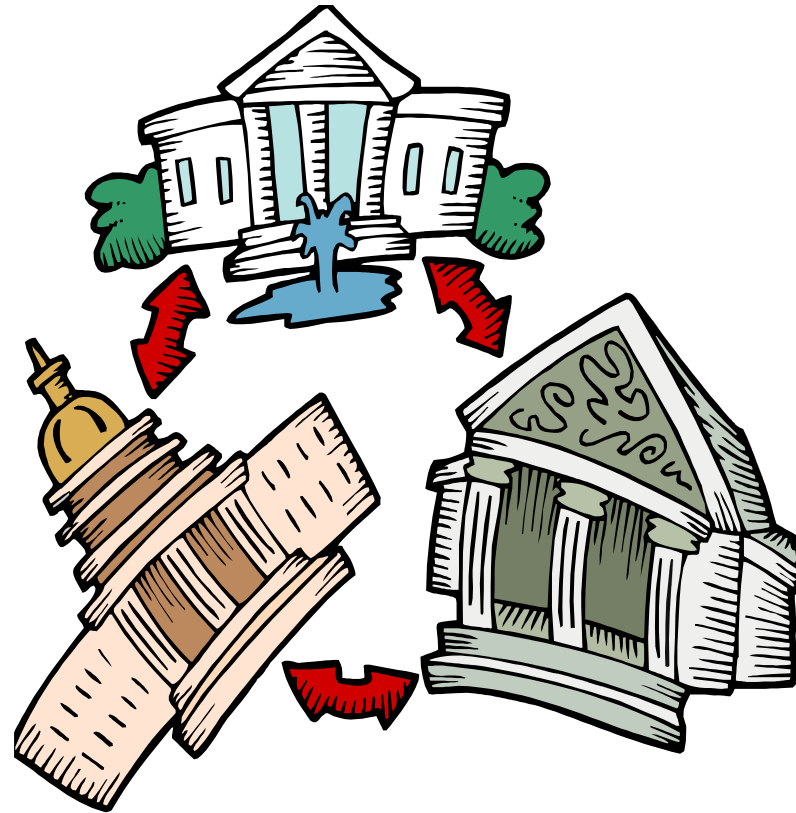


# **Welcome to the LAR Statewide Workshop**

**TASSCUBO Budget Committee**



# Legislative Process



# Texas State Legislature

- ▶ In session every two years
- ▶ Odd numbered years from Mid-January to Late May
- ▶ Must pass the State Budget (General Appropriations Act) for the next biennium

# Legislative Cycle (GAA)

LAR

- LAR's submitted by all State Agencies and Institutions of Higher Education

Legislative  
Cycle

- Base Bill(s), prepared by the LBB is filed
- House and Senate create and pass separate GAA
- Conference committee creates the final GAA

GAA

- Conference Committee version of GAA is passed by the House and Senate at end of May

# Legislative Cycle (GAA) FY 2018 – FY 2019

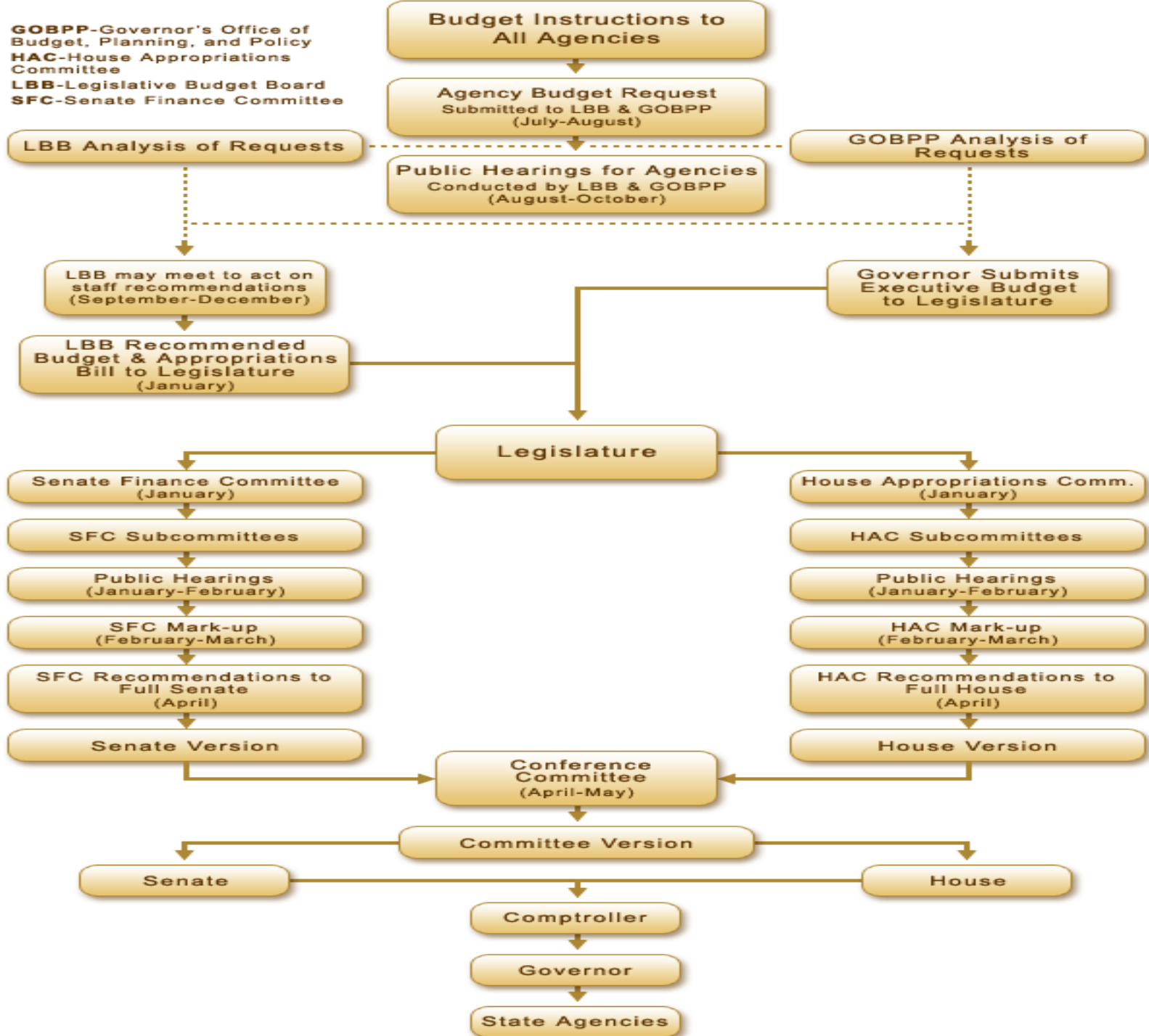
April 2016	Base Reconciliation Instructions Issued
May 2016	Budget (LAR) instructions issued by LBB and GOBPP
June 2016	Base Reconciliation is due
June – July 2016	LBB provides GR Target to Institutions
August 2016	Agency Budget Request (LAR) submitted to LBB & GOBPP
August – September 2016	Public Hearings conducted by LBB and GOBPP
October 2016	LAR Updates submitted

# Legislative Cycle (GAA)

## FY 2018 – FY 2019

January 2017	House and Senate each file a Base Bill
January 2017	House and Senate committees and subcommittees named
January – February 2017	House and Senate LAR Hearings
February – April 2017	House and Senate create and approve separate versions of the GAA
April – May 2017	Conference Committee creates final version of the GAA
May 2017	House and Senate approval Conference Committee version of GAA

**GOBPP**-Governor's Office of Budget, Planning, and Policy  
**HAC**-House Appropriations Committee  
**LBB**-Legislative Budget Board  
**SFC**-Senate Finance Committee



# **General Appropriations Act**

## **GAA**



# General Appropriations Act (GAA)

- ▶ Also known as Appropriation Bill
- ▶ State Budget for the next biennium
- ▶ Appropriations for each state agency and institution of higher education
- ▶ Riders for both higher education and all state agencies
- ▶ Online version of GAA is available on the LBB website  
[www.lbb.state.tx.us](http://www.lbb.state.tx.us)

# Appropriation Bill Pattern

Article III of the GAA contains the following information for each higher education institution:

- Method of Financing
- Number of Full-Time-Equivalents (FTE) – FTE Cap
- Informational Listing of Appropriated Funds
  - Appropriation by Goals and Strategies
- Performance measure targets
- Institution Specific Riders

# Appropriation Bill Pattern

## UNIVERSITY OF HOUSTON - VICTORIA

For the Years Ending  
 August 31,                      August 31,  
2016                                      2017

<b>Method of Financing:</b>		
General Revenue Fund	\$ 15,363,462	\$ 15,381,525
<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account No. 704	1,044,843	1,044,843
Estimated Other Educational and General Income Account No. 770	4,981,438	5,014,362
Subtotal, General Revenue Fund - Dedicated	<u>\$ 6,026,281</u>	<u>\$ 6,059,205</u>
<b>Total, Method of Financing</b>	<b><u>\$ 21,389,743</u></b>	<b><u>\$ 21,440,730</u></b>
<b>Items of Appropriation:</b>		
1. Educational and General State Support	\$ 21,389,743	\$ 21,440,730
<b>Grand Total, UNIVERSITY OF HOUSTON - VICTORIA</b>	<b><u>\$ 21,389,743</u></b>	<b><u>\$ 21,440,730</u></b>

This bill pattern represents an estimated 36.7% of this agency's estimated total available funds for the biennium.

<b>Number of Full-Time-Equivalents (FTE)-Appropriated Funds</b>	328.9	328.9
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Method of Finance

Lump Sum Appropriation

FTE Cap

# Appropriation Bill Pattern

Goals

Strategies

## A. Goal: INSTRUCTION/OPERATIONS

Provide Instructional and Operations Support.

<b>A.1.1. Strategy:</b> OPERATIONS SUPPORT	\$ 12,037,946	\$ 12,037,945
<b>A.1.2. Strategy:</b> TEACHING EXPERIENCE SUPPLEMENT	\$ 347,477	\$ 347,476
<b>A.1.3. Strategy:</b> STAFF GROUP INSURANCE PREMIUMS	\$ 641,717	\$ 687,711
<b>A.1.4. Strategy:</b> WORKERS' COMPENSATION INSURANCE	\$ 58,654	\$ 58,654
<b>A.1.5. Strategy:</b> TEXAS PUBLIC EDUCATION GRANTS	\$ 855,647	\$ 860,642

**Total, Goal A: INSTRUCTION/OPERATIONS** \$ 13,941,441 \$ 13,992,428

## B. Goal: INFRASTRUCTURE SUPPORT

Provide Infrastructure Support.

