FY18 Budget Methodology Training

Administrative Units

April 19, 2017
Agenda

• Timelines and Budget Meetings
• Creating Your Budgets
• NU Plans Reports, Tips and Tricks
• Questions
Timelines and Budget
Meetings
FY18 Admin Unit Budget Planning

Who does this include?

• Research
  – Vice Dean for Research
  – Research Cores
  – Graduate Programs
• Education
  – Vice Dean for Education
  – AWOME
  – GME
  – CME
  – Admissions
  – CEM
  – PA Program
• Development
• Finance and Administration
  – Communications
  – Diversity
  – Faculty Affairs
  – FSM IT
  – RAS
  – Regulatory Affairs
  – Special Events
# FY18 Admin Unit Budget Planning

<table>
<thead>
<tr>
<th></th>
<th>Development</th>
<th>Education</th>
<th>Finance &amp; Admin</th>
<th>Research</th>
</tr>
</thead>
<tbody>
<tr>
<td>NU Plans Budget Tool Opens</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>April 19</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre-Submission Meetings</td>
<td>N/A</td>
<td>Grant + Rachel + Unit</td>
<td>Heather + Kathleen + Unit</td>
<td>Rex + Unit</td>
</tr>
<tr>
<td></td>
<td></td>
<td>April 24 – May 5</td>
<td>April 24 - May 5</td>
<td>April 24 - May 5</td>
</tr>
<tr>
<td>Budget Review and Updates</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>April 24 - May 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY18 Budget Due</td>
<td></td>
<td></td>
<td></td>
<td>May 5</td>
</tr>
</tbody>
</table>

- Grant will contact Education units regarding pre-submission meetings and FY18 priorities
- Casey will contact F&A units regarding pre-submission meetings
- Meg will contact Research units regarding any pre-submission meetings
## FY18 FSM Budget Timeline

<table>
<thead>
<tr>
<th>Deliverable</th>
<th>Administrative Units</th>
<th>Basic Science, Non-NMG Clinical, Ctrs &amp; Institutes</th>
<th>NMG Departments</th>
</tr>
</thead>
<tbody>
<tr>
<td>NUPlans Budget Tool Opens</td>
<td>April 19</td>
<td>April 19</td>
<td>April 19</td>
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<tr>
<td>FY18 Budget Due</td>
<td>May 5</td>
<td>May 19</td>
<td>May 26</td>
</tr>
<tr>
<td>Budget Meetings*</td>
<td>May 11-17</td>
<td>May 23 – 27</td>
<td>June 1 – June 15</td>
</tr>
<tr>
<td>Dean’s Meetings</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td>Budget Approvals</td>
<td>August</td>
<td>August</td>
<td>August</td>
</tr>
</tbody>
</table>

*Estimated timeline. Meeting dates may change due to attendee availability.
Budget Meetings

• Each of the four Admin areas will have a budget meeting with FSM Finance to review the proposed budget.

• Subsequently, the leader of each area will also meet with the Dean.

• Agenda for the FSM Finance meetings:
  • FY17 Forecast, including variances against budget
  • FY18 Proposed Budget
  • FY18 Special Budget Requests and Resource Needs
Special Budget Requests (SBRs)

• Strategic allocations and adjustments to appropriations will be limited.

• If your unit would still like to include a special budget request, an SBR form must be submitted. The FY18 SBR form will be available on SharePoint.
  – If your unit is submitting multiple requests, please rank them in order of priority.

