

## VII-2 Budget Development

## NORTHWESTERN STATE UNIVERSITY Budget Development User's Guide

### Budget Model

The Planning, Programming, and Budget Execution (PPBE) model best fits the University's Budget Development. This model provides the appropriate incentives; it is inclusive, emphasizes a high level of transparency in concert with the principles of our strategic intent while providing the information necessary for sound decision-making, support innovation and entrepreneurship, and helps the University maximize support from campus stakeholders and private donors. It remains a critical component of Northwestern's Institutional Effectiveness Model.

The PPBE model is predictive in nature, looking over the horizon and best serve by maximum participation by the stakeholders. The model provides budgetary guidance early in the process to allow adequate time for subordinate budget development, but by not considering costs as a limiting factor, recommendation of requirements are unrestrained. Each budget unit briefs requirements to the next higher authority in open forums. All requirements should support our Strategic Plan and be documented on a prioritized List of Enhancement Budgetary Priorities (1-N). The Strategic Planning and Budgeting Committee (SPBC) is responsible for budget recommendations to the President's Budget Advisory Council (PAC), and the President's Budget Advisory Council serves as the approving authority unless otherwise delegated. The SPBC and PAC will review and update this process annually and published changes in the appropriate Strategic Plan assessment cycle document. Northwestern will conduct semiannual (academic year) budgetary reviews to measure progress and make adjustments as required.

This process is a component of the University's Effectiveness Policy.

### Planning, Programming, and Budget Execution (PPBE) Process

The PPBE model is a four phase overlapping process:

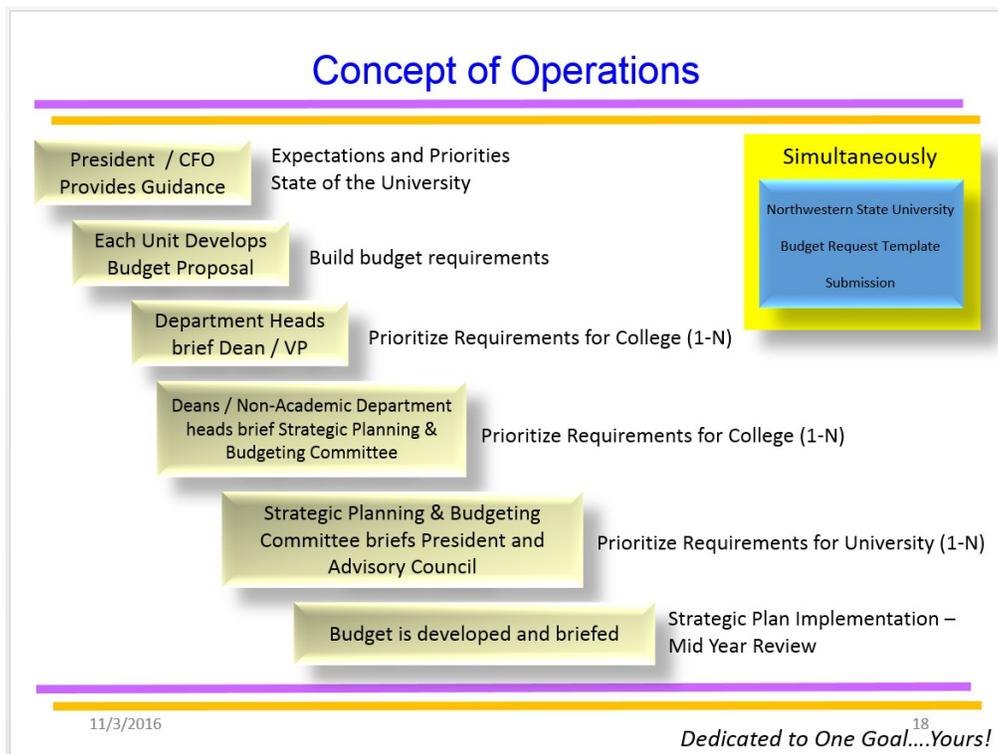
- A. **Planning.** The Planning Phase is the definition and examination of alternative strategies, the analysis of changing conditions and trends, threat, technology, and economic assessments in conjunction with efforts to understand change and the long-term implications of current choices and the guidance required to initiate the second phase. The University President owns this phase along with the VP Business Affairs and anyone else deemed necessary by the President. The President briefs the "State of the University" to university personnel and other appropriate audience members ensuring to provide the desired guidance to allow for budget development. The PPBE calendar is presented as part of the session. The Strategic Planning and Budgeting Committee (SPBC) will develop the budget development calendar.
- B. **Programming Phase.** The Programming Phase begins immediately after the President disseminates budgetary guidance. This phase defines and analyzes requirements as envisioned to underpin our Strategic Plan and intents. In this phase, each organizational unit, operating with an independent budget, prepares and briefs its requirements to its next higher authority. For example, Deans will determine internal to their college who must develop and brief their budget requirements. Simultaneously, each unit prepares its NSU Budget Request Template as part of its

submission. Once complete, the Dean will analyze each department’s requirements, capturing each requirement into a prioritized List of Enhancement Budgetary Priorities (1-N). Colleges will then brief the Strategic Planning and Budgeting Committee (SPBC) on their consolidated budget requirements. Administrative agencies/organizations will follow the same blueprint and brief their respective Vice President or equivalents or similar authority. University stakeholders own this phase. The tangible products produced in this phase are the budget brief and corresponding Budget Request Template by each organization.