<b>B.1.1. Strategy:</b> E&G SPACE SUPPORT Educational and General Space Support.	\$ 1,829,592	\$ 1,829,592
<b>B.1.2. Strategy:</b> SMALL INSTITUTION SUPPLEMENT	\$ 750,000	\$ 750,000

**Total, Goal B: INFRASTRUCTURE SUPPORT** \$ 2,579,592 \$ 2,579,592

## C. Goal: SPECIAL ITEM SUPPORT

Provide Special Item Support.

<b>C.1.1. Strategy:</b> MASTER'S DEGREE IN NURSING	\$ 371,250	\$ 371,250
<b>C.1.2. Strategy:</b> DOWNWARD EXPANSION	\$ 2,100,000	\$ 2,100,000
<b>C.2.1. Strategy:</b> CENTER FOR REGIONAL OUTREACH	\$ 168,328	\$ 168,328
<b>C.2.2. Strategy:</b> SMALL BUSINESS DEVELOPMENT CENTER	\$ 236,555	\$ 236,555
<b>C.3.1. Strategy:</b> INSTITUTIONAL ENHANCEMENT	\$ 1,991,261	\$ 1,991,261

**Total, Goal C: SPECIAL ITEM SUPPORT** \$ 4,867,394 \$ 4,867,394

## D. Goal: RESEARCH FUNDS

<b>D.1.1. Strategy:</b> COMPREHENSIVE RESEARCH FUND	\$ 1,316	\$ 1,316
---	----------	----------

**Grand Total, UNIVERSITY OF HOUSTON - VICTORIA** \$ 21,389,743 \$ 21,440,730

# Strategies

- ▶ Institutions of Higher Education receive lump sum appropriations. So unlike other state agencies, higher education institutions are not bound to spend the appropriation within the specified strategy with the exception of Tuition Revenue Bond debt service.
- ▶ Types of Strategies
  - Formula
  - Appropriation Set Asides
  - Special Items
  - Other Common Strategies
  - Institution Specific Strategies

# Formula Strategies

## General Academic Institutions:

- ▶ Operations Support
- ▶ Teaching Experience Supplement
- ▶ E & G Space Support

## Health Related Institutions:

- ▶ Instruction & Operations Support
  - Medical, Dental, Biomedical Science, Nursing, Allied Health, Pharmacy, Public Health
- ▶ Graduate Medical Education
- ▶ Research Enhancement
- ▶ E & G Space Support
- ▶ Mission Specific Formulas

# Strategies

## E & G Set Asides

- ▶ Texas Public Education Grants (TPEG)
- ▶ Organized Activity fees
- ▶ Staff Group Insurance Premiums
- ▶ Medical Loans (HRIs only)

## Other Common Strategies:

- ▶ Tuition Revenue Bond Debt Service
- ▶ Worker's Compensation
- ▶ Unemployment Compensation

# Strategies

## Special Items

Special items are appropriated in a Special Item goal in the Bill Pattern. Special items are unique to each institution and were appropriated with a specific Legislative intent. Special reporting for these strategies is required in Schedule 9 of the LAR.

## Institution Specific

Other strategies may exist within each institution's bill pattern to support its unique regional or statewide mission



# Appropriation Bill Pattern

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Sul Ross State University. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Sul Ross State University. In order to achieve the objectives and service standards established by this Act, the Sul Ross State University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2016</u>	<u>2017</u>
<b>A. Goal: INSTRUCTION/OPERATIONS</b>		
<b>Outcome (Results/Impact):</b>		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	33%	34%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	16%	16%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	52%	54%
Certification Rate of Teacher Education Graduates	90%	90%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	60%	60%
Percent of Incoming Full-time Undergraduate Transfer Students Who Graduate within Four Years	70%	70%
Percent of Incoming Full-time Undergraduate Transfer Students Who Graduate within Two Years	47%	47%
Percent of Lower Division Semester Credit Hours Taught by Tenured or Tenure-Track Faculty	66%	66%
Dollar Value of External or Sponsored Research Funds (in Millions)	1.8	1.8
<b>A.1.1. Strategy: OPERATIONS SUPPORT</b>		
<b>Efficiencies:</b>		
Administrative Cost as a Percent of Total Expenditures	11.8%	11.8%

Performance  
Measure  
Targets

# Appropriation Bill Pattern

5. **Estimated Appropriation and Unexpended Balance.** Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for The University of Texas Health Science Center at Tyler No. 816 and (2) estimated appropriations of the institution's estimated allocation of amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810.
  - a. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the institution. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to makeup the difference.
  - b. All balances of estimated appropriations from the Permanent Endowment Fund for The University of Texas Health Science Center at Tyler No. 816 and of the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810, except for any General Revenue, at the close of the fiscal year ending August 31, 2015, and the income to said fund during the fiscal years beginning September 1, 2015, are hereby appropriated. Any unexpended appropriations made above as of August 31, 2016, are hereby appropriated to the institution for the same purposes for fiscal year 2017.



# Riders

- ▶ Riders in the GAA are laws that must be followed for the biennium
- ▶ Institution Specific Riders in each institution's bill pattern
- ▶ Higher Ed specific riders in Article III
- ▶ Riders for all agencies in Article IX

# LAR Structure

# LAR Method of Finance

- ▶ Unless otherwise instructed by the LBB, institutions should only include the funding sources included in the GAA Method of Finance section for the current biennium
- ▶ Institutional (Designated) Tuition is not appropriated through the GAA and should not be included as a Method of Finance in the LAR

# LAR Schedules

- ▶ Two types of LAR Schedules
  - Schedules required by all state agencies
  - Specific schedules for Higher Education
  
- ▶ LAR Schedules can be grouped into the following categories
  - Schedules Directly Impacting the GAA
  - Informational Schedules
  - Schedules not required by Higher Education

# Schedules Directly Impacting the GAA

Schedule		Comments
2B	Summary of Base Request by MOF	Used by LBB to create GR target
2D 2G	Summaries of Objective Outcomes	Used by the LBB to set the performance measure target for key measures
3A	Strategy Request Schedules	Base Budget Request for the next biennium. Allocate GR target to the various strategies.
3B	Rider Revisions and Additions Request	Request changes to GAA Riders
4A – C	Exceptional Item Requests	Institution's budget request over and above the GR target
6H	Estimated Total of All Funds Outside the GAA	Used to create the % included in each institution's bill pattern: <i>This bill pattern represents an estimated <u>X%</u> of this agency's estimated total available funds for the biennium</i>
6I	Allocation of Biennial Reductions	Outlines institutional preference for allocation of a GR Reduction



# Higher Education Schedules Directly Impacting the GAA

Schedule		Comments
1A	Other Educational and General Income	Used to establish appropriations for Fund 770 and 704
1B	Health Related Institutions Patient Income	Used to generate an informational rider regarding HRI patient income. Does not impact appropriations.
3A - D	Staff Group Insurance Data Elements	Used to calculate the staff group insurance appropriations for each institution
7	Personnel	Used to establish the FTE cap



# Informational Schedules

Schedule		Comments
	Administrator's Statement	Most commonly reviewed information in the LAR.
	Organizational Chart	
2A 2C 2E 2F	Summaries of request	This are reports generated from information included in the Strategy Request and Exceptional Item Request schedules
3C	Rider Appropriations and Unexpended Balances Request	This schedule rarely applies to Higher Education
6A	Historically Underutilized Business	
6B	Current Biennium One-Time Expenditures	
6F	Advisory Committee Supporting Schedule	
6G	Homeland Security Funding Schedule	
6J	Budgetary Impacts Related to Federal Health Care Reform	
8	Summary of Requests for Capital Project Financing	

# Informational Higher Ed Schedules

Schedule		Comments
2	Selected Educational, General and Other Funds	
4	Computation of OASI	
5	Calculation of Retirement Proportionality and Differential	
6	Capital Funding	
8A – D	Tuition Revenue Bond Schedules	
9	Special Item Information	

# Schedules not Required by Higher Ed

Schedule		Comments
5 A - E	Capital Budget	
6 C – D	Federal Funds	
6 E	Estimated Revenue Collections	
7A	Administrative and Support Costs (Direct and Indirect)	

# LAR Request

- ▶ Base Request
  - Within the GR target provided to each institution by the LBB
  - Formula funding is not included in the base request; it is calculated at the statewide level
- ▶ Exceptional Item Request
  - Over and above the base request
  - May include increase in existing strategy or creation of new strategy

# LAR Request

- ▶ October Update
  - Update revenues on Schedule 1 for 2016
  - Update Base Reconciliation with final 2016 expenditures of GRD (due to updated tuition in schedule 1)
  - Update Schedules 4 & 5
  - Update any strategies that tie to schedule 1 (Staff Group Insurance, TPEG, Medical Loans)
  - Any other updates requested by the LBB as they reviewed your August Submission
- ▶ 3A & 3B will be updated in January

# LAR Timeline

# Timeline is Short

- Jan. 2016 LBB/Governor's Office begin work on LAR instructions
- Spring 2016 Admissions offers for Fall 2016. Non-semester length courses that count in summer may have begun as early as Feb.
- May 2016 LAR instructions Issued
- June 2016 Start of Base Period when Summer 2016 begins.
- Aug. 2016 LARs due. Fall 2016 Semester.
- Sept. 2016 LAR Hearings
- Oct. 2016 LAR updates
- Jan. 2017 Base Bill filed. Session begins.

# **Administrator's Statement**



# Administrator's Statement

- ▶ The Administrator's Statement is the narrative summary of your institution's priorities and LAR requests
- ▶ Content varies by institution. Ideas could include:
  - Unique characteristics of your institution
  - Recent accomplishments
  - Improvement in key metrics (degrees awarded, retention, enrollment growth, etc.)
  - Challenges to your institution
  - Ways your institution is addressing state needs
  - etc.

