

# Budget Primer for Department Chairs & Program Directors

FY2012-13

## Formula for General [State] Funds

Department Base Budget = Student Allocation + Faculty Allocation + Faculty Development

FY2012-13 Example:

Student Allocation = Total Number of Students Taught x \$5.50

Faculty Allocation = Number of Full-time Faculty x \$250.00

Faculty Development = Number of Full-time Faculty x \$600.00

Additions to Department Base Budget from E&T Fees collected are based on number of students taught in labs.

Temporary Wages

Fees/Licenses (includes insurance costs)

Educational Equipment & Supplies (includes repair and maintenance costs)

Program Budgets are established based on historical spending and anticipated needs.

## Types of Funds

"2" – General [State] funds

"3" – Receipt; "Unrestricted"; "Institutional" – however, may be restricted and treated like General/State funds

"5" – Grants or Awards

"8" – Student Organizations & Agency Funds

"9" – Endowment revenue; UNCA Foundation

## Banner Training

Navigation training – schedule with Adrienne Oliver Phone 232-5005

Complete Banner Finance Functional User Access Request Form – send to Lydia Gossett, CPO #1422 Phone 251-6818

[http://www2.unca.edu/its/banner/access\\_to\\_banner.htm](http://www2.unca.edu/its/banner/access_to_banner.htm)

Lydia Gossett will assign a Banner system ID number and initial password.

Banner Finance Training – Lydia Gossett (group sessions announced via email)

**Introduction to Banner Self Service** – training guide on Academic Affairs website

<http://academicaffairs.unca.edu/forms> Phone: 251-6502

## UNCA Purchasing “Tips”

Phone: 251-6100

Fax: 251-6840

<http://www2.unca.edu/controller/purchasing.html>

### State Contract

Establishes minimum price per item based on specifications

Comparing identical items?

Construction; inspected/tested; safety standards; warranty

Best value

Office Depot or Forms and Supplies Inc must be used for office supplies

For off contract purchasing, contact Purchasing Office or Brenda McKinney

### After-the-Fact Purchases

Personal risk.

Documentation will be required, and letter sent to supervisor and VC.

Non-compliance with Purchasing Policy; State audit finding.

<http://www.unca.edu/policies/22.pdf>

### American Express Card

Used only for authorized, eligible UNCA travel costs.

Hotel can/must split out personal expenses.

Can/will be cancelled if used for personal expenses, even if personal funds are used to pay balance.

Billing cycle for American Express – 26<sup>th</sup> of the month.

### Limits on State Funds

No food or alcoholic beverage purchases, entertainment or token items, flowers, or gifts are to be paid from general [State] funds.

Book Store Purchases: Umstead Act limits departmental purchases – see Accounts Payable website.

### Purchase Requisitions

Purchase orders must be used for goods and services exceeding \$1,000.00 (excluding freight) prior to making any commitments with vendors.

Attach/staple specifications and written quotes.

Include fund and account numbers.

An item is not considered to be “equipment” unless it costs at least \$500 and has a minimum 2-year useful life; use educational or office “supplies” categories for items under \$500.

Authorizing signature must be supervisor; if the requestor is the Dept chair, then the Dean must sign.

Allow sufficient processing time for specifications, vendor selection, quotes [\$3,000 threshold] & bids [\$5,000 threshold].

Online requisitioning via BulldogBuyWay.

Keep copies of requisitions and all attachments.

## UNCA Accounts Payable “Tips”

Phone: 251-6663

Fax: 251-6039

<http://rocky2.unca.edu/controller/ap.html>

### Check Requests

Check Request forms may be used to pay “vendors” in advance for registration fees, dues, memberships, and travel regardless of amount. “Travel” includes bus trips, airfare, auto rental, and hotels.

#### Original receipts

Merchandise ordered online – attach:

(1) Proof of payment

Detail needs to show item description and per item price, and  
Usually show payment method; if not, copy of credit card statement.

(2) Proof of receipt

Packing slip, or  
Copy of order with written certification (sign and date) that items were  
received on (date) in good condition.

Cannot “mix” fund types on one check request.

Authorizing signature must be supervisor: if the requestor is the Department Chair or Program Director, then the Dean must sign.

### Payments for Purchase Orders

Invoices sent to Accounts Payable.

Written authorization to pay comes from recipient.

### Business Meals

Limited to non-State funds.

Must provide written documentation for IRS required “business connection”:

- (1) List of attendees.
- (2) Agenda, or brief description of what was discussed/purpose of gathering.
- (3) Explanation of why meeting was held during meal time.

### No Gift Certificates or Gift Cards for Services – regardless of funds

Students/faculty/staff – payment for services via payroll process.

Honorarium – see Accounts Payable website.

### Purchasing or Accounts Payable Assistance

**Brenda McKinney**, Director of Business Services    Phone: 232-4999

See “Purchasing Fundamentals” presentation attachment.

## Academic Affairs Travel Guidelines & Travel Authorization Form

<http://academicaffairs.unca.edu/forms>

Phone: 251-6502

Use the **Travel Authorization Form** available on the Academic Affairs website (address above) for all University related travel, whether or not reimbursement is requested.