- C. **Budgeting.** The Budgeting Phase begins once all budgetary briefs are complete and all corresponding Budget Request Templates have been submitted. This phase includes review, formulation, justification, preparation, and presentation of the proposed NSU budget. The primary purpose is to have the Strategic Planning and Budgeting Committee (SPBC) scrutinize and prioritize the requirements presented during the programming phase by University subcomponents. The product of this phase is a budget proposal submitted to the President and his Advisory Council (PAC). This phase concludes with the production and presentation of a University budget in an open forum. The Strategic Planning and Budgeting Committee (SPBC) owns this phase.
- D. **Execution.** The Execution Phase is the real world application and begins once the President approves and presents the budget for the academic year. This phase includes a periodic evaluation via a mid-year review to assess budget execution to date and any necessary adjustments. The VP Business Affairs owns this phase.

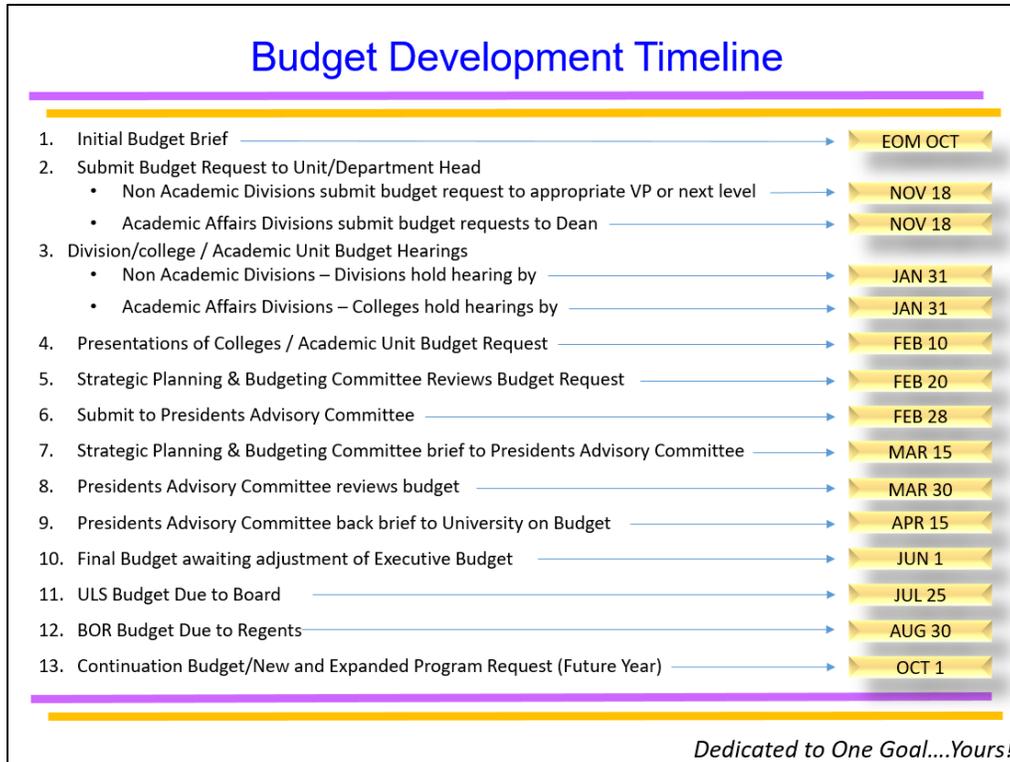
Quarterly mandatory budget review is conducted by the Board of Supervisors. Monthly budget updates are distributed to the Leadership Team.

E. Graphical depiction of the PPBE.



## Budget Development Timeline

The Strategic Planning and Budgeting Committee (SPBC) will determine what is feasible and reasonable and will develop the calendar/timeline. Below is the timeline for the 20XX – 20XX budget request cycle.



## Strategic Planning and Budgeting Committee

Critical to this process is the establishment of the Strategic Planning and Budgeting Committee (SPBC). The SPBC members include the College Deans, Executive VP for University and Business Affairs, VP Academic Affairs/Provost, VP Student Experience, VP Technology Innovation and Economic Development, VP External Affairs, VP Business Affairs (ex officio), Faculty Senate President, Executive Director Institutional Effectiveness & Human Resources, and Student Government President, legal subject matter expert (SME), and both faculty and staff representatives.

**NOTE:** *The President or his designee will determine the committee chair and the number and duration of faculty and staff committee membership. Anticipated duration of service is one complete budget cycle.*

The SPBC has the following responsibilities:

- A. **Align resources with institutional priorities:** Clearly communicate a commitment to support initiatives tied to the presidential priorities strategic intents of the University, as outlined in The Strategic Plan.
- B. **Improve budget transparency:** Per Phase 2, implement a process that empowers stakeholders to make budget recommendations with the Budget Enhancement Proposal process to make the recommendation for the allocation of new resources. The committee will rank order proposed enhancements in its recommendation to the President and his advisory council for decision. Most importantly, the committee will conduct all briefings (colleges and appropriate administrative departments) in open and public forums, making available its recommendations to the entire University community.
- C. **Reward entrepreneurial efforts:** In recommending the allocation of new resources and/or the reallocation of existing resources, the committee should favorably view and reward proposals that aim to increase net revenues to the University and support our strategic intents.
- D. **Reconcile program costs and revenues:** In making recommendations, the budget committee should be equipped with standardized and up-to-date data on the expenses and revenues associated with programs and/or organizational budget units. This information is provided by the 90 – Budget Unit/Index Account Statement Argos Report for each Budget Unit Head’s budget unit/index.