# Administrator's Statement

Required elements:

- ▶ For System Offices and Independents, include a reference to the Board of Regents being listed on the Organizational Chart
- ▶ Brief narrative explaining the approach in preparing the 10% Base Reduction Exercise

# Administrator's Statement

Be sure to include:

- ▶ Exceptional Item Requests: description of the program and funding request by year and MOF
- ▶ Tuition Revenue Bond (TRB) Requests: description of project, include both the total project cost and the TRB request so your institutional match is clear
- ▶ Any standard language required by your System Office

# Administrator's Statement

Pointers:

- ▶ Limited to 30,000 characters in ABEST
- ▶ No charts or graphs
- ▶ Get started drafting this early in the process so that it can get all the various levels of review required at your institution/system (president, VPs, GR, other?)
- ▶ ***This is the only part of the LAR read by many capitol staff. It is important to have a strong, well written Administrator's Statement.***

# Exceptional Items

# Exceptional Item Requests

Exceptional Items are requests for new funding over the baseline request

▶ **Exceptional items include:**

- Increased funding for existing special items
- Funding for new programs
- Funding for debt service for new TRB requests

▶ **Exceptional Items do NOT include:**

- Baseline funding for existing special items or programs
- Increased funding anticipated in formula strategies
- Increases in debt service for existing TRBs. This is current practice. The policy letter that accompanies the LAR instructions will lay this out.

- ▶ You have to develop the same data elements for Exceptional Items as you do for other strategies (OOE, MOF, FTEs)

# Exceptional Item Requests

- ▶ Exceptional Items appear in the LAR in several places:
  - Administrator's Statement
  - Summary of Request,
    - 2E, Summary of Exceptional Items Request
    - 2F, Summary of Total Request by Strategy
    - 2G, Summary of Total Request Objective Outcomes
  - Schedule 4
    - 4.A. Exceptional Item Request
    - 4.B. Exceptional Item Allocation
    - 4.C. Exceptional Item Strategy Request

# Exceptional Item Requests

- ▶ **Administrator's Statement:** Include a detailed description of the request in the Administrator's Statement
  - For many staffers, the Administrator's Statement is the primary place they go for information on the exceptional items
  - Include the amount of the funding request by year and method of finance in the description



# Exceptional Item Requests

## Summary of Request:

- ▶ 2E, Summary of Exceptional Items Request. Pulls data from Exceptional Item Strategy Requests. *Only data entry is for 100% federally funded FTEs.*
- ▶ 2F, Summary of Total Request by Strategy. Pulls data from Schedules 3 and 4. *No additional data entry required.*
- ▶ 2G, Summary of Total Request Objective Outcomes. Pulls data from Schedules 3 and 4. *Impacts to objective Outcomes must be separately entered into ABEST.*

# Exceptional Item Requests

## Schedule 4 Requests for Exceptional Items

- ▶ 4.A. Exceptional Item Request
  - You will need to complete a Schedule 4.A. for each Exceptional Item
  - Very similar to Schedule 3 Strategy Request
  - Be sure to include the additional information required in the Description / Justification section that is similar to what you include on Schedule 9 for your special items
  - Be sure to include an exceptional item request for debt service for new TRBs for which you are seeking statutory authorization

# Exceptional Item Requests

## Schedule 4 Requests for Exceptional Items

- **4.B. Exceptional Item Allocation:** Complete form for each impacted strategy for each exceptional item.
  - For the GAls and HRIs, generally you will have two Schedule 4.Bs.
    - “Exceptional Item Request” - summary of all your programmatic exceptional item requests
    - “TRB Debt Retirement” for TRB debt service for newly requested projects
  - For the A&M Agencies, generally exceptional items will tie back to program strategies. There may be instances where an exceptional item that is allocated across multiple program strategies or where one strategy is impacted by multiple exceptional items.
- **4.C. Exceptional Item Strategy Request:** Totals all exceptional items for each strategy

# Exceptional Item Requests

## Pointers:

- ▶ Make sure your descriptions throughout the LAR are consistent.
- ▶ Make sure your numbers in the request are the same as in the descriptions

# Tuition Revenue Bond Requests

# Tuition Revenue Bonds

- ▶ Tuition Revenue Bonds (TRBs) are bonds authorized by the Legislature for major construction and renovation projects
- ▶ Historically, the Legislature has also provided funding for the debt service of any authorized TRBs
- ▶ Debt service for existing TRBs is included in the baseline budget strategy request. Debt service for new requested TRBs is included in the exceptional item requests.
- ▶ Schedule 8D – Tuition Revenue Bonds Request by Project, provides the detail by project of the total baseline debt service request for existing bonds

# Requests for New Tuition Revenue Bonds

- Schedule 8A: Tuition Revenue Bond Projects must be completed to provide details for any new TRB requests. This includes information from the physical plant department such as project cost, square footage, etc.
- An exceptional item must be submitted for the debt service related to the new requested bonds
- Additional information for each TRB is also required to be submitted to the THECB and is used to evaluate TRBs on a statewide level. This process is separate from the LAR process.

# Tuition Revenue Bond LAR Schedules

- ▶ Institutions and Systems are required to complete Schedules 8 A-D for TRBs
  - Schedules 8A – Tuition Revenue Bond Projects – provides details for new TRB requests
  - Schedule 8B – Tuition Revenue Bond Issuance History
  - Schedule 8C – Revenue Capacity for Tuition Revenue Bond Projects - completed by the systems (or at institution for the independents) and included in the System Offices LAR
  - 8D - Tuition Revenue Bonds Request by Project - provides the detail by project of the total baseline debt service request for existing bonds. This schedule should tie to Schedule 3A, Strategy Request for TRB debt service.





# Tuition Revenue Bond Requests

## Pointers:

- ▶ Use standard assumptions for debt service calculations. System offices will likely provide.
  - In the past, higher education has generally used 6 percent for 20 year bonds
- ▶ Make sure the description and numbers tie to what is in the Administrator's Statement

# **Base Reconciliation Process Including 1A, 4 and 5**

# Schedule 1A: Other Educational and General Income

- ▶ Used to calculate the estimated appropriations for Other Educational and General Income
- ▶ Do not include Designated Tuition 
- ▶ Report all tuition waived, rebated, etc. (items which you do not receive formula funding)
- ▶ Reconcile waivers and exemptions to IFRS 

# Gross Tuition- Resident

Actual statutory tuition assessed to Texas resident graduate & undergraduate students (TX. Educ. Code Ann. Sec. (TECA) 54.051X)

- Tuition should be @ gross (do not reduce by waivers or exemptions)
- DO NOT include Designated Tuition

Actual Board Authorized Tuition charged to resident graduate students (TECA 54.008)

- Board Authorized Tuition (BAT) assessed to resident graduate students, gross (do not reduce by waivers or exemptions).

Tuition increases charged to resident doctoral students with hours in excess of 100 (TECA 54.012)

Tuition increases charged to resident undergraduate students with excessive hours above degree requirements (TECA 61.0595)

Tuition increases charged to resident undergraduate students for repeated hours (TECA 54.014)

- a.k.a. "3-Peat"

# Gross Non-Resident Tuition

Actual statutory tuition assessed to non-resident graduate & undergraduate students

- NOTE: tuition should be at gross (do not reduce by waivers or exemptions)
- DO NOT include Designated Tuition

Actual Board Authorized Tuition charged to non-resident graduate students (TECA 54.008)

- Board Authorized Tuition (BAT) assessed to non-resident graduate students, gross (do not reduce by waivers or exemptions).

Tuition increases charged to non-resident doctoral students with hours in excess of 100 (TECA 54.012)

Tuition increases charged to non-resident undergraduate students with excessive hours above degree requirements (TECA 61.0595)

Tuition increases charged to non-resident undergraduate students for repeated hours (TECA 54.014)

# Tuition

## Less: Resident Waivers and Exemptions


- Waivers and exemptions of statutory tuition as reported in IFRS: EXCLUDE Hazlewood Exemptions
  - Remissions = Waivers

## Less: Non-Resident Waivers and Exemptions

## Less: Hazlewood Exemptions

- On Statutory Tuition – DO NOT INCLUDE ANY HAZLEWOOD ON DESIGNATED TUITION


# Tuition

 Less: Board Authorized Tuition (BAT) increases


- Actual tuition assessed to graduate students under TECA 54.008, net of any exemptions and waivers
  - The purpose of netting this line item by its associated waivers is to insure that the actual BAT is reported

 Less: Tuition Increases charged to doctoral students with hours in excess of 100

- Actual tuition assessed under authority provided by TECA 54.012

 Less: Tuition increases charged to undergraduate students with excessive hours above degree requirements

- Actual tuition assessed to undergraduate students under authority provided by TECA 64.0595

 Plus: Tuition waived for students 55 years or older

- Waived by authority of TECA 54.263

# Tuition

 Less: Tuition for repeated or excessive hours

- Charged by authority of TECA 54.014

 Plus: Tuition Waived for Texas Grant recipients

- Waived by authority of TECA 56.307

 Less: Transfer of funds for Texas Public Education Grants (TPEG) & Emergency Loans

- Statutory tuition transferred by authority of TECA 56c and TECA 56d

 Less: Transfer of funds (2%) for Physician Loans (Medical Schools)

 Less: Statutory tuition set aside for Doctoral Incentive Loan Program

- Statutory tuition transferred by authority of TECA 56.095
  - Report FY2015 only. 56.095 repealed effective 9/1/2015



# Tuition

 Less: Other authorized deduction

- LBB must approve any deductions
  - e.g.: UNT transferred tuition to “start up” university (UNT-D)

 Plus: Other authorized additions

- LBB must approve any additions
  - e.g.: UNT-D received transfer from UNT

 Plus: Special course fees

- Statutorily required course fees (TECA 54.504)

 Plus: Laboratory fees

- Statutorily required laboratory fees (TECA 54.501)

# Other Income

Interest on Local Funds in state treasury	<ul style="list-style-type: none"><li>• Report total annual distributions by state comptroller. This is unspent revenues collected and required to be deposited in the state treasury related to student tuition and fees.</li></ul>
Interest on local funds in local depositories	<ul style="list-style-type: none"><li>• Report total annual interest earnings on state funds held in local depositories.</li></ul>
Other Income (Itemize)	<ul style="list-style-type: none"><li>• Report Miscellaneous Income</li></ul>
Less: O.A.S.I. applicable to educational and general local funds payrolls	<ul style="list-style-type: none"><li>• Actual university proportional share of O.A.S.I. – state paid employees only</li></ul>
Less: TRS and ORP proportionality for educational and general funds	<ul style="list-style-type: none"><li>• Actual university proportional share of TRS and ORP – state paid employees only</li></ul>
Less: Staff Group Insurance Premiums	<ul style="list-style-type: none"><li>• Actual university share of proportional faculty and staff group insurance premiums - state paid employees only</li></ul>
<b><u>Equals: Total Other Educational &amp; General Income (formula amounts)</u></b>	

# Reconciliation to Summary of Request

Add back selected items deducted above in order to provide control total for “Total, General Revenue Fund-Dedicated” used as method of finance (MOF) in LAR.

