



TO: Deans, Directors, and Department Heads
FROM: Judith Bonner, Provost and Executive Vice President *JB*
DATE: April 24, 2019
RE: FY 2019-2020 Budget Preparation and Guidelines for Academic Affairs

Enclosed are the FY 2019-2020 operating budget yellow worksheets, the Provost and Executive Vice President calendar for budget preparation, and the Controller's Salary Guidelines for the FY2020 Operating Budget. Your adjusted budget base for FY 2019-2020 should be last year's base and any permanent budget adjustments reflected in the top section of the yellow sheet. Below are our general guidelines to follow in developing your new FY 2019-2020 budgets and adjusting the budget module with your updated information:

General Guidelines:

- **Verify the midyear salary in the budget module to ensure it matches the current salary in Banner. Corrections should be made in the budget module prior to assigning a raise.**
- **Permanent budget adjustments** that took place during FY 2018-2019 should be entered in the budget module in the **"Interim"** field.
- **Permanent budget adjustments** that will occur on or after July 1, 2019 (included as an increase or decrease in the lower half of the yellow sheet) should be entered in the **"Other"** field of the budget module.
- **Changes in salary lines** prior to July 1, 2019, should be entered in the **"Interim"** field of the budget module.
- **Faculty promotions** approved by the President should be entered in the **"Approved Promo"** field in budget module. The new adjustment increments are: **\$7,500 from Assistant Professor to Associate Professor and \$10,000 from Associate Professor to Full Professor**. (A College spreadsheet is included for list of promotions). The Budget Office will make all title changes in the budget module, but you should enter the salary increment in the budget module.
- **Faculty workload distributions** should be updated in the budget module to reflect their current workload.
- **Redistributions of funding sources** should be entered in the **"Other"** field in the budget module but must not result in an overall increase in compensation for the employee.
- **Educational achievements** should be entered in the **"ED Ach"** field in the budget module. The Educational Achievement Request Form signed by the employee's supervisor through the employee's chain of command must be submitted with the yellow budget sheets for approval by the Provost along with the official transcript. Each department is responsible for funding the salary increase. **See attached Educational Achievement Procedure for the appropriate increase amounts.**
- **Compensation adjustments** with an effective date before July 1, 2019, approved in accordance with the Staff Compensation Program Policy (HRM 60-323) should be entered in the **"Interim"** field of the budget module. Attach a **copy of the fully executed Compensation Classification Review form with your budget worksheets.**

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- **Compensation adjustments** with an effective date on July 1, 2019, should be entered in the **“Reclass”** field in the budget module. **Attach a copy of the fully executed Compensation Classification Review form with your budget worksheets.**
- **Salary dollars** should not be moved between employment categories (ex: faculty to staff, staff to faculty, graduate assistant to student worker, etc.) without prior approval by our office.
- **Salary dollars** cannot be transferred to operating lines, but the reverse is allowed.
- **Reductions in salary pools** - current student, overtime or temporary wage pools will be allowed.
- Individual names for time-limited positions (ex: lecturers), visiting faculty, rehired retirees, and graduate assistant positions should not be entered in the budget module.
- **The supplemental attachment** form should be completed, when applicable, showing any reallocations between departments with only the NET CHANGE noted on the yellow sheet under **“Reallocations between Departments.”**
- **Designated Funds budget worksheets** should be completed, printed, and submitted for review when employee salaries are paid from these funds – use the cover page provided for the appropriate signatures.

Merit Increases Guidelines:

- **Performance Based Merit Increases** for benefits eligible faculty and staff are to be entered in the “Raise” field in the Budget Module
- **Merit Increases are expected to range from 0% to 4%. Increases of greater than 4% require a detailed written justification which must be approved by the Provost and Executive Vice President by no later than 12:00 Noon, Thursday, May 9, 2019.** An explanation must be provided for filled positions without a raise allocation. This can be done via one memo with a list of the employees, their position numbers and explanations (resigned, recently employed and date, poor evaluation, etc.). Attach a copy of any justifications to the Yellow Sheets when submitting with final printouts.
- **Divisions may use other internal sources of funds in addition to the 1.5% provided;** however, we do not anticipate compensation adjustments exceeding 4% for a division as a whole. This average will be computed based on midyear filled positions from the budget module. For your convenience, the computed average will be displayed on the totals report from the budget module.
- **Merit raises are allowed** on salaries which include reclassifications, educational achievements, and faculty promotions.
- There is no hiring restriction date imposed. However, for employees who will not receive a raise due to an April 1 or later start date, please attach a memo to the Yellow Sheet that provides a list of the individual/s by name, position number and ORG.
- **All merit increases must be entered in the RAISE field of the Budget Module.**
- **Transfers from pooled positions or vacant positions must be entered into the OTHER field.**

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- All salary redistributions between funds and/or changes in FTE must be entered in the OTHER field.
- Increases to your graduate assistants or student worker lines should be entered in the OTHER field.
- *Positions which are not considered eligible and must not be used in determining your 4% cap include vacant positions, pooled wages, graduate assistants, intermittents, lecturers, and rehired retirees.*
- Attach the spreadsheet that will be provided by our office detailing your individual raises by department/unit name and ORG and email a completed copy to Diane Alexander and Susan Brooks.
- Also refer to the guidelines from the Controller's Office posted on their website at:
http://www.controller.msstate.edu/budget/Guidelines_for_budget_preparation_fy2020.pdf

PLEASE SUBMIT FINAL PRINTOUTS OF YOUR BUDGET WORKSHEETS WITH THE YELLOW BUDGET SHEETS TO OUR OFFICE NO LATER THAN FRIDAY, MAY 10, 2019, AT 12:00 NOON. EARLY SUBMISSIONS WOULD BE APPRECIATED.

Thank you for your assistance. If you have any questions or should you need additional information, please contact Diane Alexander or Susan Brooks.

C: Fiscal Affairs Business Managers