Agenda

• Upcoming budget trainings
• Budget planning calendar overview
• Carryforward
• OOI/Budget Transfers
• Allocations
• UNTF Increment
• FAS salary concession true-up

• Budget to Actual
• Planning process
• FY22 update
• Next steps
Budget Training Calendar – Upcoming Dates to Note

- **April 30, 3:00-4:00:** RBI training

- **May 11, 2:00-3:00:** BBR/SWA training
  - Meeting Info being sent out tomorrow (Friday). Reach out to Bill Buddle to be included

- **May 12, 2:00-3:00:** BAC/PAD training
  - Meeting Info being sent out tomorrow (Friday). Reach out to Bill Buddle to be included

- **June 7, 2:00-3:00:** UBP and BCN training
  - Meeting Info being sent out tomorrow (Friday). Reach out to Bill Buddle to be included
Budget Calendar – Upcoming Dates to Note

- **May 3**: OOI requests due to OPB  
- **May 21**: BBR/SWA Due
- **May 21**: Special Program Fee Due
- **May 25**: OCCI Due
- **May 26**: RBI Due
- **June 7**: BCN/UBP Open
- **June 11**: Identify accounts to EXCLUDE from BCN and UBP
- **July 6**: Salary Distribution Run
- **July 9**: Carry Forward Opens
- **July 16**: Final allocations available BAC
- **August 6**: Carry Forward Due
- **August 13**: Budget Entry closed/Due
- **August 27**: Budget Applied to Ledger
FY22 Carryforward

• To increase unit flexibility, 10% carryforward parameter authorized for balances in GA, GC, GD accounts
  • Memo request for balances in excess of 10% similar to previous cycles

• Other GF sub-funds unchanged – continues as automatic for GS, GE, GH, GT, GL, others

• Timeline unchanged – continues use of PA application, calendar indicates dates – will try to expedite approvals of GA/GC/GD amounts

• Ongoing review of use of funds constraints

• Encumbrances removed from Application
Application Status Updates:

- **Special Program Fees**
  - Narrative reported to the Controller’s Office for student billing which is not consistent with MSU tuition rates
  - Submit by **May 21**

- **OCCI ( Off Campus Credit Instruction )**
  - Pass thru revenue on qualifying off campus student credit hours
  - Total allocation links to Budget Allocation based on FY18 cap
  - Submit by **May 25**
Application Status Updates:

- **RBI (Revenue Based Initiatives)**
  - Revenue share on approved online programs
  - Submit by **May 26**
    - FY22 profile / request / rates (if applicable)
    - FY21 true up (if applicable)
  - New functionality training Friday, April 30 @ 3pm

- **RFA (Research Facilitation Allocation)**
  - 10% department and 10% MAU share on IDC for research
  - FY22 model being finalized, minor adjustment to selected award
  - Initial release anticipated in coming days, will identify completion date at that time
Changes to OOI and Budget Transfers

• Currently processing

• Budget Transfers
  • Will be processed as a Base Budget Reconciliation (BBR) MAU to MAU Transfer
  • Finalizing details of each transfer with respective fiscal officers affected.

• Reach out to Charmaine Shellman for anything of concern.
Remaining FY21 Allocations

• Please review any outstanding items as we move towards year-end.

• Note any discrepancies not reflected in Program Allocations (PRA)/Program Allocation Detail (PAD) to Charmaine Shellman

• Includes various of types –
  ➢ Supplemental funding for operations during the year
  ➢ Budget Corrections
  ➢ Startup
  ➢ GII
  ➢ AI

• Please reach out to Charmaine Shellman for any remaining allocations for the FY21 year.
FY21 UNTF Raise Increments

- UNTF raise increments traditionally subsumed within broader FAS increment

- Lack of FY21 FAS increment necessitates UNTF subset

- Process similar to CLO, identifying appropriate base under review
  - Planning Analytics base identifiable but appears inadequate relative to actual expense

- FY22 budgetary approach under review to better identify and allocate
FAS Reductions Criteria and Guidelines – A Brief Overview