- Include all items necessary to reconcile to Summary of Request – (to include but not limited to TPEG, Staff Group Insurance, Organized Activities, Board Authorized Tuition, Tuition due to Excessive Hours)

**Equals: Total Educational & General  
Income (on Summary of Request)**

← **Base Reconciliation link**

# Schedule 1A (continued)

- ▶ Make sure the following items are equal to the individual strategies:
  - TPEG
  - Organized Activities
  - Staff group insurance premiums paid from Other E&G funds
  - Medical Loans (HRI's only)
  
- ▶ Make sure the following items are equal to the amounts shown on Schedules 4 and 5
  - ORP (exclude differential) & TRS for Other E&G Proportional Contribution
  - OASI for Other E&G Funds

# Schedule 1A (continued)

- ▶ For FY 2015 and FY 2016, the bottom line will not necessarily tie to the total MOF in your strategies
  - The MOF in your strategies for FY 2015 should equal what you actually spent as entered in USAS.
  - If you didn't spend all you collected in FY 2015, you could spend all of your FY 2016 revenues plus unexpended balance from FY 2015
- ▶ For FY 2017 it should be equal.
  - Assuming you spend all you collect

# Schedule 4: Computation of OASI

- ▶ Provides information for actual and estimated OASI for fiscal years 2015 through 2019
- ▶ This information is used to calculate the amount to be deducted from the Other E&G Estimates in Schedule 1
- ▶ This form requires two calculations:
  - (1) Total OASI from APS 011
  - (2) Allocation of total OASI between GR and GRD

Resources:  
APS011

## Schedule 5: Calculation of Retirement Proportionality and ORP Differential

- ▶ Provides detail for actual and estimated proportionality and Optional Retirement Program differential for fiscal years 2015 through 2019
  - Year 1 actual TRS and ORP comes from APS 011
  - Back in to Gross Payroll based upon TRS and ORP percentages
  - ORP Differential as recorded in accounting for year 1
  - Back in to Gross Payroll based upon Differential percentage
  
- ▶ ORP Differential is the institution’s share of retirement benefits between (6.6 percent in FY 2016) and 8.5 percent of salary amounts paid to the ORP for eligible employees hired prior to September 1, 1995.

*Resources:  
APS011  
TRS and ORP  
percentages by year*

Schedule 5 Rates	2013	2014	2015	2016	2017
TRS	6.4%	6.8%	6.8%	6.8%	6.8%
ORP	6.0%	6.6%	6.6%	6.6%	6.6%
ORP Differential*	2.5%	1.9%	1.9%	1.9%	1.9%

# Base Reconciliation

- ▶ Identifies the sources from which funds have been appropriated, expended, budgeted, and requested
- ▶ Is a reconciliation of original appropriations to expended
- ▶ Becomes the basis for GR and GR-D funding limit to prepare baseline request for 2018-2019
  - Very important to calculate accurately
- ▶ Will be prepared three separate times





# Base Reconciliation

## ▶ General Revenue

- Enter the regular appropriation amounts from the GAA for years 1-3
- Enter any supplemental or special appropriations (e.g. Hazlewood)

## ▶ GR Dedicated Funds:

- Start with Regular Appropriations for years 1-3 (from appr. bill)
- “Revised Receipts” – use to adjust to actual **revenue** collections above or below the MOF in appr. Bill (hint: regular appropriations plus revised receipts should equal schedule 1A revenue)
- “Adjustment to Expended” – adjust to actual amount **expended** for FY 2015 and estimated for FY 2016

- Schedule 1A = Income  $\neq$  Base Recon = Expenditures

# Base Reconciliation

## Other tips:

- ▶ Years 4 and 5 baselines are non-formula such as:
  - WCI
  - TRB
  - Special Items
  - GIP
  - TPEG
  - Organized Activities
- ▶ Board authorized tuition should tie to Schedule 1A
- ▶ MOF totals should tie to your Strategy (3A) amounts by MOF

# FTE's on the Base Recon

- ▶ Start with authorized FTE limit from the bill pattern as a “regular appropriation”
- ▶ Show authorization for additional FTE's (lessor of 50 FTE or 110% found in Art IX, Sec 6.10) as a “rider appropriation”
- ▶ List the number of FTE's above or below the cap for FY 2015 (above or below bill pattern FTE's plus additional FTE's allowed in Sec 6.1)
- ▶ Total adjusted FTE's for 2015 should equal the average of the 4 quarters reported to the SAO (use “unauthorized above/below” to adjust from appropriated + authorized additional)
- ▶ 2016 should represent estimated
- ▶ Must tie to the total for each fiscal year in Summary of Base Request by MOF and to appropriated FTE's in Schedule 7

<b>Example:</b>		
"Regular" appropriations found in the bill pattern	1,000	
+ "Rider" appropriations Art IX, Sec 6.1	50	<i>*approval not needed for these</i>
= Total Authorized	1,050	<i>*this line is not found on the base recon</i>
"+ or - unauthorized number above (below) cap	200	
<b>Total, Adjusted FTE's</b>	<b>1,250</b>	<b><i>*tie to SAO report</i></b>

# Base Reconciliation

## Schedules that impact Base Reconciliation

- ▶ Schedule 1A Other E&G Income
- ▶ Schedule 4 & 5
- ▶ Schedule 7 Personnel
- ▶ Schedule 3A Strategy Request

## Non-LAR schedules that impact Base Reconciliation

- ▶ ABEST/USAS Reconciliation
- ▶ FTE's reported to SAO
- ▶ LAR Checklist review

**BREAK**

# **3A Strategy Request**

## 3A. Strategies

- ▶ The Strategy request is the basic building block of the budget request. It sets out the baseline funding requested by the agency.
- ▶ Only appropriated dollars are to be included. Do not include any designated fund expenditures or method of finance.
- ▶ Required for each item in your Appropriation Bill pattern
- ▶ Includes 5 years of data:
  - Year 1 is actuals (and should tie to ABEST)
  - Year 2 is estimated actual expenditures
  - Year 3 is budgeted expenditures
  - Year 4 and 5 are future estimates
- ▶ For formula strategies (Ops support, teaching experience and E&G space support), year 4 and 5 should be \$0. We do not request formula funding in the LAR

## 3A. Strategies

- ▶ Components:
  - Header
  - Performance Measures
    - Actual performance for FY 15, estimated for FY 16 & 17, requested for FY 18 & 19
    - “Key” measures are those cited in the GAA
    - “non-Key” are not in the GAA, but are a part of the strategic planning and budget structure
  - Objects of Expense
    - Enter strategy costs by the objects of expense (list with definitions are on the LBB website)
  - Method of Finance
    - Funding Sources for expenses – Fund 001, 704, 770, etc...
    - Show the amount expended by MOF, total should tie to total Objects of Expense above. The sum of all strategies should tie to the Base Reconciliation for years 1-3 and to the GR target provided by the LBB for years 4-5.



## 3A. Strategies

- ▶ Components (Cont'd):
  - FTE's
    - Total number of full-time equivalents for each strategy
  - Description/Justification & External/Internal Factors
    - LBB instructions provide a list of items to be included
    - See Consistency Standards for statewide descriptions
    - Special Items – descriptive narrative of special item that articulates institutional priority and connection to State goals and objectives.
  - External/Internal Factors Impacting Strategy
    - See Consistency Standards

## 3A. Strategies MOF (General Academics)

Strategy	Method of Finance	Description	FY 15	FY 16	FY 17	FY 18 & 19
Operations Support	GR (1) and E&G (704,770)	Determined via Formula	Actual	Estimate	Budget	Zero
Teaching Experience Supplement	GR (1) and E&G (704,770)	Determined via Formula	Actual	Estimate	Budget	Zero
Staff Group Insurance Premiums	E&G (770)	Sum-certain amount based on estimated employment as of December 1st	Actual	Estimate	Budget	Estimate
Workers' Compensation Insurance	GR (1)	Sum-certain amount, for UT and A&M institutions only	Actual	Estimate	Budget	Estimate
Texas Public Education Grants	E&G (770)	15% of resident tuition and 3% of non-resident tuition at each institution is set aside for these grants	Actual	Estimate	Budget	Estimate
Hold Harmless	GR (1)	Determined based on legislative decision	Actual	Estimate	Budget	Estimate
Organized Activities	E&G (770)	Generally E&G income at institutions that operate income-producing enterprises as part of an educational program, not used as a formula MOF	Actual	Estimate	Budget	Estimate
E&G Space Support	GR (1) and E&G (704,770)	Determined via Formula	Actual	Estimate	Budget	Zero
Tuition Revenue Bond Retirement	GR (1)	Allocated for debt service payments	Actual	Estimate	Budget	Estimate
Special Items (various)	GR (1)	Primarily all special items are funded 100% with GR	Actual	Estimate	Budget	Estimate
Research Development, Competitive Knowledge, Core Research Support and Comprehensive Research Fund	GR (1)	Determined via Formula	Actual	Estimate	Budget	Zero

*E&G is also called General Revenue Dedicated (GRD) and Estimated Other E&G*

# Schedule 3A Strategy Request- Formula and Other Common Strategies

- ▶ The following verbiage should be included in the strategy description and justification section for formula funded and other common strategies. Verbiage should not be included in the Internal/External factors section.

# General Academic Institutions-1

## Instruction and Operation Formula

- The Instruction and Operations Formula provides funding for faculty salaries, departmental operating expense, library, instructional administration, research enhancement, student services and institutional support.
- The funds are distributed on a weighted semester credit hour basis. The rate per weighted semester credit hour is established by the Legislature each biennium.

## Teaching Experience Supplement

- The Teaching Experience Supplement formula provides an additional weight of 10 percent to lower and upper division semester credit hours taught by tenured and tenure-track faculty.
- The Infrastructure Support formula distributes funding associated with plant-related formulas and utilities. This formula is driven by the predicted square feet for universities' educational and general activities produced by the Coordinating Board Space Projection Model.

## Infrastructure Support

- The portion of the formula related to utilities is adjusted to reflect differences in unit costs for purchased utilities, including electricity, natural gas, water and wastewater, and thermal energy.

# General Academic Institutions-2

## Research Development Fund

- The Research Development Fund (RDF) is distributed among eligible institutions based on the average amount of restricted research funds expended by each institution per year for the three preceding fiscal years. FY 2015 is the final year of existence for the RDF.
- The purpose of these funds is to promote research capacity.

