

THE COLLEGE OF ARTS AND SCIENCE

BUDGET INFORMATION AND PROCEDURES

MIAMI UNIVERSITY
OXFORD, OHIO

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PREFACE

The *Budget Information and Procedures* manual provides chairs, program directors, and faculty with a convenient reference to the budget policies, procedures and guidelines used by the College of Arts and Science. Additional budget information can be found in *the Miami University Policy and Information Manual*, available online at <http://www.muohio.edu/mupim/>.

GENERAL POLICIES

- 1) Miami's fiscal year is July 1 to June 30. The Office of the Controller each year identifies the cutoff date (varying dates in June usually) when funds from the current fiscal year may be encumbered or spent.

To give departments and programs greater flexibility in the management of their budget lines, all year-end balances, both positive and negative, in departmentally managed budget lines will be carried forward into the next fiscal year.

- 2) All requests for funds from the College should include an endorsement from the department chair or program director. **Requests for funds from the Office of the Provost should include an endorsement from the Dean's Office.**

Updates of this Manual

A current copy of this manual can be obtained online at:

<http://www.cas.muohio.edu/docs/budgetprocedures.pdf>

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I. FISCAL YEAR ACCOUNT ALLOCATIONS TO DEPARTMENTS

Several accounts are regularly budgeted operating funds for all departments. These are:

Education and General funds with object codes including Supplies and Materials, Services, Telephone, Equipment, Regular Wages, Work Study Wages, and Travel, Departmental Lecture, University Guest, and Graduate Education Enrichment. *Travel* and *Graduate Education Enrichment* funds are distributed according to established guidelines. *Lecture* and *University Guest* funds are quite limited and receive small (if any) increases. The *Supplies and Materials*, *Services*, and *Wage* allocations are more likely to receive increases. Equipment funds are allocated at various times throughout the year.

Each year departments are asked to submit budget requests to the Dean. Justification for additional funds for operating budgets should be included in these requests. These requests are reviewed by the Dean, and form a part of the College's budget submission to the Provost. When the Provost determines the College's allocation, the Dean distributes the available funds in light of information gathered in the budget request process and priorities in the College.

A. EQUIPMENT

Equipment funding usually comes from two sources: institutional funds and House Bill funds. The institutional funds for equipment are distributed at the discretion of the Dean and Provost based upon the needs of the College for instruction, research, and office use. House Bill equipment funds are used to purchase equipment that is used directly for instructional purposes or in direct support of instruction. These funds are distributed every biennium based upon needs identified in the College. Some House Bill equipment funds will be retained by the Office of the Dean for discretionary use. These uses will normally include cost sharing for start-up costs for new faculty and purchases that may benefit the college as a whole. Purchases using House Bill funds are to be approved in advance by the Office of the Dean and should be on the House Bill list. Departments and programs will be asked to develop a priority list of equipment needs each year.

Please note that:

- 1) Institutional equipment items are defined as costing \$1200 or more and/or having a life span of five years or over.
- 2) The Purchasing Office is required by the Ohio Revised Code to seek competitive bids for items costing \$5000 or more. In addition, Miami University often solicits competitive bids for items costing significantly less.
- 3) The cost of the shipping and installation (including rigging, wiring, plumbing, venting, etc.) of any equipment item (purchased with House bill or regular equipment funds) is to be covered by the Equipment account.

B. WAGE FUNDS

There are two types of student employment: 1) Regular wage funds and 2) College Work-Study Program (CWSP) wage funds.

1) Definition of Regular Wage and CWSP Wage Funds

The purpose of the Regular Wage Funds is to provide part-time employment opportunities for any Miami University student. The purpose of the College Work-Study Program (CWSP) Wage Funds is to increase part-time employment opportunities for certain Miami University students.

CWSP funds come from a federal grant made to Miami University to create job opportunities for eligible students. The University contributes one-half of the CWSP wages paid to students and the remaining one-half is contributed by the federal grant in accordance with the stipulated federal guidelines.