If you do not have access to Argos Reports, you can use the following Banner forms:

- **FGIBAVL – Budget Availability Status** which gives an overview of each department’s Budget Unit/Index.
- **FGIBDST – Organization Budget Status** which gives a summary of account activity organized by Account code for each department’s Budget Unit/Index.

See the [Checking Budget Availability](#) User’s Guide in the Banner Finance Departmental User Guides.

- E. **Enhance local autonomy:** With the approval of the appropriate supervisor(s), financial managers can give the latitude to develop and present proposals to the committee. Additionally, all support cost funds should be interchangeable and available for alternative uses. For academic departments within a college, this should be at the college level. For all other units, this should be at the division level. This type of enhanced flexibility would promote more thoughtful, efficient and creative uses of University funds.
- F. **For Non-Operating Units Promote improved fiscal stewardship and accountability:** Non-operating fund budget units that end a fiscal year with a positive fund balance might be able to carry forward remaining funds to the following fiscal year some portion of the prior year balance. While the carry-forward amount would depend on the overall financial position of the University at year-end, the goal would be to allow as much carry-forward as fiscally possible. Likewise, an organizational unit that overspends its budget is accountable through some commensurate penalty.

*NOTE: Operating Fund “surpluses” are not available for carry forward.*

- G. **Develop timeline, schedule budget hearings, and present a University budget:** The SPBC committee develops the briefing calendar. Once the briefings are complete, the committee will develop a comprehensive University Budget proposal with a 1-N list of all enhancement requirements to the President and his Advisory Council (PAC) for consideration and decision.
- H. **Reconsideration Process:** The committee will develop a process whereby a Dean or administrative equivalent can request a reconsideration of an unfunded requirement should additional compelling information warrant such. This process must occur prior to the submission of the draft budget to the President’s Advisory Council (PAC).

## University Strategic Plan

Below is a listing of the University Strategic Plan to be used for Budget Enhancement. The Framework(s) being supported should be identified in each enhancement proposal.

### University Strategic Plan and their respective University Strategic Plan & Objective Code:

<u>Code</u>	<u>University Strategic Plan &amp; Objective</u>
<b>A.</b>	<p><b>The Student Experience</b></p> <ul style="list-style-type: none"> <li>• Provide responsive student services</li> <li>• Create a community that fosters diversity and inclusion</li> <li>• Develop a unique campus life experience</li> <li>• We will provide a transformational learning and career preparation experience</li> <li>• We will increase efforts to provide for the wellness of our students</li> </ul>
<b>B.</b>	<p><b>Academic Excellence</b></p> <ul style="list-style-type: none"> <li>• Innovative instruction in the classroom and online</li> <li>• Comprehensive commitment to core competencies</li> <li>• Exemplary graduate and professional school preparation</li> <li>• Validated assessment of educational outcomes</li> <li>• Quality student-faculty relationships</li> </ul>
<b>C.</b>	<p><b>Market Responsiveness</b></p> <ul style="list-style-type: none"> <li>• Graduates prepared to work, learn, and lead</li> <li>• Alignment with tomorrow's workforce demands</li> <li>• Class-leading employer service</li> <li>• Delivery of industry recognized competencies</li> <li>• Continuous reflection and thoughtful advancement</li> </ul>
<b>D.</b>	<p><b>Athletic Prominence</b></p> <ul style="list-style-type: none"> <li>• Peerless scholar athlete success</li> <li>• Demonstrated social responsibility</li> <li>• Enhanced return on financial investment</li> <li>• Competitive excellence</li> </ul>
<b>E.</b>	<p><b>Community Enrichment</b></p> <ul style="list-style-type: none"> <li>• Robust alumni engagement</li> <li>• Mutually beneficial donor relationships</li> <li>• Thriving town/gown relationships in Natchitoches/Leesville/Shreveport/Alexandria</li> <li>• World-class performing arts programming</li> </ul>

Other high-priority budget enhancement proposals that cannot be justified in terms of these tenets can be submitted for consideration.

## President's Advisory Council

The President will personally select and notify requested members to serve on his Advisory Council (PAC). The only standing members are the VP Business Affairs and the University Internal Auditor.

### Briefing Format Template

The exact SPBC briefing format is not prescriptive but rather descriptive in that the brief must provide all necessary information to allow the committee to prioritize and integrate requirements into a University Budget.

Briefing Format Template	
Title Department/College	Complete the appropriate Budget Request Forms
1. Base Budget (any changes or reorganization)	Current Fiscal Year Adjusted Budget which is the Original Budget less Approved New Non-Recurring expenditures.
2. Personal Services Request (teaching and nonteaching)	Complete – Budget Request Form I
3. Support Cost (any changes – increase or reduction) Why and impact	Complete –
a. Support Cost Reallocation Request <i>(No Total Support Cost Increase Request)</i>	Budget Request Form II
b. Support Cost Request New Recurring and/or New Non-Recurring Requests required to sustain and maintain current operations	Budget Request Form III
4. Budget Enhancement Requests New Recurring and New Non-Recurring How it supports Strategic Plan	Complete – Budget Request Form IV
5. Capital Investment or other Recommendations How it supports Strategic Plan	Complete – Budget Request Form V
6. Concerns	Open discussion during presentation and noted in minutes.