## Competitive Knowledge Fund

- The purpose of the Texas Competitive Knowledge Fund (TCKF) is to support faculty for the purpose of instructional excellence and research. FY 2015 is the final year of existence for the TCKF.

Note – The 84<sup>th</sup> Legislature created a new research structure for the general academic institutions. It is expected that the LBB will provide guidance as to how to report the FY 2015 historical information for RDF and TCKF in your LAR submission.

# General Academic Institutions-3

## Texas Research University Fund

- The Texas Research University Fund provides funding to The University of Texas at Austin and Texas A&M University to support faculty to ensure excellence in instruction and research.
- A legislatively determined amount of funding is allocated based on each institution's average research expenditures for the previous three-year period as reported to the Higher Education Coordinating Board.

## Texas Comprehensive Research Fund

- The Texas Comprehensive Research Fund provides funding to promote increased research capacity at eligible general academic teaching institutions including those other than The University of Texas at Austin, Texas A&M University or any institution designated as an emerging research university under the Higher Education Coordinating Board's (THECB) accountability system.
- Funding is to be expended for the support and maintenance of educational and general activities, including research and student services, that promote increased research capacity.
- A legislatively determined amount of funding is allocated based on the average amount of restricted research funds expended by each institution per year for the three preceding state fiscal years as reported to THECB.

# General Academic Institutions-4

## Core Research Support Fund

- The Core Research Support Fund is established to provide funding to promote increased research capacity at those institutions designated as an emerging research university under the Higher Education Coordinating Board's (THECB) accountability system.
- Funding is to be expended for the support and maintenance of educational and general activities, including research and student services, that promote increased research capacity.
- A legislatively determined amount of funding is appropriated to eligible institutions as follows: (1) 50 percent based on the average amount of restricted research funds expended by each institution per year for the three preceding state fiscal years as reported to THECB; and (2) 50 percent based on the average amount of total research funds expended by each institution per year for the three preceding state fiscal years as reported to THECB.

# Health Related Institutions -1

## Instruction and Operation Formula

- The Instruction and Operations Formula provides funding for faculty salaries, departmental operating expense, library, instructional administration, student services and institutional support. (Insert one of the following sentences here based on the strategy.)
  - *The formula for this strategy is based on weighted medical student headcounts.*
  - *The formula for this strategy is based on weighted dental student headcounts.*
  - *The formula for this strategy is based on weighted biomedical student full time equivalent.*
  - *The formula for this strategy is based on weighted nursing student full time equivalent.*
  - *The formula for this strategy is based on weighted pharmacy student full time equivalent.*
  - *The formula for this strategy is based on weighted public health student full time equivalent.*
  - *The formula for this strategy is based on weighted allied health student full time equivalent.*
- The rate per weighted student headcount or full time equivalent is established by the Legislature each biennium.



# Health Related Institutions -2

## Infrastructure Support

- The Infrastructure Support formula distributes funding associated with plant support and utilities. This formula is driven by the predicted square feet for health related institutions produced by the Coordinating Board Space Projection Model.
- Because the Space Projection Model does not account for hospital space, separate infrastructure funding for hospital space at the institution is included in the total funding for hospital and patient care activities. (This paragraph would only be included for UTMB, UTMD Anderson and UTHSC Tyler).

## Research Enhancement

- The Research Enhancement formula allocates a fixed amount per year to each institution in addition to a legislatively determined percentage of the research expenditures as reported to the Texas Higher Education Coordinating Board. These funds are used to support the research activities of the institution.

## Graduate Medical Education

- The Graduate Medical Education formula allocates funding based on the number of medical residents. These funds shall be used to increase the number of resident slots in the State of Texas as well as for faculty costs related to GME.

# Health Related Institutions -3

## Medical Loans

- For FY 2015 only, Section 61.539 of the Texas Education Code required the 2% of the resident medical school tuition be transferred for repayment of student loans of physicians serving in designated state agencies or economically distressed or rural medically underserved areas of the State. This transfer was repealed by the 84<sup>th</sup> Legislature effective Fall 2015.
- For institutions with Dental Schools add: Section 61.910 of the Texas Education Code requires that 2% of the resident dental school tuition be transferred for repayment of student loans of dentists subject to eligibility determinations established by the Texas Higher Education Coordinating Board. This amount is also reported in the Medical Loans strategy.

## Permanent Health Fund for Higher Education (Education Code, Section 63.001)

- This strategy includes the institution's allocation of the Permanent Health Fund for Higher Education established by Section 63.001 of the Texas Education Code. The purpose of these funds includes medical research, health education, treatment programs, or state matching funds for the eminent scholars fund program.

# Health Related Institutions -4

## Other Permanent Health Funds (Education Code, Section 63.101)

- Funding for this strategy is derived from annual distributions of this institution's permanent endowment fund established Section 63.101 of the Texas Education Code. These are appropriated for research and other programs that are conducted by the institution and that benefit the public health or for state matching funds for the eminent scholars fund program.
- Note: UTHSC San Antonio, UTEP, TTUHSC El Paso, TTUHSC (not El Paso) and TAMU HSC have additional purposes in Sec. 63.102(c) that should be added as appropriate.

# All Institutions

## Staff Group Insurance

- This strategy is to provide proportional share of staff group insurance premiums paid from Other Educational and General funds.

## Worker's Compensation

- The strategy funds the Worker's Compensation payments related to Educational and General funds.

## Texas Public Education Grants

- This strategy represents tuition set aside for the Texas Public Education Grants program as required by Section 56.033 of the Texas Education Code.

# Schedule 3A- Strategy Request- Special Items

- ▶ Schedule 9, Special Item Information should be considered the primary schedule for all continuing special item requests
- ▶ The mission statement from Schedule 9 should be used as strategy description and justification on Schedules 3A
- ▶ In the Internal and External Factors Section, use the following statement:
  - *Additional information for this strategy is available in Schedule 9, Special Item Information*

# **6I 10% Base Reduction**

# Schedule 6.1

## 10 Percent Biennial Base Reduction Options Schedule

- ▶ Details the 10 percent General Revenue-related reduction options, in 5 percent increments, required by the Policy letter issued by the Governor's Office of Budget, Planning and Policy (GOBPPO) and the Legislative Budget Board (LBB)
- ▶ Upon approval of the agency's 2016–17 biennial base reconciliation, the LBB and GOBPP will calculate the General Revenue and General Revenue–Dedicated 10 percent amount for the reduction. The target amount will be communicated to the agency and entered into ABEST.

# Policy Letter



Legislative Budget Board  
Robert E. Johnson Bldg.  
1501 N. Congress Avenue, 5<sup>th</sup> Floor  
Austin, TX 78701  
(512) 463-1200

Governor's Office of  
Budget, Planning and Policy  
1100 San Jacinto, 4<sup>th</sup> Floor  
Austin, TX 78701  
(512) 463-1778

## MEMORANDUM

June 23, 2014

TO: State Agency Board/Commission Chairs  
State Agency Heads/Executive Directors  
Appellate Court Justices and Judges  
Chancellors, Presidents, and Directors of Institutions and Agencies of Higher Education

The first step in developing the 2016-17 biennial budget for the State of Texas is submission of agency and institution Legislative Appropriations Requests in accordance with the instructions developed by Legislative Budget Board and the Governor's Office. Detailed instructions for the submission have been posted on the external websites of the Legislative Budget Board and the Governor's Office, together with a staggered schedule.

As a starting point for budget deliberations, an agency's baseline request for General Revenue Funds and General Revenue-Dedicated Funds may not exceed the sum of amounts expended in fiscal year 2014 and budgeted in fiscal year 2015. While the state's revenue landscape is certainly positive and a projected balance is accruing in the treasury, as prudent fiscal managers this does not preclude the possibility that state agencies may be asked to reduce their fiscal year 2015 budgets should either state fiscal conditions or individual agency circumstance warrant such direction. Agencies must also submit a supplemental schedule detailing how they would reduce the baseline request by an additional 10 percent (in 5 percent increments) in General Revenue and General Revenue Dedicated Funds.

Exceptions to the baseline request limitation include amounts necessary to:

- maintain entitlement funding for the Foundation School Program under current law;
- satisfy debt service requirements for bond authorizations;
- maintain current benefits and eligibility in Medicaid entitlement programs, the Children's Health Insurance Program, the foster care program, the adoption subsidies program, and the permanency care assistance program; and
- maintain funding at fiscal year 2015 budgeted levels plus amounts necessary to cover the impact of payroll growth for state pension systems and employee group benefits (not including payroll contributions made by state agencies and institutions of higher education for retirement and group health insurance), though group benefit modifications may be considered.

Specific questions with respect to the treatment of the above items should be directed to your Legislative Budget Board and Governor's Office analyst.



# Sample of Non-Formula GR Items

Workers' Compensation	GR	Local portion
Unemployment Compensation	GR	Local portion

# Non-Formula: Special Items

***Special items*** are activities that are not funded by formula or direct payment but are specifically designated by the Legislature for state support. They include:

- ▶ public service items;
- ▶ research items, other than general research support;
- ▶ student nurse stipends;
- ▶ funding for separate campuses;
- ▶ accreditation program items; and
- ▶ specific one-time capital expenses.

Proposed special items are called ***exceptional items***

# Non-formula GR Items Excluded from 10% Calculation

- ▶ Tuition Revenue Bond Debt Service
- ▶ Revenue Contingent Appropriations
- ▶ Research Development Fund
- ▶ Texas Competitive Knowledge Fund
- ▶ Appropriation Adjustments/Corrections
- ▶ Other Statutory exemptions

# How to calculate the 10 Percent Biennial Reduction Amount

	<b>100% Request</b>	<b>10% Reduction</b>
	<b>2016-17 Approps</b>	

Non-Formula Items in the 2016-17 Appropriations Bill subject to 10% reduction:

**Special Items:**

Industrial Engineering Program	362,839	36,284
Educational Outreach	984,714	98,471

**Institutional Enhancement / Base Funding**

Enhancement Funding	3,707,104	370,710
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**Other Items:**

Unemployment Compensation Insurance	42,420	4,242
Workers' Compensation Insurance	170,360	17,036

	5,267,437	526,744
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<b>10% Reduction</b>	<b>\$526,744</b>
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# Entering the Data

- ▶ Target amount will be communicated and entered into ABEST
- ▶ Submit in 5 percent increments
- ▶ Non-specific across-the-board reductions are discouraged
- ▶ Submit reductions in priority order
  - Priority 1 should have least impact on agency
- ▶ Use the comments field
- ▶ Identify the Category field from the pre-defined drop-down menu
- ▶ Include FTE's associated with reductions

		Reduction Amount		
		2016	2017	Biennial Total
<b>1 Special Items - 1st 5%</b>				
<b>Category: Program - Service Reduction (Other)</b>				
Item Comment -	The following special items are critical to the mission of the University, but would reduce each by 10%.			
Strategy				
3-2-4	Industrial Engineering Program	18,142	18,142	36,284
3-3-2	Educational Outreach	49,236	49,236	98,471
	TOTAL	67,378	67,378	134,755
General Revenue Funds		67,378	67,378	134,755
	TOTAL	67,378	67,378	134,755
FTE Reductions (From FY2016 and FY2017 Base Request)		1.0	1.0	2.0

## 2 Institutional Enhancement - 1st 5%

### Category: Program - Service Reduction (Other)

Item Comment - State baseline funding in Institutional Enhancement is critical to the academic needs of the University. These funds are used to fund scholarships; faculty recruitment and counter-offers, including start-up and retention packages; and other core funding for instruction and research.