### UNCA Travel Office “Tips”

Phone: 251-6243

Fax: 251-6840

<http://www2.unca.edu/controller/Travel.html>

### Check Requests

Use Check Request form for advance payments to “vendors” for registration, airfare, & hotel; if personal credit card is used, reimbursement is after the trip. . . with one exception. Airfare prepaid by the traveler may be reimbursed prior to the trip **IF**: (1) the airfare was paid with a personal credit card; (2) a paid-in-full invoice/receipt is attached; and (3) the traveler does not have an UNC Asheville corporate credit card.

For all other travel payment requests use Travel Reimbursement Request form

### Travel Reimbursement Requests

Attach required, original receipts & other documentation (Authorization to Travel form, boarding passes, etc). The dollar amount on the Authorization to Travel form must match or exceed the amount requested on the Travel Reimbursement Request.

The times of day (out and in) need to be completed for meal reimbursements. One day trips do not receive lunch reimbursements.

Authorizing signature must be supervisor; if the requestor is the Dept Chair/Program Dir, then the Dean must sign.

Hotel receipts must have a zero balance.

Taxi and parking fees can be reimbursed with a receipt.

For airfare reimbursement, boarding passes along with the documents showing the paid ticket price are required.

For overseas travel, convert to US dollar amounts and show conversion rate.

FXConverter is an online tool; attach the conversion rate shown from FXConverter.

Completed Travel Reimbursement Requests must be received in the Controller’s Office within 30 days from the day of return.

### Current Travel Rates

Meals	In-State	Out of State
Breakfast	\$8.00	\$8.00 must depart prior to 6 am
Lunch	\$10.45	\$10.45 must depart prior to 12 pm, return after 2 pm
Dinner	\$17.90	\$20.30 must depart prior to 6 pm, return after 8 pm
Lodging	\$63.90	\$75.60

**Mileage:** 56.5 cents per mile **IF** no state car available, 30 cents if you choose not to use a state vehicle and one is available.

## Information for Academic Departments on Equipment Purchases

### General points on equipment purchases

1. There are three basic options for purchasing instructional and research equipment: department operating budgets, GA biennium requests, and annual internal requests for unallocated/unspent funds. Operating budgets can fund equipment at any point in time; GA requests and internal requests have specific timetables.
2. Our general guideline is that an item is not considered to be “equipment” unless it costs at least \$500 and has a useful life of at least 2 years. Items meeting these criteria can be considered for GA and/or internal requests for funds. The total item cost estimate should include all the required/necessary accessories (e.g. batteries, bulbs). Items of lesser cost should be purchased with department operating funds.
3. Warranties and maintenance agreements cannot be included in requests for GA funds. These must be covered either through department operating budgets or other internal funds. If a warranty/maintenance is critical to the use of the equipment, the department must make sure that these costs can be covered before buying the equipment.
3. There are no specific dollar limits to equipment requests. Departments should carefully consider how the equipment will be used and make sure to buy equipment that is appropriate for use by students and/or faculty for a reasonable period of time (i.e. items that will not need replacement before the end of their stated useful life).
4. All equipment that is available on state contract must be purchased on state contract. Items not on state contract must be sent out for bids.

### GA biennium equipment requests

1. Each campus may submit equipment requests to GA on a biennial basis. The University's request for equipment for the 2015-2017 biennium will be submitted in August 2014. Consequently, departmental biennium requests must be submitted to their program area Dean by May 31, 2014.
2. There are two equipment lists submitted, a replacement list and a new equipment list. Each list is itemized and includes estimates of cost and useful life. For equipment to be placed on the replacement list, the new item must have the same instructional or research function as the item it replaces (i.e. it does not have to be the identical item). If a department needs to replace equipment and also increase the number of units purchased (e.g. replace 8 microscopes with 10 microscopes), part of the equipment should be requested as “replacement” and the remainder should be requested as “new”.

3. There are two reasons why it is in our best interest to place as many items as possible on the replacement list. First, GA will only fund part of the request, so submission of a complete request is very important. Second, we have some flexibility to move items that were on the list but unfunded into the to-be-purchased category. For example, if we are able to purchase a funded item with internal dollars, the GA dollars become available for an item of equivalent cost from the replacement list that was not originally funded.

### **Internal equipment requests**

1. There are two potential outside-department sources of additional funds for equipment: Academic Affairs, currently through the Office of the Deans, and Senior Staff. Each Dean currently receives a small operating budget which he or she can use to cover the cost of activities/purchases within his/her program area. Senior Staff has the opportunity to reallocate unspent state funds from all accounts as the end of the fiscal year approaches.

2. Equipment purchases from either source are made based on equipment requested for purchase within a given academic year (see item #1 below).

### **Deadlines for internal equipment requests**

1. Equipment to be replaced or new equipment to be acquired by the end of an academic year should be requested by September 15.

2. Equipment to be replaced or new equipment to be acquired during the next academic year (July 1 to June 30) should be requested by the end of May.