Budgetary approval levels are as follows:

- Level 1 – Department Head/Budget Unit Head
- Level 2 – Deans/Approving Agent
- Level 3 – Strategic Planning and Budget Committee (SPBC)
- Level 4 – President's Advisory Council (PAC)

## 1. Base Budget

This information is provided by the 90 – Budget Unit/Index Account Statement Argos Report for each Budget Unit Head’s budget unit/index.

If you do not have access to Argos Reports, you can use the following Banner forms:

- **FGIBAVL – Budget Availability Status** which gives an overview of each department’s Budget Unit/Index.
- **FGIBDST – Organization Budget Status** which gives a summary of account activity organized by Account code for each department’s Budget Unit/Index.

## 2. Personal Services – Budget Request Form I

Use this from to recap specific personal services request for new positions. Each request must be fully documented

Required Approval Levels:

Level 1 – Department Head/Budget Unit Head

Level 2 – Deans/Approving Agent

Level 3 – Strategic Planning and Budget Committee (SPBC) *(for Enhancement Request only)*

Level 4 – President’s Advisory Council (PAC)

## 3. Support Cost

### a. Support Cost Reallocation Request – Budget Request Form II

Use this form when not requesting an increase or decrease of the Base Budget, and to request a reallocation of Base Budget Support Cost Categories of Expenditures, i.e. move supplies to travel, Capital Outlay to Operating Services, etc.

Required Approval Levels:

Level 1 – Department Head/Budget Unit Head

Level 2 – Deans/Approving Agent

### b. Support Cost Request New Recurring and/or New Non-Recurring – Budget Request Form III

When submitting changes to support cost, specifically increases, those increases should be identified as either **recurring**, such as mandatory increases in the cost of a renewal for a maintenance contract or the increase in membership dues which you cannot control; versus a **non-recurring** cost such as replacing a file cabinet, one-time cost to present a paper or replacement of existing equipment etc.

These are cost incurred due to existing programs or activities and are not related to an enhancement proposal and are required to sustain and maintain current operations.

Required Approval Levels:

Level 1 – Department Head/Budget Unit Head

Level 2 – Deans/Approving Agent  
 Level 4 – President’s Advisory Council (PAC)

4. Budget Enhancement Proposal Request New Recurring and New Non-Recurring – Budget Request Form IV

**New recurring and non-recurring** cost related to an **enhancement proposal**.

These increases would be adding a new maintenance agreement, or purchasing new equipment, to support a new or enhance and existing program or function for which funding does not currently exist.

Required Approval Levels:

Level 1 – Department Head/Budget Unit Head  
 Level 2 – Deans/Approving Agent  
 Level 3 – Strategic Planning and Budget Committee (SPBC)  
 Level 4 – President’s Advisory Council (PAC)

5. Capital Investments Request – Budget Request Form V

Capital Investments requests are considered to be New Non-Recurring request and consist of three major categories of **capital outlay expenditures categories**:

- a. Acquisitions of immovable property: which includes land, and land improvements.  
 Acquisitions of movable property: which includes purchase of equipment, computers, mowers, etc.
- b. Major Repairs: which includes remodeling of a room, replacement of HVAC systems, etc. These request are routed through Physical Plant.
- c. Capital Outlay request that are submitted for state or other funding for projects such as total roof replacement, new building construction, complete building renovations, and infrastructure additions/upgrades. These request are routed through Physical Plant for submission to the state for consideration or be placed in the states capital outlay budget or other sources of funding.

Required Approval Levels:

Level 1 – Department Head/Budget Unit Head  
 Level 2 – Deans/Approving Agent  
 Level 3 – Strategic Planning and Budget Committee (SPBC)  
 Level 4 – President’s Advisory Council (PAC)

**Organization's Name**

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**Strategic Planning and Budgeting Committee**

**Budget Brief**

**18 November 2015**

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11/4/2016 *Dedicated to One Goal...<sup>2</sup>Yours!*

**Base Budget**

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Any changes or reorganization

Impact

Cost

How it supports Strategic Framework?

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9/8/2017 *Dedicated to One Goal...<sup>3</sup>Yours!*

**Personnel and Services**  
(Budget Request Form I)

Teaching / Non teaching

Impact

Cost

How it supports Strategic Framework?

9/8/2017

*Dedicated to One Goal...<sup>4</sup>Yours!*

**Support Cost**  
(Budget Request Form II & III)

Any changes – increase - decrease

Impact

Cost

How it supports Strategic Framework?

9/8/2017

*Dedicated to One Goal...<sup>5</sup>Yours!*

## Budget Enhancement Request (Budget Request Form IV)

New Recurring and/or New Non-Recurring

What

Impact

Cost

How it supports Strategic Framework?

9/8/2017

*Dedicated to One Goal...<sup>6</sup>Yours!*

## Capital Investments (Budget Request Form V)

What

Impact

Cost

How it supports Strategic Framework?

9/8/2017

*Dedicated to One Goal...<sup>7</sup>Yours!*

## Concerns

What

Why

Impact on Strategic Framework?

9/8/2017

*Dedicated to One Goal...<sup>8</sup>Yours!*

## QUESTIONS

9/8/2017

*Dedicated to One Goal...<sup>9</sup>Yours!*





## Budget Request Template

**Purpose and Scope.** This procedure outlines the procedures for budget development.

**Reference.** Annually this procedure is updated for the requested Fiscal year and the link activated for access to date specific data, forms, and instructions as required by Legislative, Board, State Budget Office and University directives, laws, policy and procedures. See [Banner Finance Ledgers and Chart of Accounts](#) for fund, index/budget unit, revenue, and expenditure referencing and codification.