Strategy				
3-4-1	Institutional Enhancement	64,308	64,308	128,617
	TOTAL	64,308	64,308	128,617
General Revenue Funds		64,308	64,308	128,617
	TOTAL	64,308	64,308	128,617
FTE Reductions (From FY2016 and FY2017 Base Request)		0.0	0.0	0.0

### 3 Institutional Enhancement - 2nd 5%

#### Category: Program - Service Reduction (Other)

Item Comment - State baseline funding in Institutional Enhancement is critical to the academic needs of the University. These funds are used to fund scholarships; faculty recruitment and counter-offers, including start-up and retention packages; and other core funding for instruction and research.

#### Strategy

3-4-1	Institutional Enhancement	131,686	131,686	263,372
	TOTAL	131,686	131,686	263,372
	General Revenue Funds	131,686	131,686	263,372
	TOTAL	131,686	131,686	263,372
	FTE Reductions (From FY2016 and FY2017 Base Request)	0.0	0.0	0.0
AGENCY TOTALS				
	General Revenue Total	263,372	263,372	526,744
	TOTAL Reduction Target		10%	526,744
			1st 5%	263,372
			2nd 5%	263,372
			Options Less Target	0

# **Staff Group Insurance Data Elements**



# Non-Formula: Higher Education Employees Group Insurance

- ▶ Higher Education Employee Group Insurance is a separate, sum certain General Revenue (GR) appropriation to fund health insurance benefits for employees funded by GR. Higher Education Employees Group Insurance Contributions bill pattern includes a line item for each institution.
- ▶ Funds the total cost of basic life and health coverage for all active and retired employees and 50% of the total cost of health coverage for spouses and dependent children.
- ▶ ERS provides the coverage for all institutions except the University of Texas and Texas A&M Systems, which provide their own coverage.
- ▶ The Staff Group Insurance strategy appropriates funds for the proportional cost of Staff Group Insurance

# Schedule 3A, 3B, 3D: Group Insurance Data Elements

- ▶ Schedule 3A to be completed by institutions participating in the Employee Retirement System (ERS) Group Benefit Program
- ▶ Schedule 3B to be completed by components of The University of Texas and Texas A&M Systems
- ▶ Schedule 3D (Supplemental) to be completed by some institutions listed in the LAR instructions to report contracted employees – for example Correctional Managed Health Care employees from the Texas Department of Criminal Justice
- ▶ Reported enrollment numbers in the LAR should represent the institutions best estimate of actual enrollment as of December 1, 2016. Actual funding will be based on updated census counts to be expected to be reported on January 2017.

# Schedule 3A, 3B, 3D:

## Group Insurance Data Elements

- ▶ Employee benefits must be paid from the same revenue source as salaries.
- ▶ The Method of Financing for Group Health Insurance premiums shall be based on the APS 011 (proportionality) reported by the institution for fiscal year 2016. For LAR purposes, use estimated proportionality likely to be reported.
- ▶ Two basic fund categories from which higher education employees are paid:
  1. Educational & General
  2. Non-Educational and General (Local)
- ▶ Enter the total employees in these categories and work backwards to allocate based upon proportionality
- ▶ Retired Employees:
  - ERS institutions should NOT include them in Schedule 3A
  - UT and A&M institutions SHALL include retired employees in Schedule 3B.
    - **NOTE - Retirees should be allocated between appropriated and non appropriated sources in a proportion similar to current salary expenses and in a manner consistent with APS 11 instructions.**
- ▶ Sum certain amount will show up in Appropriations Bill (after State rates are set)

# Other LAR Schedules

# Performance Measures

- ▶ The LBB has defined a set performance measures for General Academic Institutions and a separate set for Health Related Institutions
- ▶ Institutional specific performance measures have been developed for some institutions
- ▶ Each measure is categorized as either a key or non-key measure. The Legislature sets targets for key measures through the GAA.

# Performance Measures

- ▶ Historical and projected values (FY 2015 – FY 2019) for each measure (key and non-key) are included in the LAR (Schedules 2D, 2G and 3A)
- ▶ The LAR data is usually the basis for establishing the targets for key measures
- ▶ The LBB has the authority to set the targets at a different level than those included in the LAR
- ▶ Targets for key measures are included in the GAA Bill Pattern for each institution

# Performance Measures

- ▶ Actual performance is reported to the LBB through ABEST by October 31st of each year by Institutional Research
- ▶ An explanation is required for variances +/- 5% from the targets for key measures
- ▶ Things to think about when preparing the LAR
  - Institutional Research department is the best source for performance measure information
  - LAR Performance measure data will be used to set the target for key measures
  - Performance measures are usually a topic of discussion at the LBB/GOBPP staff hearings

# 3B – Rider Revisions & Additions Request

- ▶ Word Document, not an ABEST schedule
- ▶ Request new riders, deletion or changes to existing riders
- ▶ May be used for changes to institution specific riders or Article III and Article IX riders



# 3B – Rider Revisions & Additions Request

- ▶ Riders may require revision due to statutory reference changes, technical corrections, changes in agency policy, or need for clarification. Riders that make appropriations for sum-certain, estimated, or unexpended balance amounts may also require revisions.
- ▶ Higher Ed system offices coordinate a group of Article III and Article IX rider changes to be submitted for all institutions. Some systems include this in the system LAR and not the component LARs. Other systems include it in both the system and component LARs.
- ▶ Check with your system office on the policy for Article III and Article IX rider changes

# 6H – Estimated Funds Outside the Bill Pattern

- ▶ Used to create the % used in each institution's bill pattern
  - This bill pattern represents an estimated x% of this agency's total available funds for the biennium
- ▶ Schedule of Revenue from All Funds to be completed in an Excel Template
- ▶ Annual amounts for each current biennium (FY 2016-2017) and requested biennium (FY 2018-2019)
- ▶ Include first section for Fund sources appropriated in the GAA Bill Pattern, General Revenue and GR Dedicated; second section for funds appropriated outside of the Bill Pattern, State paid Benefits and transfers; third section for all other local funds.
- ▶ Example follows

**UT Southwestern Medical Center (729)**  
**Estimated Funds Outside the Institution's Bill Pattern**  
**2014-15 and 2016-17 Biennia**

	2014-15 Biennium				2016-17 Biennium			
	FY 2014 <u>Revenue</u>	FY 2015 <u>Revenue</u>	Biennium <u>Total</u>	Percent <u>of Total</u>	FY 2016 <u>Revenue</u>	FY 2017 <u>Revenue</u>	Biennium <u>Total</u>	Percent <u>of Total</u>
<b>APPROPRIATED SOURCES INSIDE THE BILL PATTERN</b>								
State Appropriations (excluding HEGI & State Paid Fringes)	\$ 139,357,272	\$ 139,411,638	\$ 278,768,910		\$ 160,984,503	\$ 160,984,503	\$ 321,969,006	
Tuition and Fees (net of Discounts and Allowances)	6,885,694	7,044,538	13,930,232		7,044,538	7,044,538	14,089,076	
Endowment and Interest Income	1,065,897	1,317,869	2,383,766		1,555,274	1,555,274	3,110,548	
Sales and Services of Educational Activities (net)	-	-	-		-	-	-	
Other Income	17,650	37,850	55,500		37,850	37,850	75,700	
<b>Total</b>	<b>147,326,513</b>	<b>147,811,895</b>	<b>295,138,408</b>	<b>6.9%</b>	<b>169,622,165</b>	<b>169,622,165</b>	<b>339,244,330</b>	<b>7.1%</b>
<b>APPROPRIATED SOURCES OUTSIDE THE BILL PATTERN</b>								
State Appropriations (HEGI & State Paid Fringes)	\$ 28,726,242	\$ 29,951,430	\$ 58,677,672		\$ 30,250,944	\$ 30,553,454	\$ 60,804,398	
Higher Education Assistance Funds	-	-	-		-	-	-	
Available University Fund	-	-	-		-	-	-	
Sales and Services of Hospitals (net)	769,930,628	867,600,312	1,637,530,940		910,980,328	956,529,344	1,867,509,672	
State Grants and Contracts	10,973	10,973	21,946		10,973	10,973	21,946	
<b>Total</b>	<b>798,667,843</b>	<b>897,562,715</b>	<b>1,696,230,558</b>	<b>39.4%</b>	<b>941,242,245</b>	<b>987,093,771</b>	<b>1,928,336,016</b>	<b>40.3%</b>
<b>NON-APPROPRIATED SOURCES</b>								
Tuition and Fees (net of Discounts and Allowances)	\$ 12,969,334	\$ 14,022,047	\$ 26,991,381		\$ 14,067,126	\$ 14,123,566	\$ 28,190,692	
Federal Grants and Contracts	194,404,701	182,082,236	376,486,937		187,544,703	193,171,044	380,715,747	
State Grants and Contracts	31,250,845	29,020,692	60,271,537		29,891,313	30,788,052	60,679,365	
Local Government Grants and Contracts	257,275,114	228,374,025	485,649,139		235,225,246	242,282,003	477,507,249	
Private Gifts and Grants	38,134,869	93,530,014	131,664,883		95,400,614	97,308,627	192,709,241	
Endowment and Interest Income	90,934,103	90,682,131	181,616,234		92,495,774	94,345,689	186,841,463	
Sales and Services of Educational Activities (net)	9,062,369	10,183,436	19,245,805		10,285,270	10,388,123	20,673,393	
Professional Fees (net)	443,943,048	491,339,089	935,282,137		515,906,043	541,701,346	1,057,607,389	
Auxiliary Enterprises (net)	22,749,163	22,523,937	45,273,100		22,749,176	22,976,668	45,725,845	
Other Income	19,653,143	33,197,622	52,850,765		33,529,598	33,864,894	67,394,492	
<b>Total</b>	<b>1,120,376,689</b>	<b>1,194,955,229</b>	<b>2,315,331,918</b>	<b>53.8%</b>	<b>1,237,094,864</b>	<b>1,280,950,012</b>	<b>2,518,044,876</b>	<b>52.6%</b>
<b>TOTAL SOURCES</b>	<b>\$ 2,066,371,045</b>	<b>\$ 2,240,329,839</b>	<b>\$ 4,306,700,884</b>	<b>100.0%</b>	<b>\$ 2,347,959,274</b>	<b>\$ 2,437,665,947</b>	<b>\$ 4,785,625,221</b>	<b>100.0%</b>