• Requests will be reviewed by senior leadership. If the requests are supported and there are funds available, any approvals will be communicated with the final budget approval letters.
## Salary Planning Timeline - REMINDER

<table>
<thead>
<tr>
<th>Employee Type</th>
<th>Panels Open</th>
<th>Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Science Faculty &amp; Librarians</td>
<td>April 10</td>
<td>May 5</td>
</tr>
<tr>
<td>Other Investigator Track</td>
<td>April 24</td>
<td>June 16</td>
</tr>
<tr>
<td>NMG CE</td>
<td>April 24</td>
<td>June 16</td>
</tr>
<tr>
<td>Team Scientists/Non-NMG CE’s</td>
<td>April 24</td>
<td>June 16</td>
</tr>
<tr>
<td>Research Faculty &amp; Research Staff (REF &amp; RES)</td>
<td>April 24</td>
<td>June 16</td>
</tr>
<tr>
<td>Regular Staff (NEX, EXS &amp; ITS)</td>
<td>April 24</td>
<td>June 16</td>
</tr>
</tbody>
</table>
Creating Your Budgets
Budget Tool – NUPlans

NUPlans
Access via the NU Portal

Forecast from NUPlans Forecasting
Parameters and Commitments
NUFin Actuals Data
FASIS Payroll Data

Contributor
Web
What To Do in NUPlans Contributor

NUPlans Contributor

- Budget Entry by Fund, Chartstring
- Compensation Budgeting
- Export Budget Data
- Edit Placeholders
- Define Carryforward Usage

NUPlans
Access via the NU Portal

Contributor
Web
What To Do in NUPlans Web

NUPlans Web

- Mass-load Comp Input Method
- Commitments (I.e. Appropriations)
- Add placeholders
  - New positions/promotions
- Inactivate Chartstrings
- Add accounts
- Run reports
- Export Budget Summary Report Acct Mapping
NUPlans Training
Recommended for All FSM NUPlans Users

• We recommend admin unit NUPlans users complete the following classes:
  – FMS 701 NUPlans Budgeting Basics (online course)
  – FMS 706 NUPlans Advanced topics (online course, we suggest you focus on Part 1: Manipulating Views)
  – FMS 707 NUPlans Compensation Budgeting (classroom)
  – FMS 708 NUPlans Fund Budgeting (classroom)

• For more information about these NUPlans courses, as well as course registration, please see the following link: http://ffra.northwestern.edu/training/curriculum.html
Allocated Vs. Non-Allocated Budgets

• Allocated Budget = Your budget on funds 110 and funds 171
  – Total salary expense may increase by merit parameter (will be communicated shortly).
  – Non-salary expense should remain flat.

• Non-Allocated Budget = Your budget on all other funds (i.e. funds 160, 172, gifts and endowments)
  – Salary and non-labor expense may change as revenue allows
Allocated Budgets

- You may verify whether your allocated budget is balanced by reviewing the “Budget Summary by Fund” Report for funds 110 and 171:

Select Funds 110 and 171

Salary budget may increase by parameter.

Non-labor budget should be flat
Salary Budgets – Define Your Salary Default Method

- You can set a default method in NUPlans Web to define how salaries should be treated initially.
  - “Apply % Change to FY17 Distribution” - You can apply a % increase to certain accounts for your entire budget grouping, or for certain fund/account combinations (i.e. all regular staff salaries on the 110).
  - “Use Amount” – You can define the amount for fund/account combinations.
  - (The FY18 Options are not relevant this year).

Sample: This dept is applying a 1.5% increase to all regular faculty salaries in Fund 172.
Salaries for existing employees should be budgeted in the “Comp Input” tab. This tab will show you each person’s FY17 FASIS annual rate and their FY17 distribution (as of March).

You must select a “Method”. The two choices that apply to FSM users are:

- Apply % Change to FY17 Distribution - Representing the % change from FY17
- Use Amount – You can enter the new amount in the Amount column.

(FSM users should ignore the FY18 Rate Options)

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**TIP!** Changing the method triggers recalculations. You can copy and paste the method to speed up entry.
Salary Budgets – Staff Backfills and Vacancies

Backfills of existing staff positions may be included in your FY18 budget.

Vacancies of existing staff positions (prior to March) will show up at the bottom of Comp Input, as shown below.
Salary Budgets – New Positions or Promotions

In order to propose new staff positions or promotions, or budget new vacancies (since March), salary placeholders must be used.