**Applicability.** All University employees will follow this budgeting model and process as described in the below text.

**Strategic Planning and Budgeting Committee.** The Strategic Planning and Budgeting Committee (SPBC) at Northwestern State University will serve in an advisory role to the President and his Advisory Council (PAC). The role of the Committee is to assure a transparent, predicative, systematic, inclusive planning, programing, and budgetary decision-making process.

**Budget Preparation.** Given the general fiscal condition of the state and the level of state funding to higher education, your standard academic year support budget requests should reflect a balanced plan.

### 1. Base Budget

This information is provided by the 90 – Budget Unit/Index Account Statement Argos Report for each Budget Unit Head’s budget unit/index.

If you do not have access to Argos Reports, you can use the following Banner forms:

- **FGIBAVL – Budget Availability Status** which gives an overview of each department’s Budget Unit/Index.
- **FGIBDST – Organization Budget Status** which gives a summary of account activity organized by Account code for each department’s Budget Unit/Index.

### 2. Personal Services – Budget Request Form I

**Operating and Non-Operating Fund Budget Units.** Personal Services Request for Budget Development Purposes are for budget only. Request for personnel actions are to be processed on the appropriate forms and routed through the appropriate approvals to Human Resources. All new request on Form I – Personal Service Request should be routed to the Executive Director of Institutional Effectiveness and Human Resources with a copy to Business Affairs.

**Salary Adjustments.** Salary adjustments, merit increases and reallocations for incumbent personnel and positions will be budgeted through the personnel evaluation procedure or salary plans and will not be submitted with this budget request. Consult with your Approving Agent/Dean and Vice President or equivalent for specific guidance in your salary requests.

**New Positions.** The **Personal Services Request Form, Form I**, is to recap specific personal services request for new positions. Each request must be fully documented.

**Adjunct Instruction and Extra Services.** Operating Fund academic budget units must submit adjunct instruction and "teaching" extra services requests to the VP Academic Affairs/Provost.

Requests will be compiled by the VP Academic Affairs/Provost and submitted to be included in the university's budgets. Academic adjunct instruction and "teaching" extra services are budgeted in a pool and will be allocated to the budget units as the funds are expended. The VP Academic Affairs/Provost approves the assignment of academic adjunct instruction and "teaching" extra services and identifies the Budget Units to be charged. The pool will be allocated to budgets as charges are incurred.

"Non-teaching" extra services are charged directly to the budget units and must be requested by the budget units and submitted through the approval route to the appropriate Vice President or equivalent. Requests for "non-teaching" extra services must be fully justified and comply with applicable university policy and procedure.

**Educational Increments and Promotions in Rank.** Educational increments and promotions in rank are submitted to the VP Academic Affairs/Provost through the university's procedures for educational increments and promotions in rank and are included in the budget request through that office.

**Leaves of Absence.** Leaves of absence are submitted to the VP Academic Affairs/Provost through the university's procedures for leaves of absence and are included in the budget request through that office.

**Summer Salaries.** Summer salaries are included in the budget request through the Provost. Contact that office for specific instructions.

**Graduate Assistants.** Graduate assistants will be charged to the budget unit assigned. Budget units must request graduate assistants. The VP Academic Affairs/Provost and Graduate School coordinates the assignment of graduate assistants. A graduate assistant "pool" will not be budgeted. Contact the Provost for salary rates, assistantship requirements and specific instructions. Approved requests will be included in the budget request by the Dean.

**Overtime.** Budget units must request overtime. Justification for overtime work must be submitted through the approval route to the appropriate Vice President or equivalent. Approved requests will be included in the budget request by the Vice President or equivalent. An overtime "pool" will not be budgeted.

Overtime will be charged to the budget units incurring the overtime work.

**Wages of Labor.** Requests for Non Classified Seasonal, Intermittent or Part-Time Employees (wages-of-labor) must be requested by the budget unit. Requests must be specific as to justification and need, hourly rate of pay, number of hours for fiscal year and work schedule. A "wages-of-labor pool" for use by budget units will not be budgeted. You must make specific requests for all "wages-of-labor", including persons now employed that you wish to continue to employ as "wages-of-labor" employees.

Requests for wages of labor should be limited to specific "seasonal operations". Do not anticipate use of wages of labor for vacancies that occur during the fiscal year. All requests must be submitted through the approval route to the appropriate Vice President or equivalent. Approved requests will be included in the budget request by the Vice President or equivalent.

**Student Labor.** Student workers are assigned through the Office of Student Employment.

Operating Budget Units will not budget student labor. Student labor pools are budgeted in the Operating Fund and allocated to the budget units as the funds are expended. The Student Employment section of Financial Aid identifies where the budget units' student workers are assigned and charged.

Non-Operating Budget Units' student labor is not funded by the Operating Fund and must be budgeted. The number of student workers, hours of employment and rate of pay must be coordinated with Financial Aid Office of Student Employment.

Submit each personal services request to the appropriate Approval Levels.

Required Approval Levels:

Level 1 – Department Head/Budget Unit Head

Level 2 – Deans/Approving Agent

Level 3 – Strategic Planning and Budget Committee (SPBC) (*for Enhancement Request only*)

Level 4 – President's Advisory Council (PAC)

Final Level Approvers should email the approved personal services request to Business Affairs ([budget@nsula.edu](mailto:budget@nsula.edu)) and Human Resources ([humanresources@nsula.edu](mailto:humanresources@nsula.edu)).