# 6A. HUB Reporting Schedule

**Shows to what extent the Institution has made “good faith” efforts to comply with HUB rules:**

- ▶ Part (a.) shows \$ expenditures and % of HUB activity for the previous 2 fiscal years and is broken down by 6 categories of spending
  - Data is from the Comptroller of Public Accounts reporting (comparing HUB goals to actual attainment)
- ▶ Part (b.) allows for each agency/institution of higher education to provide a narrative of their respective efforts in meeting their HUB Procurement Goals
  - The information is used as a scorecard for each agency as to how well they are meeting their HUB goals in each procurement category and what factors affect the outcomes

# 6G. Homeland Security Reporting Schedule

**This schedule only includes expenditures from federal funds**

- ▶ Part A: Terrorism-related expenditures – funds used to prevent terrorist attacks, reduce vulnerability to terrorism, etc. Includes defense against terrorist attacks, emergency preparedness, and response
- ▶ Part B: Natural/Man Made Disasters – wildfires, hurricanes, floods, tornadoes
- ▶ Identify which federal awards to include in the schedules review CFDA number, Key words, sponsor name and abstract
- ▶ Identifying the correct CFDA numbers is not a clear cut process. Do the best you can.

# 6J – Budgetary Impacts Related to Federal Health Care Reform

- ▶ Informational schedule that reports revenue and expenditures of federal health care reform funding
- ▶ Federal Health Care Reform legislation includes:
  - H.R 3590, the Patient Protection and Affordable Care Act of 2010
  - H.R. 4872, the Health Care and Education Reconciliation Act of 2010
- ▶ Check with your System Offices if this information is reported centrally or at each institutions
- ▶ Academic Institutions are not generally expected to have any information to report



# Schedule 2

## Grand Total, Educational, General and Other Funds

- ▶ Summarizes education, general and other funds, and includes funding sources not reflected in Schedule 1A or 1B or the Summary of Request
- ▶ In other words, they want everything else reported on your AFR in E&G funds that you haven't already reported



# Schedule 2: What does it include?

- ▶ Include transfers from the THECB
  - ARP, Texas College Work Study, Professional Nursing Shortage Reduction Program, Fifth Year Accounting Scholarship, Texas Grants, B-on-Time Program, Incentive Funding, ARRA funding, etc.
- ▶ Include transfers for Group Insurance (UT and TAMU)
  - Report amounts in appropriation bill unless the System Office has reallocated funding in which case the institution should report the revised amount
- ▶ Include AUF transfers (TAMUS, PVAMU, TAMU, UT Austin and UT System)
- ▶ HEF funds used for E&G equipment (not for capital projects)

# Schedule 2: For Informational Purposes Only

- ▶ Include Gross Designated Tuition
- ▶ Include Indirect Cost Recovery

Sample schedule shows you need to estimate these items for all years through 2019.

# Schedule 6: Constitutional Capital Funding

- ▶ Schedule should include only activities related to Permanent University Fund (PUF) Bonds, Higher Education Fund (HEF) Bonds and/or HEF allocations
- ▶ Verify that the HEF appropriations agree to the amounts in Education Code Section 62.021. 2018 & 2019 amounts should be assumed at the same level as the 2015-17 (for Non UT Schools)
- ▶ TRBs and TRB debt service are not included in the schedule

# Schedule 7: Personnel

- ▶ **IMPORTANT:** The FTE cap will be determined based on the Estimated Year (Second Year), Subtotal, Directly Appropriated Funds
- ▶ Provides detail on full-time equivalent (FTE) and headcount positions paid from appropriated funds and other funds
- ▶ Source documents:
  - State Auditor's Office (SAO) quarterly FTE reports (Avg. 4 Qtrs.) for Year 1. Also used for Base Recon and Summary of Request FTEs. All should tie for Appropriated Funds.
  - OOE totals in LAR for Salaries by Faculty and Non-Faculty
  - Internally generated Headcount Report

# Schedule 7: Personnel

## Schedule 7: Personnel

83rd Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)


Agency code: **751** Agency name: **Texas A&M University - Commerce**

	Actual 2011	Actual 2012
<b>Part A.</b>		
<b>FTE Postions</b>		
<b>Directly Appropriated Funds (Bill Pattern)</b>		
Educational and General Funds Faculty Employees	273.7	301.7
Educational and General Funds Non-Faculty Employees	501.8	500.0
<b>Subtotal, Directly Appropriated Funds</b>	<b>775.5</b>	<b>801.7</b>
Non Appropriated Funds Employees	388.5	428.7
<b>Subtotal, Other Funds</b>	<b>388.5</b>	<b>428.7</b>
<b>Subtotal, Non-Appropriated</b>		
<b>GRAND TOTAL</b>	<b>1,164.0</b>	<b>1,230.4</b>



# Schedule 7: Personnel Bill Pattern

## TEXAS A&M UNIVERSITY - COMMERCE

	For the Years Ending	
	August 31, 2014	August 31, 2015
	<u>2014</u>	<u>2015</u>
<b>Method of Financing:</b>		
General Revenue Fund	\$ 35,569,422	\$ 35,673,644
<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account No. 704	3,243,036	3,243,036
Estimated Other Educational and General Income Account No. 770	13,832,355	13,931,678
Subtotal, General Revenue Fund - Dedicated	<u>\$ 17,075,391</u>	<u>\$ 17,174,714</u>
<b>Total, Method of Financing</b>	<u><b>\$ 52,644,813</b></u>	<u><b>\$ 52,848,358</b></u>
<b>Items of Appropriation:</b>		
1. Educational and General State Support	\$ 52,644,813	\$ 52,848,358
<b>Grand Total, TEXAS A&amp;M UNIVERSITY - COMMERCE</b>	<u><b>\$ 52,644,813</b></u>	<u><b>\$ 52,848,358</b></u>
<p>This bill pattern represents an estimated 33.8% of this agency's estimated total available funds for the biennium.</p>		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	 801.7	801.7

# Schedule 9 - Special Items Information

- ▶ Provides additional information on special items funded through the GAA
- ▶ Only include existing special items, not requested exceptional items
- ▶ Coordinate with the director of your special item for the best and most up to date information

# Consistency in Reporting



# **Legislative Appropriations Request Higher Education Consistency Standards**

The following consistency standards were agreed upon by the TASSCUBO Budget Committee on May 25, 2012. The intent of these standards is to simplify the LAR process.

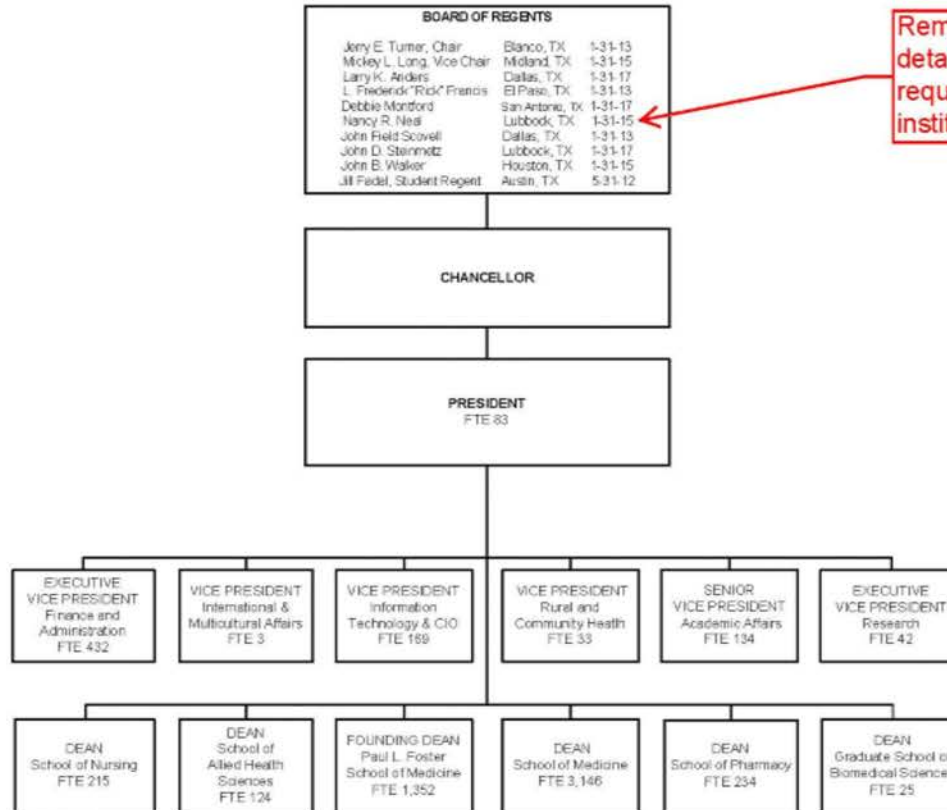
# Administrator's Statement

- ▶ Based on the LAR instructions, Board member information is only required by systems and independent institutions
- ▶ Systems and independent institutions should include a statement similar to the following in the Administrator's statement
  - *The Texas Tech University System is governed by a Board of Regents. The current members of the Board of Regents are included in the Organizational Chart*
- ▶ Eliminate the Board of Regents from the Administrator's statement and include in the Organizational Chart

# Organizational Chart

- ▶ All institutions would include the chain of command from the Board of Regents to the Vice President level of the institution (i.e., Board of Regents, Chancellor, President, Vice President/Provost). For some Health Related Institutions, Deans would be included if they report directly to the President and not to a Provost.
- ▶ Positions below a Vice President Level should be excluded
- ▶ Detailed Board of Regent information would be provided if required by the institution
- ▶ An example of the proposed Organizational Chart changes is attached

# Organizational Chart-1



Remove the Board detail only if not required for the institution.

