

GUIDEBOOK TO BUDGET

Lamar University
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Educational and General (E & G) Funds

Definition - State appropriated funds consisting of General Revenue (state taxes) and state mandated tuition. Fund Type 11. Index starts with: "4" Revenue, "2" -Expense.

Functions:

Targets are given to each division during the Budget Cycle. Each division may distribute the funds to departments based on the business needs of the division.

Revenue increases are not allowed.

Funding that is not spent or encumbered by the end of the fiscal year will not be available for expenditure in future fiscal years.

Budget of fund balance

Transfers into and out of E & G funds from other sources are not allowed.

Departments may not use E & G funds (salary savings) originally budgeted for fulltime positions towards other staffing initiatives. Funds may not transfer to other divisions.

Special

reason. Example: THECIB,

by the Texas legislature.

not spent or encumbered at the end of the fiscal

TYPES OF FUNDING (Continued)

Designated Funds

Definition - Resources internally allocated by the institution. Fund Type 14. Index starts with: "3" – Revenue, "4" – Expense.

Functions:

Divisional and/or departmental guidelines may be established for ~~trusts~~.

Student Fee revenue is monitored and managed by the Controller's Office.

Departments may not repurpose unspent salary funds (salary savings) originally budgeted for full-time faculty and staff positions towards other staffing initiatives. Funds may not transfer to nonsalary type budgets. However, specific circumstances may exist within Designated type funds.

Expenditures are limited to the purpose of ~~fee~~.

Transfers into and out of Designated funds from other funding sources are not allowed.

Auxiliary Funds

Definition – exists predominately to furnish goods and services to students, faculty or staff and ongoing operations that sell products and provide specific services to other Lamar University departments. Fund Type 16. Index starts with: "5" Revenue, "6" – Expense.

Functions:

Transfers into and out of Auxiliary funds from other funding sources are not allowed.

Divisional and/or departmental guidelines may be established for ~~trusts~~.

Departments may not repurpose unspent salary funds (salary savings) originally budgeted for full-time faculty and staff positions towards other staffing initiatives. Funds may not transfer to nonsalary type budgets. However, specific circumstances will be allowed within Auxiliary type funds.

Expenditures are limited to the purpose of ~~fee~~.

TYPES OF FUNDING(continued)

Restricted Funds

Definition – Funds provided by an outside entity that has restricted the use of the funds to specific purposes. Restricted funds include:

Endowment and SFcolis(59.3(F)-1.5(u)-0.7(n)-0.8(d)-0.7 Tnye 1R

The Chart of Accounts is the numbering system used by the Banner Finance system to capture financial transactions and facilitate retrieval of information and financial reporting. Lamar University's Chart of Accounts is defined as:

Lamar University uses an Index system that relates to three elements in the Chart of Accounts: Fund, Organization, and Program (FOP). Each of these elements is required for all budget, expenditure, revenue and transfer transactions.

Index

An Index is a digit number, or alphanumeric code, that corresponds to a specific Fund, Organization, and

Organization

The Organization (ORGN) code defines a budgetary or departmental unit.

Default ORGN Code— In most cases a default ORGN code is assigned to all Grant funds at the time the fund is established. All transactions for the grant fund are then limited to the default ORGN

Fund and Organization Combinations— A fund and organization can only be budgeted when they belong to the same department.

Organization Manager- An Organization Manager is assigned to each ORGN. This individual is the primary contact for all Human Resources transactions for the organization.

Program Code

The program code classifies the function of expenses. These are required categories for the annual financial report and other mandated reporting.

Default Program Code

A default program code is assigned to all funds. Examples of the funds with default program code are grants and construction projects.

Purpose

Lamar University has established budget controls that require enough budget to exist for an Index on an expense transaction to process.

These controls apply only to expense transactions. The budget controls

Budget Revisions or Transfers

All revisions increasing operating budget must be requested through the VP of Finance and Operations Office, including Provost Office for academic departments. Submission must be done by the appropriate VP or Dean. Any approved operating budget increase will be forwarded to the Budget Office VPF Office.

All salary budget type transfer requests must be sent to the Budget Office through a Change of Budget Request form for evaluation.

Student Assistant budget pools are eligible to transfer pending a Financial review

Financial Aid (Scholarships) budget pools are not eligible to transfer residual funds

Revisions or adjustments to operating and restricted fund type budgets may occur at the discretion of the Budget Office, when necessary.

Balanced Budget Formula

The budget within each fund must be balanced based on the following formula. The Budget Revision System will not allow a budget revision to be submitted

When to Budget Revenue

The revenue budget may be increased if the projected revenue for the entire fund exceeds the budgeted revenue for the entire fund.

Revenue budgets for restricted grants and contracts are limited to the amount of the contract or award.

Revenue increases are

A position must exist in the Banner HR system prior to the recruitment or appointment of an employee. The Budget Office is responsible for the current funding and labor distribution of jobs and positions. All other inquiries regarding position control should be directed to the Human Resources Office for further detail. The following information is assigned to each position.

Organization- Department responsible for the position.

Position Class (Pclass)- title in the Personnel Pay Plan which identifies:

- x Exempt vs non-exempt
- x Minimum and maximum salary ranges
- x Part time vs fulltime
- x Faculty, staff or student

Full Time Equivalent- The percent that an employee will work during a normal 40 hour work week. A fulltime employee is considered 1.0 FTE. The FTE for an employee working 20 hours per week would be 0.50.

Budgeted Salary- Salary to be paid for the position for the entire fiscal year.

Labor Distribution- Funding source (FOAP or Index) for the position.

Position Status- A position may be active (ready for use), frozen



adjusted budget– The current fiscal year original budget minus/plus any adjustments (i.e. current budget)

anticipated revenue- The funding you expect to receive during the current fiscal year

available balance- The portion of the budget that reflects expendable financial resources

budget pool account code- Five digit component where funding is placed for anticipated expenses excluding salary and wages, revenue, and transfers. Six digit component is used for salary, wages, revenue and transfers.

budget development– Module of the budget Prep System used by departments to plan for the next fiscal year budget

budget cycle- Planning process to develop the annual operating budget for the ensuing fiscal year (9/1-8/31)

chart of accounts (COA)- The alpha character used by Banner to designate institutions

current budget– The current fiscal year original budget minus/plus any adjustments (i.e. adjusted budget)

data enterable account code– Six digit components specifying where expenses

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GLOSSARY(continued)