- Executive Managers, Deans, and Academic Managers
- Faculty and Academic Staff –
  - Full-time (90-100% FTE)
  - Non-UNTF
  - Annual salary => $50,000
- Employment offer extended on or after July 1, 2020, including new hires, re-hires, and re-appointments
- Positions funded by external grants (wholly or partially)
- Budget reduction included GF salary distribution and excluded unbudgeted GF sub-funds
- Additional 2.3% reduction applied to FY20 Budget for non-UNTF FAS open adjustments and committed adjustments
- Reductions Application –
  - EMs: 100% reduction (effective May 1st) applied to FY21.
  - Other Staff: 83.33% reduction (effective Sep. 1st) applied to FY21 and 16.67% applied to FY22
Fall True-up Adjustments Cycle – A Brief Overview

- **Requested** adjustments in a Template for employees who met the following criteria -
  - Offer letter signed before July 1 and employment start at MSU (first time) on or after July 1
  - Non-immigrant Visa Holders
  - Salary differential of at least $25,000

- **Processed** adjustments in Planning Analytics -
  - FY21 recorded as Supplemental After-Budget Program Allocation
  - Revised FY22 FAS Reduction Budget included in FY22 Allocation Letter

- **Pending** (Hold-Off status) adjustments for year-end processing -
  - Employees with employment ending at a future date
  - Leave of absence with no salary and benefits
  - Open/Committed Adjustments
  - Fluctuating appointments
  - Material variance with HR record
FY21 FAS Reduction True-Up

Upcoming Year-End True-up Adjustments Cycle

- Adjustments Template: To be emailed during the week of May 3rd
- Adjustments criteria to include guidelines for -
  - Inclusions in the Template
  - Exclusions from the Template
  - Cross referenced with HR catalog of adjustments
- Fall Cycle Pending (Hold-Off status) Adjustments: FOs will be individually contacted for additional information, if necessary, to process the adjustments
- Adjustments Template: Submission Deadline June 1st
- OPB will review the submissions and follow up with FOs for additional information, if necessary
- True-up Adjustments Communication to FOs and Processing in Planning Analytics: Prior to first close
Budget to Actual

• New Application being developed in OPB
  • Soft go-live by end of May
  • Will solicit unit feedback once active

• Will include all Sub Funds, not limited to budgeted GF

• Projections entered by users as useful to individual units

• May leverage during FY22 for unit submission pending leadership priorities
Annual Planning Process

- Planning process ongoing; academic unit discussions essentially complete

- Unit reviews ongoing; preliminary allocations anticipated in early June

- Most allocation processes running simultaneously
  - Program allocations
  - Alterations & Improvements
  - Space
  - TLE
FY22 Budget Planning

FY22 Planning: Context & Environment

• Continuing uncertainty from the COVID-19 pandemic creates a fluid and challenging planning environment

• FY21 budgeting included $59M in diminished tuition, $45M in appropriations reductions, and $45M in faculty and staff salary and benefits concessions
  • Summer enrollment indicates a decline from FY20 levels

  • Expenditures exceed budget by $15 million because CLO has not consented to salary reduction and one to one retirement match, offsetting some of the improvements noted above

• Monitor spring enrollments trends and leading indicators for Fall 2021 entering class
  • Fall enrollment appears on target, challenges ahead

• Variable legislative proposals for FY22 appropriations

• Broader financial headwinds from Residential & Hospitality Services, Athletics, and other auxiliary operations disruptions
## FY22 Increments

<table>
<thead>
<tr>
<th>FY22 Recommendations</th>
<th>% Change</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLO Wage Increases</td>
<td>2.75%/TBD</td>
<td>Trailing CLO groups to receive 2.75% in final contract period, new contract being negotiated</td>
</tr>
<tr>
<td>Health Care</td>
<td>0%</td>
<td>Second-year savings from Humana retirement plan implementation adequate to offset other increases</td>
</tr>
<tr>
<td>Other Benefits</td>
<td>2.5%</td>
<td>Campus based FICA, retirement, and related coverages; anticipates FY22 spring-back</td>
</tr>
<tr>
<td>Unit Reductions</td>
<td>-3%</td>
<td>Current planning parameter, consistent with unit planning effort target</td>
</tr>
</tbody>
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Feedback, Questions, Reach Out, Next Meeting

• Questions, comments, ideas, gripes, free associations?

• Please feel free to be in touch with anyone in our office, we value your feedback and partnership – Teams best for me, email (usually) works

• Will plan to host other interactions every couple of months, more as budget planning comes to fruition:
  • ~December 1 ✓
  • ~February 1 ✓
  • ~April 1 ✗
  • ~May 1 ✓
  • ~June 1