GENERAL GUIDELINES

TAMU-CC must be prepared to face the continuing challenges of serving an increasing student population, improving current programs, developing innovative and desired new programs, and advancing research and other initiatives that will continue to benefit the citizens of Texas.

TAMU-CC implemented significant budget reductions in FY2010 and 2011 that similarly affected all state entities. These reductions were required for the 2012/2013 biennium, and the possibility of changes in our state funding in the next legislative session remains an issue facing all institutions of higher education. However, in these challenging economic times, the A&M System and TAMUCC remain committed to keeping the cost of attending our universities affordable. The imperative of excellence in all we do and the reality of resource limitations in the State of Texas increase the difficulty of meeting these challenges and dictate that we devote our collective skills to ensuring that the productivity of all resources is optimized.

Tuition and fees.....

Institutions in the Texas A&M University System have been instructed to prepare and submit FY2014 Annual Operating Budgets that assume no increases in tuition and fees, which applies to both undergraduates and graduate resident students.

Accountability targets in excellence, efficiency, access, and success should be guiding principles in budgeting and fiscal management for FY2014. There should be a continuing effort to increase and expand programmatic excellence, to efficiently utilize available resources by prioritizing programs, facility requirements, and staffing needs and in implementing cost-cutting strategies where appropriate.

Budgets should be consistent with goals, objectives and strategies outlined in the divisional, departmental and unit WEAVE Online assessment system.

Budget recommendations and requests shall be prepared within the estimated funds available and using the guidelines and tools provided by the administration and budget office to develop an operating budget to meet the university’s goals. In income-generating activities, total funds budgeted shall not exceed realistic estimates of income. It is expected that government and private contracts will finance their proportionate share of any budget increases being recommended, for example merit provisions.

MERIT FOR FY2014 BUDGET DEVELOPMENT PROCESS

At this time, with no tuition and fee increases and the state funding process not finalized, TAMU-CC cannot commit to a merit pool for FY2014. Should our funding situation change, budget managers will be updated and further instructions distributed.

In order to have staff employees placed on the merit sheets, their performance reviews must be completed by April 30, 2013; for faculty no later than May 14, 2013. Additionally, to be considered for merit all employees must have completed all mandatory training by April 30, 2013.
GENERAL INSTRUCTIONS-UNIVERSITY-FUNDED ACCOUNTS

Account or budget managers will receive the following forms:

1. Budget Instructions-with due dates outlined.
2. New Funds Request Form-enter all requests for new funds from University Sources on this form.
   
   New funds request forms should be forwarded for review and approval by the appropriate Vice President/division head. VP’s will then review all requests and prepare a divisional list of new funds requests for review in the budget allocation process.

GENERAL INSTRUCTIONS-STUDENT FEE, AUXILIARY, BUDGETED GRANTS & CONTRACTS

Account or budget managers will receive the following forms:

1. Budget Instructions-with due dates outlined.
2. Budget Recommendation Package-instructions for completing these worksheets are on the first tab of each file.
3. New Funds Request Form-enter all requests for new funds from University Sources on this form. This is only for those cases where the resources available from student fees, auxiliary income, or grants and contract income are not sufficient to support proposed new programming or expenses or for those accounts that rely on a proportionate share of the budget from University sources.
   
   New funds requests should then be forwarded for review and approval by the appropriate Vice President/division head. VP’s will then review all requests and prepare a divisional list of new funds requests for review in the budget allocation process.

BUDGETING BY POOL OR EXPENSE CATEGORY

Account managers should review spending trends in accounts and adjust budget pools based upon that analysis. FY2014 budgets will be rolled forward from FY2013 unless account managers notify the Budget Office of changes to budget pools. A blank template will be provided as needed for account managers to request budget pool changes for each account.

The current budget pools or categories are as follows:

- Salaries
- Unallocated Salaries-Adjuncts
- Longevity
- Wages
  - Faculty
  - Staff
  - Student
- Benefits
- Travel
- M&O-Maintenance & Operations
- Scholarships
- Utilities
- Capital Outlay

Account managers should review historical spending trends for all budget pools and estimate future needs to provide accurate estimates for these categories.
1. An employee listing will be provided and should be reviewed for errors in the following data:
   - Names
   - Salary Amounts
   - Title Code & Descriptions
   - Percent of Effort funded from this account

2. Upon notification of a merit pool distribution, Student Fee, Auxiliary, Grants, and Contract accounts should budget for a merit pool of 3% in addition to a corresponding increase in benefits of 15% for the estimated merit. These amounts should be budgeted in the unallocated salaries line or in a reserve account if available. Equity and Reclass amounts should also be budgeted in the unallocated salaries line until a final approval has been made.

