Medgar Evers College
An Overview of the Operating Budget

BUD 101 – Introduction to Budget
An Overview of the MEC Operating Budget
What is a Budget?
What is a Tax Levy Budget?
What is a Non-Tax Levy Budget?
Why to Transfer Budget
What are the expenses categories in CUNYFirst?
The Purchasing Process
Independent Contractors Agreements
Modest Meals and Light Refreshments
Travel
Accounts Payment Process
Summary
MEC Budget Structure and Allocation Process
Tax Levy Funding Sources

- CUNY provides an initial allocation of our annual budgets at the beginning of the academic year. Subsequent allocations are made during the year to adjust for revenue collections and to disburse additional funds. *(State Aid – Tax Levy Funding)*

- The allocation starts with the base budget follows by the allocation of various lump sum appropriations. Additional allocations for College initiatives and other miscellaneous items are added throughout the year.

  ◦ Items that are paid for centrally, such as fringe benefits, energy, building rentals, and student financial aid, are not allocated to the colleges but expended centrally on their behalf.

  ◦ The colleges have the opportunity to generate additional operating funds by achieving savings from the energy budget. Savings remain with the campus; conversely, deficits must be funded within college budgets.
Budget Allocation Process, cont’d

- **Lump sum allocations:** These include child care, collaborative programs with the NYC Dept. of Education, Coordinated Undergraduate Education, Language Immersion Programs, SEEK, ASAP and services for the disabled. Throughout the year, the colleges may receive additional allocations for various miscellaneous items. *(City Support – Tax Levy)*
  
  - **Programmatic Lump Sums**
    
    The majority of these are determined by the Office of Academic Affairs and Office of Student Development and are based on existing or planned activities at the colleges.

- **Tuition Revenue Policy:** The tuition revenue budget is appropriated by the State to the senior colleges. Because tuition revenue represents a component of the college's budget, it is critical that colleges collect revenue at or above their established targets. *(Tuition & Fees – Paid by Students)*
Non–Tax Levy Funding Source

- **Auxiliary Enterprises, Inc.:** Funds generated by the corporation e.g. Parking Services, Bookstore, Food Service, etc.

- **MEC Educational Foundation:** Tax deductible voluntary contributions, fund raising, and donations

- **MEC Student Faculty Association:** Student Activity Fees

- **Research Foundation:** State, City, Federal and Private Grants

- **Child Development Center:** UPRE-K, Block Grant & Student Tuition and Fees
Tax Levy Funds

- The Tax Levy funds are the primary operating budget of the college: Funds come from New York State Aid and tuition paid by students.

- Fiscal year 2021 operating budget is approximately $57 million (excluding fringe benefits, energy, rent and other expenses paid by CUNY Central Office).

- All transactions must comply with city, state and CUNY guidelines.
What is a Budget

- A budget represents funds available to be spent

- A budget is allocated at the beginning of each fiscal year can be modified between account or expense category

- A budget is reduced each time salaries are paid and goods and/or services are purchase.
**Budget Term**

- **Allocated Budget**: Funds available to be spent during the FY

- **Open Encumbrance**:
  - **Pre-Encumbrance** is a requisition entered in CF for goods and/or services that has not been processed by the Purchasing
  - **Encumbrances** signifies that the requisition was processed and a purchase order was generated and issued to the vendors

- **Expenditures**: Payment was made to the vendor or employee

- **Available Balance**: Allocated Budget minus (Expenditures and Open Encumbrances)
Tax Levy Expenses Categories

- PS – Regular (Full Time Faculty and Staff)
- Teaching Adjuncts
- Temp Services (College Assistant, Tutors and Administrative Adjuncts)
- OTPS – Other Than Personnel Service
CUNYFIRST requires all OTPS transactions to be budgeted into one of the following six categories.

The categories are as follows:

1) 80120 Supplies & Materials
2) 80121 Travel
3) 80122 Contractual Services
4) 80123 Equipment Acquisition
5) 80124 Fringe Benefits (i.e. Honorariums, Merit Award)
6) 80125 Indirect Costs

Your purchase transaction will not be processed, if there is insufficient budget in the corresponding category creating a **Budget Error**.
Operating Timeline

- **July 1** – New Fiscal year begins
- **June 30** – Fiscal year ends
- The fiscal year is identified by the June 30 end date
Before you begin your request to purchase as a Requestor, please follow the steps provided below:

- Know your CUNYFIRST Department number.
- Verify your balance by Checking Budget balances.
- If the balance is insufficient or negative, please complete the Budget Transfer Form. Your request will not be processed if the budget is not sufficient and in the proper account.