2) Conditions of Student Employment: Regular and CWSP

Student employment requiring the use of regular wage or CWSP wage dollars is administered through the Office of Student Financial Aid in the Campus Avenue Building. All students interested in part-time employment should contact the Office of Student Financial Aid for instructions. The Office of Student Financial Aid will notify the Controller's Office of all students qualifying for employment under both Regular Wage and CWSP Wage accounts. This action is necessary before the employee will be

placed on the University payroll. During the academic year it is recommended that a registered student work no more than 20 hours per week; during the summer a maximum of 40 hours per week is possible.

All Miami University students are eligible for part-time employment using Regular Wage Funds. CWSP funds may be used only for students with special qualifications. The Office of Student Financial Aid determines a student's CWSP earnings eligibility for the academic year. Once the student's CWSP earnings have been reached, the work will be charged to the regular wage budget.

C. **TRAVEL FUNDS**

A faculty travel fund allocation will be made to academic departments based on procedures similar to those of past years.

1) **Faculty Travel Fund Allocation Guidelines**

Faculty Travel Funds are allocated to departments by the Dean's Office on a two-part basis. (Departments may allocate these funds to faculty according to departmental guidelines.)

a. **Per Capita Allocation**

An initial faculty travel fund allocation will be made to each department and unit based upon a per capita allotment of \$175 for each qualifying full-time-equivalent faculty and unclassified staff member (those holding academic rank). A list of faculty and staff members qualifying for the per capita allocation will be sent to department chairs early in the fall.

b. **Participation Allocation**

The remainder of the faculty travel fund allocation will be distributed to support and to reward professional activity. *Funding for participation requires the presentation of a paper or holding an office in a national or regional professional association.* Paper presentations do *not* include invitations to lecture at other

colleges or universities or locally-sponsored events. Officers of national organizations ordinarily would be President, Vice President, Secretary, and Treasurer. Other kinds of offices (trustees, council members, etc., whose presence is required) will be considered on a case-by-case basis. Ordinarily no more than two trips are funded in a given year, but every attempt is made to fund more than two trips for probationary faculty members. In cases of qualifying professional participation, travel funds are allocated on the basis of distance from Oxford. Trips within the state of Ohio or within a 500 mile round trip range will be funded at a rate of \$200 plus **55** cents per mile, or the amount of the actual cost if that amount is lower. Trips exceeding 500 miles round trip will be funded at the flat rate of \$500, or the amount of the actual cost if that is lower.

By mid-February, a formal request to the College to reimburse the unit's Operating Budget for travel from July 1 through December 31 of the previous year must be submitted, along with appropriate documentation. Documentation could include such items as a conference program or a letter of acceptance for a paper presentation. Prior to mid-February, most units will be in a deficit spending situation, hence funds will be transferred late February to the appropriate account for approved participation. A second request for participation funds, covering the period from January 1 to June 30 must be submitted, again with appropriate documentation, by mid-August. **Departments will be reimbursed only for participation as defined above.** If you have questions as to whether or not a trip qualifies for participation, please contact Karen Maitland Schilling, Dean, **before** travel expenses have been incurred.

c. Additional Faculty Travel Information

Although travel funds are limited, faculty development and unique contributions to professional activity other than those specified by the participation policy are of special importance to the College. Funds may be requested separately for faculty travel which does not adhere to the participation guidelines (Section C, Item 1-b above), **prior** to actual travel. These requests will be considered on a case-by-case basis; cost sharing by departments is expected in these cases, separate from funds provided by the Dean.

d. Overseas Faculty Travel Information

The Dean may consider additional funds for expensive overseas professional participation activity separately. These funds are made available through monies recovered from research grant overhead funds and from the College's Academic Excellence Fund. In some cases of overseas travel, the Office of International Programs has made partial funding available. These additional funds should be requested through the Dean's Office and approved at least one month **prior** to travel.

- 2) **Miami University Travel Regulations** (Section 16.17 Miami University Policy and Information Manual, http://www.units.muohio.edu/secretary/policies_guidelines/policy_info_manual/documents/Policy%20and%20Information%20Manual.pdf)

Please consult these detailed regulations which apply to all University travelers.