3. **HEF Funds** - Request for HEF funds will not be part of the operating budget process and will not be included in the new funds requests unless there is an accompanying cost associated with the capital request, such as maintenance or licensing fees associated with software.

4. Account managers should review all existing maintenance, licensing, and rental agreements for increases for FY2014 and plan for these within existing resources.

5. **Benefits** - at this time we have not received updates in the benefits amounts. We will forward these amounts to you as soon as they are available. Benefits funded from university sources will be funded and expended from centralized accounts.

6. **General Benefits Calculations per Position** - see guidelines in Attachment A. A report of actual benefits per account will be run and distributed for Self-Supported accounts for budget development.

7. **Special Items** - Accounts funded from Special Items appropriations will be held to the amount as approved in the appropriations bill and will need to adjust budgets accordingly. Estimated merit increases must be funded from available appropriations and account managers should review the budgets for adjustments to other expenditure pools to absorb the merit increases. Merit funds will be budgeted in the unallocated salaries line and examples of budget adjustments to allow for merit would be decreasing wages, travel or M&O budgets or moving a position or portion of a position onto other fund sources.

8. **Equity and Reclassification Requests** - a separate set of instructions and guidelines for these types of budget requests will be included in this package. See Attachment B for guidelines and instructions. Amounts (in total) requested for these actions should be included on the New Funds request forms if requesting from university sources. If requesting from other sources, see the instructions included in the Budget Recommendation Package for self-funded accounts, which includes Student Fee, Auxiliary and Grants and Contract accounts. These requests should be summarized and submitted separately as determined by fund sources.

   *Effective with the FY2013 budget development process, equity and reclassification requests may only be submitted once a year during the budget development cycle and as a result of annual review of position descriptions. Off-cycle requests should be rare and must be approved by the President.*

9. **Fund Balances** - Accounts funded from Student Fees and Auxiliary Operations should maintain a fund balance that represents approximately three months of operating expenses. Accounts that plan to use fund balance to cover FY2014 expenditures should clearly show that use on the worksheets and explain the need to do so, such as planned deferred maintenance, special one-time projects, etc.
ATTACHMENT A

Revenue Calculation Guidelines:
The following numbers should be used by accounts that base revenues on fee projections using SCH or Students affected. Some fees have a cap and this should be noted on the budget recommendation worksheets.

FY2014 SCH: 262,000
Students Affected: 10,700

Accounts that are not fee-generated should note the methodology used to arrive at the Revenue estimates for FY2014 on the budget recommendation worksheets.

Example: 3% increase over FY2013 amounts was used to estimate FY2014 based on historical trends.

Accounts that are fee-generated should calculate exemptions, waivers, and discounts based on the percentages noted in the exemption chart included and deduct that amount from the revenue available for budgeting expenditures – See Attachment C.

Benefits Calculations:
All Student Fee, Auxiliary, Service Departments, and Grants and Contract accounts should use the following guidelines to calculate benefits if the accounts have personnel lines.

Review each salary line on the account and multiply it by the appropriate Benefit Percent from the table below. Total all benefit amounts and enter that total on the Benefit line.

*The total Benefits amount shown should not be less than 25% of Salaries and Wages. Accounts will be reviewed for appropriate benefits budgets.

<table>
<thead>
<tr>
<th>Yearly Salary</th>
<th>Benefit Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>$80,000 +</td>
<td>24.85 %</td>
</tr>
<tr>
<td>$60,000 - $79,999</td>
<td>28.06 %</td>
</tr>
<tr>
<td>$40,000 - $59,000</td>
<td>34.50 %</td>
</tr>
<tr>
<td>$30,000 - $39,999</td>
<td>40.94 %</td>
</tr>
<tr>
<td>$15,000 - $29,999</td>
<td>53.81 %</td>
</tr>
<tr>
<td>Adjuncts</td>
<td>8%</td>
</tr>
<tr>
<td>GA’s, TA’s</td>
<td>15%</td>
</tr>
<tr>
<td>Students</td>
<td>1%</td>
</tr>
</tbody>
</table>

Account Allocations Worksheet-This worksheet will only be forwarded to appropriate accounts and will include detailed instructions within the file.
Recommendations for salary adjustments must comply with applicable System Regulations and related University Rules and Procedures. Please refer to the list and links that are provided at the end of this document. Salary increase recommendations and reclassification requests must be submitted during the budget planning cycle. Described below are the types of personnel changes/salary adjustments that can be submitted as part of the FY 2014 budget planning process. Due to the limited availability of funds, only the most critical requests supported by strong evidence will be submitted.