### 3. Support Cost

Support costs budgets include travel, operating services, supplies, professional services, other charges and capital outlay expenditure categories. Submit your support cost requests through your Approving Agent/Dean to your Vice President or equivalent and to Business Affairs. A copy should also be routed to the SPBC.

Operating Fund Support Costs requests will be submitted in two parts:

#### a. Support Cost Reallocation Request – Budget Request Form II

If you do not wish to reallocate your academic years 20\_\_\_-\_\_\_ support budget for 20\_\_\_-\_\_\_, you do not have to submit any reallocation budget requests. You must, however, on Form II indicate you are not submitting any changes for your 20\_\_\_-\_\_\_ budget and request that your 20\_\_\_-\_\_\_ original budget be “rolled” to 20\_\_\_-\_\_\_ and submit it to the offices specified. Signatures on Form II requesting that your current budget be “rolled” serve as testament that current allocation of resources continue to support university mission, vision, values, and goals, including individual unit plans.

You may reallocate funds budgeted for 20\_\_\_-\_\_\_ by completing Form II and submitting them through the offices specified.

**NOTE:** *If nothing is requested/no forms returned prior year budgets will be rolled as current year allocation.*

Instructions for completion of the Support Costs Re-allocation Request, Form II, are as follows:

- i. Re-allocate (shift) your 20\_\_\_ - \_\_\_ support cost budget to reflect your 20\_\_\_ - \_\_\_ use of your 20\_\_\_ - \_\_\_ allocation.
- ii. To complete the Revised Budget column, this information is provided by the 90 – Budget Unit/Index Account Statement Argos Report for each Budget Unit Head’s budget unit/index.

If you do not have access to Argos Reports, you can use the following Banner forms:

- FGIBAVL – Budget Availability Status which gives an overview of each department’s Budget Unit/Index.
  - FGIBDST – Organization Budget Status which gives a summary of account activity organized by Account code for each department’s Budget Unit/Index.
- iii. Enter your 20\_\_\_ - \_\_\_ re-allocation of your 20\_\_\_ - \_\_\_ allocation in the Re-Allocated Budget Request for 20\_\_\_ - \_\_\_ column.
  - iv. Do not exceed your 20\_\_\_ - \_\_\_ Support Costs Revised Budget as of September 30, 20\_\_\_ - \_\_\_.
  - v. Compute the difference between Revised Budget 20\_\_\_ - \_\_\_ column and the Re-Allocated Budget Request for 20\_\_\_ - \_\_\_ column, and enter in the Variance column. The Total Variance must be zero ( -0- ) or less.
  - vi. Do not enter cents, enter only whole numbers.

Required Approval Levels:

- Level 1 – Department Head/Budget Unit Head
- Level 2 – Deans/Approving Agent

Final Level Approvers should email the approved request to Business Affairs ([budget@nsula.edu](mailto:budget@nsula.edu)).

- b. Support Cost Request New Recurring and/or New Non-Recurring – Budget Request Form III

When submitting changes to support cost, specifically increases, those increases should be identified as either **recurring**, such as mandatory increases in the cost of a renewal for a maintenance contract or the increase in membership dues which you cannot control; versus a **non-recurring** cost such as replacing a file cabinet, one-time cost to present a paper or replacement of existing equipment etc.

These are cost incurred due to existing programs or activities and are not related to an enhancement proposal and are required to sustain and maintain current operations.

Your budget should reflect a unit process of budget planning and development before submitting it to your Approving Agent/Dean and Vice President or equivalent. Your Dean or Vice President or equivalent will submit copies of your budget requests to the Strategic Planning and Budgeting Committee.

Submit your budget requests to the offices specified on or before **November 18, 20XX**. Submit a copy of each of your requests and proposals directly to Business Affairs.

Below are general and specific instructions for the preparation of the 20\_\_ - \_\_\_\_ Budget Planning Process.

Instructions for completion of the Support Cost Request New Recurring and/or New Non-Recurring – Budget Request Form III are as followed:

- i. Identify the New Recurring and/or New Non-Recurring as either supporting a support cost request or not.
- ii. For New Recurring  
Identify expenditures which will recur on an annual basis beginning with fiscal year 20\_\_ - \_\_\_\_, such as maintenance contracts on new equipment or software, new programs, etc.

For New Non-Recurring

Identify expenditures for fiscal year 20\_\_ - \_\_\_\_ which will not be recurring on an annual basis, such as accreditation visits, in-service workshops, presentations of papers, new equipment, etc.

- iii. List each request at the expenditure category level.

Required Approval Levels:

Level 1 – Department Head/Budget Unit Head

Level 2 – Deans/Approving Agent

Level 4 – President’s Advisory Council (PAC)

Final Level Approvers should email the approved request to Business Affairs ([budget@nsula.edu](mailto:budget@nsula.edu)).

#### **4. Budget Enhancement Proposal Requests – Budget Request Form IV**

Even though we have budget constraints, the university is involved in an ongoing process of using resources to support efforts to excel in spite of these constraints. Consistent with the goal cited above, the university has established a planning process to use *budget enhancement* resources, including University and private to support, on a priority basis, initiatives that move Northwestern forward, toward attainment of Strategic Plan. Requests for budget allocation whether standstill or enhancement, must support the university mission, vision, values and goals, including individual unit plans.