- **STAFF:**
  
  - New positions should be listed as “Unapproved.” Include position title, expected grade, estimated salary and funding source.
  
  - Promotions should be listed as “Unapproved.” Include position title, expected grade, and funding source, as well as salary difference and employee name.
  
  - Vacancies that have occurred since March can be listed as “Approved” so they will flow into the budget. Please list name and position title of individual who’s position will be backfilled. Estimated salaries should be budgeted based on the range of the position grade.
Salary Budgeting – Creating New Position/Promotion

Placeholders

Adding Placeholders (NUPlans Web)

• Please start your placeholder description with your budget grouping number (FSM 0xx).

• You should not use the Employee 1, 2 or 3 placeholders that automatically populate contributor. We will ask you to go back and add placeholders if you use these.

• Once you add the placeholder in NUPlans Web, you will see it in Contributor as soon as you log in.

Editing Placeholder Data (NUPlans Contributor)

• Edit Placeholder is where you can:
  – See all the added placeholders for your budget grouping.
  – Add the chartstring and salary information for placeholders.
  – Indicate whether the position is “Approved” (flows to budget) or “Unapproved” (does not flow to budget).

• If you don’t indicate approved or unapproved, it won’t flow into your budget.
How to Review Salaries – by Acct

Below is an example of what you would see on the Comp Summary tab.
How to Review Dept. Salaries – by Employee

Below is the Comp Total view, which is where you will see salary budgeted by employee (this is the test environment so positions are listed instead of names).

The FY17 Chart String Distribution Total column represents the FY17 salary for each employee on your department’s chart strings.
Salary Budgeting – Common Mistakes

Chartstring Status Errors

Please make sure to check the chartstring status on both the Comp Input and the Edit Placeholder tabs. There is a list of all statuses and what they mean on FFRA’s Budgeting site (http://ffra.northwestern.edu/documents/training/nuplans/704/NUPlansChartStringStatuses.pdf).

• The most common error is budgeting compensation on an account that doesn’t exist on your chartstring. If this is the case, this compensation will not be included in your budget.

Not Identifying Placeholder Approvals

You should indicate whether the placeholder is approved (should flow into your budget) or unapproved (should not yet flow to your budget). If you don’t indicate approved or unapproved, it won’t flow into your budget.
How to Budget Your Appropriation

You must go to NUPlans Web -> Commitments to request your appropriation:

1. **Departments Verify Appropriation Usage and Chartstring Distribution**
2. **OFA Approves Usage and Amounts (2 business days)**
3. **Amounts Flow To Contributor**

Identify Chartstrings here on Acct 88589
Carryforwards (For Non-Allocated Strings ONLY)

Your carryforward is the cumulative balance of each non-allocated chartstring at the end of the fiscal year.

The amount of FY18 beginning carryforward is based on the FY17 forecast that you completed in NUPlans Forecast. You must budget any carryforward that you plan on using in NUPlans.

<table>
<thead>
<tr>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use carryforward to help offset costshare expense</td>
</tr>
<tr>
<td>Use carryforward to help offset costshare expense</td>
</tr>
<tr>
<td>Research as gift was intended</td>
</tr>
<tr>
<td>Use in support of Research as gift was intended</td>
</tr>
<tr>
<td>Use in support of Research as gift was intended</td>
</tr>
<tr>
<td>Research as gift was intended</td>
</tr>
<tr>
<td>Research as gift was intended</td>
</tr>
<tr>
<td>Research as gift was intended</td>
</tr>
<tr>
<td>Research as gift was intended</td>
</tr>
</tbody>
</table>

- Any use of reserves must have a corresponding explanation in the Comments column.
NUPlans Web, Reports, Tips and Tricks
Most Common Question - Logging In!

Please be aware that when logging into either Contributor or NUPlans Web you may have to put ads\ in front of your Net ID.