**Equity adjustment** - A salary adjustment made for the purpose of establishing a fairer and more comparable relationship between the salaries of two or more employees in the same job title or grade relative to experience, education and/or certification.

**Market adjustment** - A salary increase granted to establish equity/competitiveness with salaries paid in the relevant labor market, as documented by relevant survey data for the position.

**Reclassification** - When the job duties of a position are re-evaluated and the position is assigned to a new classification. A position that is re-evaluated may be assigned a lower or higher salary range and/or title. In such cases the position occupant will concurrently be judged to have been promoted, demoted and/or re-titled.

The following are required for ALL personnel actions requested:

- Submission of On-Line Position Description Action in Islander Jobs – Detailed instructions and assistance available online and from HR - [Open Link to log into Islander Jobs](#)
- Justification for requested action and recommended salary
- Each request must be listed on FY2014 Requested Personnel Actions worksheet

**Equity or Market Adjustments and Reclassification Requests**

All requests must include an explanation of the request and a justification for the recommended FY 2013 salary. Attach the justification and any relevant salary data that was considered to the on-line Position Description Action in Islander Jobs. Select Position Description action type: Post/Modify Existing Position Description. If you cannot locate the incumbent’s position description in Islander Jobs, contact Human Resources.

**New Positions**

All requests for new positions must include a justification for the recommended action. Attach the justification to the on-line Position Description action in Islander Jobs. Select Position Description action type: Create New Position. If the desired job title is not found in the drop down, select To Be Determined as a job title and enter the desired job title in the Working Title field.

**Deadlines**

Please refer to the FY2014 Budget Development Due Dates distributed with budget planning documents. Managers must submit on-line Position Descriptions as described above by March 28, 2013 for any employee who is recommended for a salary increase and for any new position requests.

**Compensation Regulations and Related Rules and Procedures**

System Policy 31.01 Compensation [Open Link to View](#)

System Regulation 31.01.01 Compensation Administration [Open Link to View](#)

University Rule 31.01.01.C2 Non-Faculty Compensation Administration [Open Link to View](#)

University Procedure 31.01.01.C2.01 Salary Increases Not Awarded in the Regular Budget Cycle [Open Link to View](#)
## Attachment C
### Exemptions Rates for Fee-Generated Accounts

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>Fall 2012 (2013)</th>
<th>FY2014 Budget Development</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FEES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Non-Capping Fees</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Computer Fee</td>
<td>5.65%</td>
<td>6.22%</td>
<td>6.50%</td>
</tr>
<tr>
<td>Library Fee</td>
<td>4.91%</td>
<td>5.43%</td>
<td>5.50%</td>
</tr>
<tr>
<td>Energy Fee</td>
<td>5.62%</td>
<td>6.20%</td>
<td>6.50%</td>
</tr>
<tr>
<td>Student Endowment Fee</td>
<td>5.61%</td>
<td>6.19%</td>
<td>6.50%</td>
</tr>
<tr>
<td><strong>Capping Fees</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Service Fee</td>
<td>1.67%</td>
<td>1.57%</td>
<td>2.00%</td>
</tr>
<tr>
<td>Athletic Fee</td>
<td>6.27%</td>
<td>6.71%</td>
<td>6.75%</td>
</tr>
<tr>
<td>Recreation Sports Fee</td>
<td>10.82%</td>
<td>10.54%</td>
<td>10.75%</td>
</tr>
<tr>
<td>Health Services Fee</td>
<td>13.06%</td>
<td>12.33%</td>
<td>12.50%</td>
</tr>
<tr>
<td><strong>Flat Fees (per Head Count)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Center Fee</td>
<td>12.10%</td>
<td>12.34%</td>
<td>12.50%</td>
</tr>
<tr>
<td>ID Card Maint Fee</td>
<td>11.16%</td>
<td>12.55%</td>
<td>13.00%</td>
</tr>
<tr>
<td>Academic Advising Fee</td>
<td>5.24%</td>
<td>5.75%</td>
<td>6.00%</td>
</tr>
<tr>
<td>Record Maintenance Fee</td>
<td>6.06%</td>
<td>6.83%</td>
<td>6.85%</td>
</tr>
<tr>
<td>International Education Fee</td>
<td>6.15%</td>
<td>6.84%</td>
<td>6.85%</td>
</tr>
</tbody>
</table>