D. GRADUATE EDUCATION ENRICHMENT ACCOUNT

The Graduate Education Enrichment Account provides chairs with discretionary funds to enrich their graduate programs. Chairs should not use such funds to purchase equipment or departmental supply items but instead use the funds for genuinely unique and enriching purposes. Some recent uses by departments include support for travel by graduate students to professional meetings, research supplies for graduate students, and department colloquia.

Graduate Education Enrichment funds are allocated on a F.T.E. graduate student formula base. The allocation is arrived at by using the weighted student credit hours: MA credit hours + 2(Ph.D. credit hours).

E. LECTURE FUNDS

Lecture funds are used to bring guest speakers to our campus. Many departments cooperatively sponsor interdisciplinary lectures to stretch limited lecture funds.

F. GUEST ACCOUNT

A small allocation is provided to departments for entertaining guests. Such funds are normally used to provide meals or refreshments at receptions. Alcoholic beverages may not be purchased with these funds.

G. VENDING ACCOUNT

These funds are a portion of the vending commission to the University from the vending rooms in each building that are distributed to departments within that building. This fund has no restrictions as to its use.

NOTE - MONTHLY DEPARTMENTAL APPROPRIATION LEDGER

The Dean's Office receives a summary report of all accounts in the division and reviews them monthly. Because the ledgers arrive more than two weeks after the end of the month and coding errors are not uncommon, they probably do not reflect the current account balances. Chairs are asked to keep up-to-date balances for all departmental accounts, and check them carefully against the University ledgers.

II. SPECIAL REQUEST ALLOCATIONS TO FACULTY OR DEPARTMENTS

A. DEAN'S DISCRETIONARY FUNDS

The Dean's office has a limited pool of discretionary funds for special projects. Requests for discretionary funds should be made in writing with adequate detail to allow proper evaluation for funding. The request should carry the signed endorsement of the chair. Examples of recent allocations include: international travel, special lecture series, and other "one-time only" special projects.

B. REQUESTS FOR SUPPLEMENTS TO OPERATING BUDGETS

Requests for supplements to operating budgets should be in writing. Such requests are for unanticipated, unbudgeted expenses in other expenses, equipment, wages, and travel. If the request for funds has originated with a faculty memo that is being forwarded by the chair, an endorsing memo signed by the chair and attached to the faculty memo is sufficient to permit consideration of the request.

C. ROSCHMAN FUND

This fund was established by John Roschman for use by the College to support enrichment activities for undergraduate students. The most common use has been to support student travel to conferences to present papers. These funds, along with other gift funds, are distributed annually to the departments. Requests for up to \$500 in support can be made by the student to the chair. Cost sharing by departments is expected in these cases, separate from these funds which have been provided by the Dean.

III. RECRUITMENT FUNDS

Recruitment funds are used to defray the cost of interviewing candidates under consideration for faculty and staff vacancies. Recruitment funds may be used to defray transportation, lodging, and meal costs. The limit of funding is governed by a host of factors, including the level of the position, whether it is visiting or tenure track, etc. Usually a fixed amount of money for each position is provided by the Provost's Office. Stringent rules apply to the use of these funds; the rules are provided to all departments that have a recruitment authorization.

IV. PURCHASING POLICIES AND REGULATIONS

Purchases are made on the basis of competitive prices, considering quality, suitability and service. Items may be purchased by completing a Limited Purchase Order (LPO), a Direct Pay form, a requisition, or via credit card. Please consult the guidelines for use of university credit cards which are found at the Purchasing Department web site at (http://www.units.muohio.edu/purchasing/master_card/). *Reminder: University credit cards may NOT be used for hosting or entertainment.*

The LPO is for use by departments to purchase miscellaneous supplies, materials, and services, not otherwise restricted by the Director of Purchasing, in an aggregate amount per order not to exceed \$500 plus shipping charges. The LPO may be used for mail orders, telephone orders, or customer pick-up, and may also be used where prepayment is required. Whenever possible, the use of University credit cards is preferred over the use of LPOs.

For reimbursements to individuals, or to pay for items that do not require a purchase order (such as subscriptions), use an online Direct Pay form. For purchases requiring a purchase order, online requisitions must be used. Online requisitions and Direct Pay forms are automatically routed via e-mail to the appropriate people for approval.