**NUPlans Web** - when you see this screen in NUPlans Web choose nu_planning from the dropdown. The other choices are nu_forecasting and nu_planning_prior_budget_cycle (last year’s budget)

**NUPlans Contributor** – after entering your Net ID and password you should choose NUPlans Budget instead of NUPlans Budget Prior Budget Cycle (last years budget)

[Image of login screen]

Public Folders > IBM Cognos TM1 Contributor Applications

<table>
<thead>
<tr>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐  NUPlans_Budget</td>
</tr>
<tr>
<td>☐  NUPlans_Budget_Prior_Budget_Cycle</td>
</tr>
</tbody>
</table>
NUPlans Reports

There are helpful reports and views available to you in NUPlans, which include:

• **Budget Summary by Fund Report** (in Web) – Income Statement that can be run for different funds

  • Will be reviewed during budget meeting

• **Carryforward Tab** (in Contributor) - best place to view budgeted performance by chartstring

• **Edit Placeholder** – best place to view proposed faculty and staff additions

  • These are a great way to review your budgeted results and to easily determine whether your budget is balanced.
Common Budgeting Mistakes

• Not starting early enough!

• Budgets should be submitted assuming that SBRs will **not** be funded. We will ask you to go back to balance it if it is assuming SBR funding.

• Chartstrings with errors - please review all status messages to ensure there are no errors.

• Not marking positions “Approved” as appropriate – entries that have no status or are marked as unapproved do not flow to your budgets.

• Transfers – Not balancing your transfers across units.

• Budgeting most of your expense on a single account code. Try to assign to the appropriate categories (S&W, Fringe, Equipment, Lab Supplies, etc)

• Budgeting a full year’s salary if the person is likely to start after the beginning of the fiscal year.

• TIP – Remember to document your assumptions and notes in the “Comments” field.

• TIP – Remember to “Update Reports” in Web once you have made changes in Contributor.
Budget Resources and Tools

- SharePoint – FSM-specific job aids, budget methodology guidance, etc. (https://insight.fsm.northwestern.edu/ms/default.aspx)

- NUPlans Open Labs – For questions about how to use the NUPlans tool. FSM Budget Office representatives will be at the lab Tuesdays 4/18, 5/2, & 5/16 from 2:30 – 4:30, and 4/25 from 2:00-4:00.

- NUPlans Help Desk and Training (x14357) – For any technical questions/issues (login problems, Mac issues, etc.)

- Financial Administrators – For unique questions related to your budget (technical questions should be directed to the Help Desk or addressed in training/Open Labs).

- Job Aids (Budget Prep FAQ, Compensation Chart String Statuses, Filter Rows) http://ffra.northwestern.edu/training/curriculum.html
Questions?
Appendix A:
Self-Balancing Budgets in NUPlans

In NUPlans, if you budget revenue and expense in amounts that do not equal, the system will automatically plug the difference in order to balance your budget.

Revenue Budget > Expense Budget

• If you have more revenue budgeted than expense, the system automatically budgets the difference on “88991 – Planned Build-up of Reserves”.

• Any amount budgeted on Planned Build-up of Reserves does not add to your control budget and cannot be spent in FY18.

Expense Budget > Revenue Budget

• If you have more expense budget than revenue, the system automatically budgets the difference on 88992 – Planned Use of Reserves.

• **You must have carryforward to cover use of reserves.** You should be updating your chartstring forecasts throughout May so that the forecasted actuals are as accurate as possible. Once carryforwards post in the new year we will ask you to reduce any budgeted use of carryforward amounts that are > actual carryforward amount.
Appendix B: Understanding Carryforwards

Your carryforward is the cumulative balance of each chartstring at the end of the fiscal year. It is posted at the beginning of the next fiscal year as an expense budget on account 79999.

• In NUPlans, the FY18 beginning carryforward is based on the FY17 forecast that you completed in NUPlans Forecast.

• Because of the way the control budget is calculated, you must budget any carryforward that you plan on using in NUPlans.