# Schedule 3A Strategy Request- Formula and Other Common Strategies

- ▶ The following verbiage should be included in the strategy description and justification section for formula funded and other common strategies. Verbiage should not be included in the Internal/External factors section.

# General Academic Institutions-1

## Instruction and Operation Formula

- The Instruction and Operations Formula provides funding for faculty salaries, departmental operating expense, library, instructional administration, research enhancement, student services and institutional support.
- The funds are distributed on a weighted semester credit hour basis. The rate per weighted semester credit hour is established by the Legislature each biennium.

## Teaching Experience Supplement

- The Teaching Experience Supplement formula provides an additional weight of 10 percent to lower and upper division semester credit hours taught by tenured and tenure-track faculty.
- The Infrastructure Support formula distributes funding associated with plant-related formulas and utilities. This formula is driven by the predicted square feet for universities' educational and general activities produced by the Coordinating Board Space Projection Model.

## Infrastructure Support

- The portion of the formula related to utilities is adjusted to reflect differences in unit costs for purchased utilities, including electricity, natural gas, water and wastewater, and thermal energy.

# General Academic Institutions-2

## Research Development Fund

- The Research Development Fund (RDF) is distributed among eligible institutions based on the average amount of restricted research funds expended by each institution per year for the three preceding fiscal years. FY 2015 is the final year of existence for the RDF.
- The purpose of these funds is to promote research capacity.

## Competitive Knowledge Fund

- The purpose of the Texas Competitive Knowledge Fund (TCKF) is to support faculty for the purpose of instructional excellence and research. FY 2015 is the final year of existence for the TCKF.

Note – The 84<sup>th</sup> Legislature created a new research structure for the general academic institutions. It is expected that the LBB will provide guidance as to how to report the FY 2015 historical information for RDF and TCKF in your LAR submission.

# General Academic Institutions-3

## Texas Research University Fund

- The Texas Research University Fund provides funding to The University of Texas at Austin and Texas A&M University to support faculty to ensure excellence in instruction and research.
- A legislatively determined amount of funding is allocated based on each institution's average research expenditures for the previous three-year period as reported to the Higher Education Coordinating Board.

## Texas Comprehensive Research Fund

- The Texas Comprehensive Research Fund provides funding to promote increased research capacity at eligible general academic teaching institutions including those other than The University of Texas at Austin, Texas A&M University or any institution designated as an emerging research university under the Higher Education Coordinating Board's (THECB) accountability system.
- Funding is to be expended for the support and maintenance of educational and general activities, including research and student services, that promote increased research capacity.
- A legislatively determined amount of funding is allocated based on the average amount of restricted research funds expended by each institution per year for the three preceding state fiscal years as reported to THECB.



# General Academic Institutions-4

## Core Research Support Fund

- The Core Research Support Fund is established to provide funding to promote increased research capacity at those institutions designated as an emerging research university under the Higher Education Coordinating Board's (THECB) accountability system.
- Funding is to be expended for the support and maintenance of educational and general activities, including research and student services, that promote increased research capacity.
- A legislatively determined amount of funding is appropriated to eligible institutions as follows: (1) 50 percent based on the average amount of restricted research funds expended by each institution per year for the three preceding state fiscal years as reported to THECB; and (2) 50 percent based on the average amount of total research funds expended by each institution per year for the three preceding state fiscal years as reported to THECB.

# Health Related Institutions -1

## Instruction and Operation Formula

- The Instruction and Operations Formula provides funding for faculty salaries, departmental operating expense, library, instructional administration, student services and institutional support. (Insert one of the following sentences here based on the strategy.)
  - *The formula for this strategy is based on weighted medical student headcounts.*
  - *The formula for this strategy is based on weighted dental student headcounts.*
  - *The formula for this strategy is based on weighted biomedical student full time equivalent.*
  - *The formula for this strategy is based on weighted nursing student full time equivalent.*
  - *The formula for this strategy is based on weighted pharmacy student full time equivalent.*
  - *The formula for this strategy is based on weighted public health student full time equivalent.*
  - *The formula for this strategy is based on weighted allied health student full time equivalent.*
- The rate per weighted student headcount or full time equivalent is established by the Legislature each biennium.

# Health Related Institutions -2

## Infrastructure Support

- The Infrastructure Support formula distributes funding associated with plant support and utilities. This formula is driven by the predicted square feet for health related institutions produced by the Coordinating Board Space Projection Model.
- Because the Space Projection Model does not account for hospital space, separate infrastructure funding for hospital space at the institution is included in the total funding for hospital and patient care activities. (This paragraph would only be included for UTMB, UTMD Anderson and UTHSC Tyler).

## Research Enhancement

- The Research Enhancement formula allocates a fixed amount per year to each institution in addition to a legislatively determined percentage of the research expenditures as reported to the Texas Higher Education Coordinating Board. These funds are used to support the research activities of the institution.

## Graduate Medical Education

- The Graduate Medical Education formula allocates funding based on the number of medical residents. These funds shall be used to increase the number of resident slots in the State of Texas as well as for faculty costs related to GME.

# Health Related Institutions -3

## Medical Loans

- For FY 2015 only, Section 61.539 of the Texas Education Code required the 2% of the resident medical school tuition be transferred for repayment of student loans of physicians serving in designated state agencies or economically distressed or rural medically underserved areas of the State. This transfer was repealed by the 84<sup>th</sup> Legislature effective Fall 2015.
- For institutions with Dental Schools add: Section 61.910 of the Texas Education Code requires that 2% of the resident dental school tuition be transferred for repayment of student loans of dentists subject to eligibility determinations established by the Texas Higher Education Coordinating Board. This amount is also reported in the Medical Loans strategy.

## Permanent Health Fund for Higher Education (Education Code, Section 63.001)

- This strategy includes the institution's allocation of the Permanent Health Fund for Higher Education established by Section 63.001 of the Texas Education Code. The purpose of these funds includes medical research, health education, treatment programs, or state matching funds for the eminent scholars fund program.

# Health Related Institutions -4

## Other Permanent Health Funds (Education Code, Section 63.101)

- Funding for this strategy is derived from annual distributions of this institution's permanent endowment fund established Section 63.101 of the Texas Education Code. These are appropriated for research and other programs that are conducted by the institution and that benefit the public health or for state matching funds for the eminent scholars fund program.
- Note: UTHSC San Antonio, UTEP, TTUHSC El Paso, TTUHSC (not El Paso) and TAMU HSC have additional purposes in Sec. 63.102(c) that should be added as appropriate.

# All Institutions

## Staff Group Insurance

- This strategy is to provide proportional share of staff group insurance premiums paid from Other Educational and General funds.

## Worker's Compensation

- The strategy funds the Worker's Compensation payments related to Educational and General funds.

## Texas Public Education Grants

- This strategy represents tuition set aside for the Texas Public Education Grants program as required by Section 56.033 of the Texas Education Code.

# Schedule 3A- Strategy Request- Special Items

- ▶ Schedule 9, Special Item Information should be considered the primary schedule for all continuing special item requests
- ▶ The mission statement from Schedule 9 should be used as strategy description and justification on Schedules 3A
- ▶ In the Internal and External Factors Section, use the following statement:
  - *Additional information for this strategy is available in Schedule 9, Special Item Information.*

# Omitted Schedules

- ▶ A list of Schedules not included in the LAR should be included right after the Table of Contents
- ▶ Institutions should no longer insert blank pages for the schedules that are omitted if they are included on this list
- ▶ An example is attached



# Schedules Not Included

Agency Code: 720	Agency Name: The University of Texas System Admin.	Prepared By: Randy Wallace	Date: August 2010	Request Level: Baseline
<p>For the schedules identified below, the U. T. System Administration either has no information to report or the schedule is not applicable. Accordingly, these schedules have been excluded from the U. T. System Administration Legislative Appropriations Request for the 2012-13 biennium.</p>				
<b>Number</b>	<b>Name</b>			
2.D.	Summary of Base Request Objective Outcomes			
2.G.	Summary of Total Request Objective Outcomes			
3.C.	Rider Appropriations and Unexpended Balances Request			
6.B.	Current Biennium One-time Expenditure Schedule			
6.F.	Advisory Committee Supporting Schedule			
6.G.	Homeland Security Funding Schedule			
Schedule 1A	Other Educational and General Income			
Schedule 4	Computation of OASI			
Schedule 5	Calculation of Retirement Proportionality and ORP Differential			
Schedule 7	Current and Local Fund (General) Balances			
Schedule 10A	Tuition Revenue Bond Projects-Schedule			
Schedule 10B	Tuition Revenue Bond Issuance History			

# **Last Steps – What Now?**

# What Next?

- ▶ ABEST Access -(Get Your Access NOW)
- ▶ Go To Legislative Budget Board web site.

<http://www.lbb.state.tx.us/>

Look under AGENCIES PORTAL

Click: Agency Logon Request Form

- ▶ The LAR will include up to 27 ABEST reports. Data will be entered into various data-entry screens, using instructions in Preparing and Submitting Legislative Appropriation Requests (LARs) in ABEST.

# What Next?

## What should I do now?

- ▶ Determine which schedules apply
- ▶ Determine who is responsible for which schedules
- ▶ Make the assignments, send out the info, and set deadlines
- ▶ Order all necessary reports from Accounting, Payroll, Human Resources, etc.

# What Next?

- ▶ Ensure someone is working on/reviewing:
  - Administrator's Statement
  - Performance Measures
  - Strategy/Exceptional Item Description and Justification
  - External/Internal Factors Impacting Strategy/Exceptional Item
  - Strategies tied to Statewide Goal/Benchmark/Service Categories
  - Special Item Information (Schedule 9)

# What Next?

- ▶ Determine best order to work the budget/finance office schedules
  - 6.I. 10 Percent Biennial Base Reduction Options
  - Schedule 4 – Computation of OASI
  - Schedule 5 – Calc of Retirement Proportionality and ORP Diff
  - Schedule 1 – Other Educational and General Income
  - Schedule 2 – Grand Total Educational, General and Other Funds
  - 3.A. Strategy Request – OOE, MOF, and FTE
  - 4.A. Exceptional Item Request Schedule
  - Everything else
  - 2.B. Summary of Base Request by Method of Finance

# Final Tips....



- ▶ You WILL get through this
- ▶ Use your resources right here in this room
- ▶ NO Question is EVER dumb!
- ▶ ASK QUESTIONS
- ▶ When in doubt, ASK
- ▶ Have a question.. ask