1. Complete the Budget Transfer form properly using your Department Name & Code as well as the Account Name & Code.
2. Determine the amount to transfer based on your current and anticipated need for the balance of the year.
3. Make sure the transfer amount (From & To) is balanced and equal zero.
4. Email the completed form to: BudgetOffice@mec.cuny.edu
5. Once the budget transfer is made, you will be notified.
Security Authorization
(CUNY first eProcurement, Travel Expenses, Authorization Forms – NTL)

- Departments can authorize individuals to submit various transactions, request transfers, and receive budget reports
- Necessary for audit purposes
- Must be validated each fiscal year
- May be updated throughout the fiscal year by request
- If not completed, a number of transactions will be restricted, including budget transfers and purchase requisitions
Checking Budget Balances – Query Viewer

Click “Financials Supply Chain"
To view the available budget balance for each account code for your department, you must take the following steps:

1. Click on ‘Reporting Tools’
2. Click on ‘Query’
3. Click on ‘Query Viewer’
Checking Budget Balances – Query Viewer

4. Type in the Query Name below:
   **CU_BUDGET_OVR_EXP_DEPT_SR**

5. Click ‘Search’

<table>
<thead>
<tr>
<th>Query Name</th>
<th>Description</th>
<th>Owner</th>
<th>Folder</th>
<th>Run to HTML</th>
<th>Run to Excel</th>
<th>Run to XML</th>
<th>Schedule</th>
<th>Add to Favorites</th>
</tr>
</thead>
<tbody>
<tr>
<td>CU_BUDGET_OVR_EXP_DEPT_SR</td>
<td>Budget Ovview &amp; exp accounts</td>
<td>Public</td>
<td></td>
<td>HTML</td>
<td>Excel</td>
<td>XML</td>
<td>Schedule</td>
<td>Favorite</td>
</tr>
</tbody>
</table>
Click “Add to Favorite” to save the step of typing the query name.
6. Click on the blue underlined link or export the file into
7. For Budget Period, type in the four-digit fiscal year (ex. 2018)
8. For Unit, Type in MEC01
9. For “Dept”, type in your 5-digit CUNYFIRST Department Code
10. Click View Results
Download results in Excel Spreadsheet if needed.

<table>
<thead>
<tr>
<th>Budget Period</th>
<th>Business Unit</th>
<th>Account</th>
<th>Account Description</th>
<th>Department</th>
<th>Deser</th>
<th>Fund Code</th>
<th>Major Purpose</th>
<th>Operating Unit</th>
<th>Program Code</th>
<th>Funding Source</th>
<th>Special Initiatives</th>
<th>Allocated Budget</th>
<th>Pre-Encumbrances</th>
<th>Encumbrances</th>
<th>Expenditures</th>
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<td>80123</td>
<td>1500000000</td>
<td>80123</td>
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Refer to the **Allocated Budget** column to assess how much has been budgeted to each account code and refer to the **Available Budget** column to review your available budget balance in each account code. This available budget for OTPS is determined by adding this OTPS Account Codes 80120-80125 only.

- There maybe PS Regular, PS Temp & Adjunct Rows that appear with this query. Please delete these rows to determine your OTPS balance.
- In addition, if there are any other accounts that appear other than 80120-80125 in the **Account Column**, delete them as well.
SharePoint Reports

- On the college website under Faculty & Staff
- Click on SharePoint Portal 2021
- Log on with your User Name and Password
- Click on the **Budget office link**
- Select your division
- Select your department and navigation the system.
Funds may be transferred between departments and expense categories.

Transfers may be requested via emails.

Transfers can only be requested by an authorized signatory.

Transfers requested by an unauthorized signatory will be disallowed.
FISCAL YEAR 2020-2021 TAX-LEVY BUDGET TRANSFER FORM

DATE: _________________________________________

FROM

Department Name: _______________________________________________
Department Number: _______________________________________________

Department Name: _______________________________________________
Department Number: _______________________________________________

<table>
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<tr>
<th>OTPS Account Code</th>
<th>Amount</th>
<th>Description</th>
<th>OTPS Account Code</th>
<th>Amount</th>
<th>Description</th>
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<td>Fringe Benefits</td>
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</table>

TOTAL: ________________________  TOTAL: ________________________

Explanation:
___________________________________________________________________________________________________________________
___________________________________________________________________________________________________________________
___________________________________________________________________________________________________________________

Authorized Signature: ___________________________  Date: ___________________________

NOTE: After completion of this form, please email it to the Budget Office at BudgetOffice@mec.cuny.edu.
Budget Call
MEC Budget Call Process

- Budget Call Letter is sent to Vice Presidents, Deans, Department Chairs/Managers

- Three years of historical data, Current Year OTPS (other than personnel services) P.S. Full-time report, Submission Template and Supplemental Information.

- Completed budget requested submitted by dept. Chairs/Managers to area Vice President/Deans for review and approval

- Completed budget request submitted by Co-chairs for MEC’s 25% initiatives

- The completed budget request must be submitted by area Vice Presidents/Deans to the Budget Office by the April due date.

- Completed budget requests are submitted by Chairs/Managers to area Vice Presidents/Deans for review and discussion.
MEC - Budget Call Process – continued.

- Budget review and recommendations made in consultation with the President.

- After President’s approval written notification will be sent by the Budget Office to Vice Presidents, Deans Dept. Chairs/Managers, notifying them of their approved Budget allocation.

- Budget Allocations are subject to adjustment based on the College’s actual budget allocation and tuition revenue collections.
OTPS – CUNYFIRST

- Requisition Submission into CUNYFirst
  - Budget Error
    - Categories – Supplies, Contracts, Travel, & Equipment
    - Contact the budget office

- Receipts

- Travel and Expenses

- Meal and Light Refreshments

- CUNYFirst Training
Take Away Action

- Understanding the budget processes
- Attending training sessions and reading email announcements
- Managing transfers and purchases effectively
- Review your budget reports in CF and Sharepoint to monitor your activities
- Utilize the Budget and Finance Departments and its resources for planning and decision making

Remember if you fail to plan, you plan to fail.