Budget Enhancement Proposals should be submitted for funding consideration. Proposals should be submitted with the New Recurring Enhancement Requests form and New Non-Recurring Enhancement Requests form. To be considered, these proposals must be linked to the university's Strategic Plan for Budget Enhancement Proposals for Fiscal Year 20\_\_-\_\_, which are listed here in. Other high priority budget enhancement proposals that cannot be justified in terms of the Strategic Plan may be submitted. Budget Enhancement Proposals that include (1) technology requests must also have a copy of the proposal routed to the Chief Information Officer (CIO) for review and recommendation to the Strategic Planning and Budgeting Committee (SPBC). Facilities requests must also have a copy of the proposal routed to the Facilities Management Committee (FMC) through the Executive VP for University and Business Affairs for review and recommendation to the Strategic Planning and Budgeting Committee. The Strategic Planning and Budgeting Committee will submit their recommendations to the President's Advisory Board for consideration / approval as part of their budget recommendation.

Each Budget Enhancement Proposal will be returned to you by your Vice President or equivalent indicating its recommendation or approval or disapproval.

Your budget should reflect a unit process of budget planning and development before submitting it to your Approving Agent/Dean and Vice President or equivalent. Your Dean or Vice President or equivalent will submit copies of your budget requests to the Strategic Planning and Budgeting Committee.

Submit your budget requests to the offices specified on or before **November 18, 20XX**. Submit a copy of each of your requests and proposals directly to Business Affairs.

Below are general and specific instructions for the preparation of the 20\_\_-\_\_ Budget Planning Process.

The Budget Enhancement Proposal is submitted by completion of Form IV – Budget Enhancement Proposal Request, if your proposal includes personal services you will also need to complete Form I – Personal Services Request. Form IV – Budget Enhancement Proposal Request should also be used to identify specific support cost enhancement requests. Use Form IV to (1) link your enhancement proposal to the University's Strategic Plan your enhancement proposal will support; (2) summarize the total projected cost of your proposal; and (3) to provide a narrative to support your proposal.

***NOTE:** If you submit more than one (1) Budget Enhancement Proposal complete the appropriate forms for each proposal.*

Instructions for completion of the Budget Enhancement Proposal Requests – Budget Request Form IV are as followed:

- i. Identify the New Recurring and/or New Non-Recurring as either supporting a budget enhancement proposal or not.
- ii. For New Recurring  
Identify expenditure categories which will recur on an annual basis beginning with fiscal year 20\_\_ - \_\_\_\_, such as maintenance contracts on new equipment or software, new programs, etc.

For New Non-Recurring

Identify expenditure categories for fiscal year 20\_\_\_ - \_\_\_ which will not be recurring on an annual basis, such as accreditation visits, in-service workshops, presentations of papers, new equipment, etc.

- iii. List each request at the expenditure category level.

Required Approval Levels:

- Level 1 – Department Head/Budget Unit Head
- Level 2 – Deans/Approving Agent
- Level 3 – Strategic Planning and Budget Committee (SPBC)
- Level 4 – President’s Advisory Council (PAC)

Final Level Approvers should email the approved request to Business Affairs ([budget@nsula.edu](mailto:budget@nsula.edu)).

## 5. Capital Investments – Budget Request Form V

Capital Investments requests are considered to be New Non-Recurring request and consist of three major categories of capital outlay expenditures categories:

- a. Acquisitions of immovable property: which includes land, and land improvements. Acquisitions of movable property: which includes purchase of equipment, computers, mowers, etc.
- b. Major Repairs: which includes remodeling of a room, replacement of HVAC systems, etc. These request are routed through Physical Plant.
- c. Capital Outlay request that are submitted for state or other funding for projects such as total roof replacement, new building construction, complete building renovations, and infrastructure additions/upgrades. These request are routed through Physical Plant for submission to the state for consideration to be placed in the states capital outlay budget or other sources of funding.

Required Approval Levels:

- Level 1 – Department Head/Budget Unit Head
- Level 2 – Deans/Approving Agent
- Level 3 – Strategic Planning and Budget Committee (SPBC)
- Level 4 – President’s Advisory Council (PAC)

Final Level Approvers should email the approved request to Business Affairs ([budget@nsula.edu](mailto:budget@nsula.edu)).

## 6. Non-Operating Fund Total Revenue and Expenditure Budget Request – Budget Request Form VI

**Non-Operating Fund Total Revenue and Expenditure Budget Request.** Submit your Non-Operating Fund Budget Requests on the Non-Operating Fund Total Revenue and Expenditure

Budget Request Form VI, through your Approving Agent/Dean to your Vice President or equivalent and to Business Affairs.

Instructions for completion of the Non-Operating Fund Total Revenue and Expenditure Budget Request are as follows:

**NOTE:**        Do not enter cents, enter only whole numbers

- i. To complete the Revised Budget column, this information is provided by the 90 – Budget Unit/Index Account Statement Argos Report for each Budget Unit Head’s budget unit/index. If you do not have access to the Argos Report, use the following Banner forms:
  - FGIBAVL – Budget Availability Status which gives an overview of each department’s Budget Unit/Index.
  - FGIBDST – Organization Budget Status which gives a summary of account activity organized by Account code for each department’s Budget Unit/Index.

When budgeting prior year fund balances into current year expenditures use the Fund Balances – Budgeted – Excluding Capital Assets Argos Report to obtain prior year ending fund balances. If you do not have access to the Argos Report, use the following Banner form:

- FGITBAL – General Ledger Trial Balance which gives the fund balance for each fund for all accounts, account types, or account codes.
- ii. Enter your 20\_\_\_ - \_\_\_ revenue and expenditure category request in the Requested Budget 20\_\_\_ - \_\_\_ column.
  - iii. Compute the difference between Revised Budget 20\_\_\_ - \_\_\_ column and the Requested Budget 20\_\_\_ - \_\_\_ column and enter in the Variance column.
  - iv. Compute the total for each column.
  - v. Enter the Projected Ending Fund Balance, which is Excess Deficiency + Beginning Fund Balance.