Requisitions for purchases of computers, software, hardware, and other peripherals must be completed online, printed out, and submitted to IT Services along with a completed IT Purchase Cover Form. That form is available online at: (<http://www.units.muohio.edu/mcs/suppctr/itpurchases/>).

The University has contracts with vendors for large quantity or frequently purchased items, so the vendor listed on the departmental requisition may not be the one that ultimately receives the order. If the product of the contract vendor is found to be unsuitable, justification for not using that vendor will be required. According to the Ohio Revised Code, purchases over \$5000 must be competitively bid, but items under this amount are also frequently sent for competitive bidding.

The department is notified prior to payment of any invoice over \$1,000. If the invoice is incorrect, contact the Accounts Payable office immediately to stop payment.

See Section 16.9 of the *Miami University Policy and Information Manual* (<http://www.muohio.edu/mupim/>) and the *Miami University Purchases and Payments Handbook: Policy Procedures Practices* for further information.

NOTE - COMPETITIVE BIDS FOR LARGE ORDER PURCHASES Coordination of the purchase of scientific supplies and chemicals by the use of a large yearly cooperative bid is handled for several departments by the Manager of Laboratories and Administrative Operations, Department of Chemistry. Each affiliated department submits its major supply orders to the Director at a designated date to maximize savings through quantity discounts.

V. MISCELLANEOUS BUDGET INFORMATION

A. BUDGET TRANSFERS

A transfer of funds can be made between any two General Fund non-personnel accounts. All budgeted General Fund accounts have a fund number of 000000. See monthly Banner accounting reports for the fund number of each account. Effective July 1, 2009, the Budget Office requires all requests for transfers be electronically submitted using the form on their website at: (<http://www.units.muohio.edu/bpa/Transferequest.htm>). The form can be completed online and then e-mailed to budget@muohio.edu. Specific budget questions not addressed here can be directed to Melissa Oldfield at oldfiema@muohio.edu. Transfer requests are no longer required to be sent to the Dean's office for approval unless they are for over \$5,000.00. When using electronic submission, if the person submitting the transfer request is not the signature authority, in lieu of a signature, it is required that a copy of the e-mail, with the Budget Transfer Request form attached, be sent to the person who has signature authority. Likewise, when submitting electronically, if the Dean's signature is needed, in lieu of a signature, a copy of the e-mail must also be sent to Karen Maitland Schilling, Dean, at schillk@muohio.edu.

B. OTHER TRANSFERS

Non-budget transfer requests must be submitted to the General Accounting Office. (See guidelines in item “C” below for instructions for submission.) Funds may be transferred from like funds only. Fund numbers are found on the Banner reports. Funds can be transferred from a 100 fund to another 100 fund (meaning the first three numbers of the fund number is 100) or from a 300 fund to another 300 fund. However, funds may not be transferred from a 300 fund to a 100 fund or from a 100 fund to a 300 fund. Instead, an Expense Transfer Request must be submitted.

C. EXPENSE TRANSFER REQUESTS

An Expense Transfer Request form is used when a charge that has been made in one account needs to be moved to a different account. These requestss must be submitted online by completing the form located on the General Accounting Office’s website: (http://www.units.muohio.edu/controller/prod/general_accounting/?showme=docindex.htm). The completed form must then be sent via e-mail to generalaccounting@muohio.edu. The same rules for signature authority apply as described in “A” above.

D. Recovered Facility and Administrative Costs Account Spending

Prior to the 04/05 A/Y, overhead recovery was collected throughout the year in each unit’s Recovered Facility and Administrative Cost account, usually referred to as the Overhead Recovery account, and then moved into contingency at the end of the year. In 04/05 this changed, with the funds being immediately available for use throughout the year directly from the Overhead Recovery account. Please note that these funds are no longer permitted to be moved into budgeted accounts. Therefore, it is important that funds be spent directly out of the Overhead Recovery account. It is possible to do Expense Transfer Requests that move expenses out of budgeted accounts and into the Overhead Recovery account, but direct transfers are not permitted.

If you have any questions regarding information in this section (Section VI) please contact Paula Sizemore at sizemopf@muohio.edu or 9-4535.