• You will see your entire carryforward in NUFinancials, but only the amount that you budgeted to use will be part of your control budget.

• You will need to indicate what the carryforward is being used for on your carryforward tab, in the comments field by chartstring.

• Please continue to update your forecast in NUPlans Forecasting to get the most accurate carryforward balances. The forecast will update NUPlans Budget nightly. Your forecasted FY17 results will also be discussed during your budget meetings.
Appendix C: Balancing your Transfers (88598 and 88298)

The budget summary report is a good tool for checking if your transfers are balanced. Expand Revenue Transfers In Other and Expense Transfers Out Other to see how much is budgeted for these accounts, and cost share transfer expense (88295). Also this year the budget summary report can be run for a specific fund, combination of funds, or total funds.

<table>
<thead>
<tr>
<th>Account Category</th>
<th>FY15 Actuals</th>
<th>FY16 Budget</th>
<th>FY16 Forecast</th>
<th>FY17 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue</td>
<td>1,408,246</td>
<td>1,287,643</td>
<td>1,408,704</td>
<td></td>
</tr>
<tr>
<td>Revenue: Sales, Services &amp; Other</td>
<td>7,522</td>
<td>-</td>
<td>7,522</td>
<td>-</td>
</tr>
<tr>
<td>Rev: FSM Appropriation In</td>
<td>1,351,224</td>
<td>1,287,643</td>
<td>1,351,224</td>
<td>-</td>
</tr>
<tr>
<td>Rev: Education Leadership</td>
<td>5,992</td>
<td>-</td>
<td>5,992</td>
<td>-</td>
</tr>
<tr>
<td>88598: NMT - Fund FSM Intra- Fund FSM Intra</td>
<td>7,653</td>
<td>-</td>
<td>7,653</td>
<td>-</td>
</tr>
<tr>
<td>Rev: Revenue Transfers In Other</td>
<td>3,654</td>
<td>-</td>
<td>3,654</td>
<td>-</td>
</tr>
<tr>
<td>Revenue: Revenue Transfers In</td>
<td>3,654</td>
<td>-</td>
<td>3,654</td>
<td>-</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>1,408,246</td>
<td>1,287,643</td>
<td>1,408,704</td>
<td></td>
</tr>
<tr>
<td>Expense: Total Salaries &amp; Benefits</td>
<td>50,029</td>
<td>-</td>
<td>50,029</td>
<td>-</td>
</tr>
<tr>
<td>Exp: Faculty Salaries</td>
<td>609,394</td>
<td>531,472</td>
<td>500,214</td>
<td>-</td>
</tr>
<tr>
<td>Exp: Research Professionals</td>
<td>3,341</td>
<td>-</td>
<td>3,341</td>
<td>-</td>
</tr>
<tr>
<td>Exp: Staff Salaries</td>
<td>167</td>
<td>-</td>
<td>642</td>
<td>-</td>
</tr>
<tr>
<td>Exp: Staff Other Salaries</td>
<td>5 (991)</td>
<td>-</td>
<td>5 (991)</td>
<td>-</td>
</tr>
<tr>
<td>Exp: Employee Benefits</td>
<td>180,821</td>
<td>186,198</td>
<td>171,828</td>
<td></td>
</tr>
</tbody>
</table>

These amounts should be the same.
Appendix D: Inactivating Chartstrings In NUPlans Web

- If you are going to inactivate a chartstring before the end of the year or have just inactivated it, look in Change Chartstring Status in NUPlans Web under Chartstring Maintenance.

- If the status in the first column is Active choose Do not budget from the dropdown menu in the Change Status column.

- If you do not do this and you inactivate the chartstring in NUFinancials it will most likely post a zero budget and still show up on reports in FY18.

- If the status is Inactive in NUPlans, it will not show up on your reports next year.

- Choosing the Do not budget status in NUPlans does not inactivate the chartstring in NUFinancials. You must submit an inactivation request to your financial administrator in our office to inactivate chartstrings or chartfields.