Required Approval Levels:

- Level 1 – Department Head/Budget Unit Head
- Level 2 – Deans/Approving Agent
- Level 4 – President’s Advisory Council (PAC)

Final Level Approvers should email the approved request to Business Affairs ([budget@nsula.edu](mailto:budget@nsula.edu)).

**Revenue Projections.** Budget Units, who generate revenue through sales of services, room, board, fees, fines, penalties, etc., must complete the Revenue Projection, Form VI. Use your Revenue Account Code list. If you do not have a list, see the Revenue Account Codes section of the Banner Finance Ledgers and Chart of Accounts User Guides.

Be specific in your estimates. Provide the basis for your projections, such as projected number of rooms rented "x" room rate, projected number of applicants, "x" application fee, etc.

List your revenue projections by object of revenue and total your total projected revenue.

For non-Operating Fund requests, enter the Budget Units Total Revenue on Non-Operating Fund Total Revenue and Expenditure Budget Request, Form VI.

Compute your projected excess or deficiency. Requests to operate in a deficit situation are prohibited and will be rejected.

## Routing Budget Development Forms Electronically

All Budget Development forms should be emailed with the appropriate electronic signatures as followed:

- Level 1 Approvers should email the approved forms with the appropriate electronic signature to the next level approver.
- Next Level Approvers should email the approved forms with the appropriate electronic signatures to the next approver level.
- Final Level Approvers should email the approved forms completed with all electronic signatures to Business Affairs at [budget@nsula.edu](mailto:budget@nsula.edu).

**Important:** *In the subject line of the email, always start out with the form number that you are submitting. For example:*

*Subject: Form II – Support Cost Reallocation Request*

**NOTE:** *A copy of Form I – Personal Service Request should always be emailed to both Business Affairs ([budget@nsula.edu](mailto:budget@nsula.edu)) and Human Resources ([humanresrouces@nsula.edu](mailto:humanresrouces@nsula.edu)) for their review.*

*Once Human Resources has reviewed/edited the document, they will submit a copy to Business Affairs and the appropriate levels.*

## Instructions for Creating an Electronic Signature

Once you click the Signature field on the document, the digital ID wizard will begin. Follow the instructions on the screen:

1. I want to sign this document using:  
Select *A new digital ID I want to create now*
2. Where would you like to store your self-signed digital ID?  
Select one (1) of the following:
  - New PKCS#12 digital ID file (This option requires a password to use your signature.)
  - Windows Certificate Store (This option does not require a password to use your signature.)
3. Enter your identity information to be used when generating the self-signed certificate, which is your Name (as it will appear on the document), Organization Unit, Organization Name, and Email Address
4. If you chose Windows Certificate Store skip this step, but if you chose New PKCS#12 digital ID, you must set up a password for your digital signature.  
Choose a file location, file name, and a password to setup and use your digital ID.

## Specific Instructions for Expenditure Requests

For the Operating Fund Budget Enhancement Proposals and Non-Operating Funds, include in your expenditure category justifications the following specific information where applicable:

1. Use the following Related Benefit rates to calculate related benefits:

Teachers' Retirement	28%	Unclassified Positions (includes adjunct instructors and extra services)
Employees' Retirement	38%	Classified Positions
FICA	6.2%	Wages of Labor (All Social Security and Medicare positions)
Medicare Tax	1.45%	All Positions
Health and Life Insurance	\$ 11,873	For All Unclassified and Classified Positions (excluding adjunct instructors)

Do not calculate related benefits for graduate assistants and student employees.

2. Graduate Assistantship rates: Contact Office of VP Academic Affairs/Provost and Graduate School.
3. Student Employees rates: Contact the Office of Student Employment for the per hour rate.
4. List all maintenance contracts and other "**Operating Services**" service contracts under your operating services expenditure request.
5. Professional services requests must provide the following information for each contract:
  - a. Vendor/Contractor (if known - List profession if not known).
  - b. Service to be performed.
  - c. Amount of requested contract.
6. List capital investments using the following three major categories of capital outlay expenditures:
  - a. Acquisitions of immovable property: which includes land, and land improvements.  
Acquisitions of movable property: which includes purchase of equipment, computers, mowers, etc.
  - b. Major Repairs: which includes remodeling of a room, replacement of HVAC systems, etc. These request are routed through Physical Plant.
  - c. Capital Outlay request that are submitted for state or other funding for projects such as total roof replacement, new building construction, complete building renovations, and infrastructure additions/upgrades. These request are routed through Physical Plant for submission to the state for consideration or be placed in the states capital outlay budget or other sources of funding.

(Library reference materials are requested in a lump sum by the Library).
7. Scholarship/fee exemption requests are an Other Charges Expenditure Category and must be submitted in the following format:
  - a. Scholarship/fee exemption title
  - b. Number awarded 20\_\_ - \_\_ (full scholarship/fee exemption equivalent basis).
  - c. Number to be awarded 20\_\_ - \_\_ (full scholarship/fee exemption equivalent basis).
  - d. Value per semester (full scholarship/fee exemption equivalent basis).
  - e. Amount requested for 20\_\_ - \_\_.