from Phase I, salary adjustments for retention efforts, merits and promotions for other employees will be included in Phase II. You will be receiving additional information from Human Resources regarding FY10 merit guidelines.

- *New Financial Reports* In addition to the budget forms and reports from the eBuddy system, you will receive a set of new financial management reports to assist you in closing out FY 09 and preparing your FY 10 budget. These reports are a few of a suite of financial management reports developed jointly by IT and Finance over the last several months.

  We have had meetings with staff who have primary responsibility for budget and financial management of their respective units to introduce the reports and solicit their feedback. Those sessions have been valuable in making improvements to the reports you will see. We encourage you to examine the format and content of the reports carefully and to submit your questions and comments via email to your budget analyst during the budget process. Your analyst will assist you in correcting data issues and forward to IT th09ose issues that have to do wis a for bEgmi,etcved

- *FAC/RAC* The Fiscal Advisory Committee (FAC) and Research Advisory Committee (RAC) will validate and hear full disclosure of critical needs and bridge funding requests. All departme

- Before you get started, print out the employee checklist and verify that each position is in your home department. Review position titles, FTE, home department and salaries due to upgrades or downgrades. If you identify any errors contact the Budget Office immediately. Any of the above changes will need a Personnel Action Form included with your budget package.

- Each position, filled or vacant, should have a full annual salary allocation if funds are available. If funds are not available and the position is deemed to be critical, you may enter the position and funding amount needed using the Critical Needs account number (1-1-4010-00102), or the Request for Bridge Funding account number (1-4-4015-00103).

  Please note that all requests submitted using these account numbers are unfunded and need to go through the FAC and RAC approval processes. If you are requesting funding for core positions due to funding shortfalls use the Critical Needs Account Number (1-1-4010-00102). All bridge funding requests for existing research faculty and non-faculty personnel should use the Request for Bridge Funding account number (1-4-4015-00103). These personnel and non personnel funding shortages will be reviewed by FAC and RAC and recommendations will be made to the Budget Committee.

- If a position has been vacant for more than one year you will need to submit a justification statement to FAC/RAC. Funding from vacancies may not be utilized to create new positions.

- Chairs/Unit Heads must use every known funding source. Positions that can be charged to grants and contracts should be allocated to such accounts in accordance with the effort percentage and amount allowed by the sponsor taking into account the DHHS/NIH salary cap of $196,700 as the maximum annual salary basis that can be charged to such federal grants.

- Clinical departments patient revenue projections for FY10 will be included in Phase II. These income estimates should be bas0.06513 -on

- The budget process does not replace the need for a Personnel Action Form. If an employee is terminating on or before June 30, 2009 a termination Personnel Action Form must be submitted to Human Resources.

NON-PERSONNEL BUDGET PREPARATION GUIDELINES

To budget non-personnel expenditures, you are requested to provide information on institutional Funds.

- Review all non-personnel object codes and align funding in accordance to FY10 planned expenditure activity. This alignment will help reduce the need for budget changes.

- In preparing your non-personnel budget requests you must allocate funds to cover contractual agreements and fixed costs. For example, sufficient funds must be allocated for all copier leases and maintenance agreements. If you are unsure of the cost of any lease agreement, please contact Linwood Hilton at extension 1663.

- To help in determining sufficient funding for other non-personnel line items, use your new financial reports and the year to date data for FY09 in the *eBUDDY* database . The year-to-date actual totals have been updated in *eBUDDY* .

All departments must provide line item details to FAC for review of non-personnel requests for Consulting, Contract Services, Meetings,Conferences,Seminars and recruitment/Entertainment.

Capital equipment is defined as tangible personal property having a useful life of more than one year and an acquisition cost of $5,000 or more. Requests for Capital Expenditures will be captured during the FAC reviews. The cost should include all elements necessary to acquire, deliver, install and otherwise put the request into service. Improvements to existing assests meeting the criteria outlined above (i.e., significantly extending the life or increasing the utility of an existing asset) should be requested during the capital budget process. Form D is set up in the budget database for requests relating to computers, furniture, equipment, and critical office renovations and improvements. . You must justify these requests as critical to your operation. Allocation of funds to capital expenditure requests will occur in Phase II. Departments will be notified if capital expenditure requests are approved by the Budget Committee at the time final budgets are communicated.

HELPFUL TOOLS

Please go to the E-buddy Website at http://ebuddy.msm.edu for a list of the following tools that will help you complete your FY10 budget request.

- *eBUDDY* Instructions - Provides instructions on how to input your budget into the *eBUDDY* budget database.

- Grant Account Inventory – Provides the names of the principal investigators and a list of grants and contracts that will continue as well as expire in FY10. If your award expires in FY10 contact your Principal Investigator immediately to determine if it will be renewed beyond their current expiration dates.

- Chart of Accounts – Provides a list of the authorized chart of accounts object code definitions.

- Department List - Provides a list of departments and their budget contacts.

- Budget Timeline- Provides a list of deadline dates for budget submission items.

SIGNATURES AND SUBMISSION OF BUDGETS

- The Department Administrator will coordinate the signing of all Form B's for the PI's and Grants and Contracts. The Principal Investigators and the Director of Grants and Contracts must sign all Form B's. Form B's will be reviewed to :

    (1) authorize the salary amount allocated for each position
    (2) verify the appropriateness for each position
    (3) verify that the salary allocation period falls within the budget period for the award
    (4) verify that the total budget submission does not exceed the current budget obligation or remaining balance for that account.

- The Chair/Unit Head must sign Form A and C. Form A is needed to authorize the salaries for each employee and position and Form C will verify that the budget submission does not exceed the current budget obligation.

- The Chair/Unit Head must sign Form D to indicate the requests are crucial to the operation of the department.

- Please schedule a meeting with your respective budget analyst prior to the deadline date outlined