



Pacific Lutheran University

TO: Program Leaders
FROM: Patrick Gehring, AVP for Finance
SUBJECT: FY22 Budget Input
DATE: March 12, 2021

Banner Budget Development is now ready for your input for FY22. For those who have been through previous budget cycles with us, you will notice changes from how this has been done in years past, including the process that we used for this current fiscal year. We have created the following list of steps to guide you through the process.

1. Find Your Org. Make sure you have access to your org(s) in Budget Development. The attached document, *Banner SSB Budget Development*, provides instructions on how to view and modify your budget(s) in the Budget Development Module. If you do not have access, please notify Nathan Vailencour at x7104, or Gemma Dulay at x8056.
2. Review Revised Expense Account Codes. Become familiar with the updated [list](#) of expense account codes. Several of them have changed effective this year. Your budget should be based on these accounts and account descriptions. We have added one additional account code for FY22 - Training (7137). The purpose behind this code is to break-out separately from Development (7134, 7136) costs that are required for an employee to meet the present requirements of their job. Appendix B is a quick guide to new expense accounts as well as accounts where definitions have changed. *Please review these and ensure that you are budgeting and charging expenses to the correct lines going forward.*
3. Plan Your Budget. As with FY21, your prior year budgets have not been carried over into the new phase. For FY22, we want you to manually enter-in your budget lines based on the list of updated account codes. In some cases, it will not make sense to rely solely on this year's budget as a starting point for consideration of future budgetary needs. While there are many ways to plan your budgets, most will require a small degree of Excel work prior to entering data in Banner. In Appendix A, we have included one possible way to get started. We also acknowledge that processes and timelines will vary by division so please check-in with your leadership early in the process.

Your budgets should take into account a return to campus and resumption of most on-campus activities by September. While the current list of [austerity measures](#) will expire on May 31¹, all indications point to continued challenges in balancing our sources and uses of revenue in FY 22. We ask that you please budget your expenses sparingly, and factor-in any permanent cost savings or efficiencies achieved over this past year of austerity. Please also consider to what extent savings achieved over last summer can be replicated again this summer in light of lower than usual on-campus activity. Funding for the following categories will be especially limited, but *will* include a limited allocation for professional development.

¹ Reductions to retirement benefits will continue through August 31.

7115	Travel - Administrative
7131	Conference / Seminar Registration Fee
7133	Meeting & Event Expense
7134	Staff Development
7136	Faculty Development
7137	Training (New for FY22)
7164	Prizes & Awards
7169	Employee Appreciation

In order to benefit the largest number of employees, preference will be given to professional development and training opportunities that can be accessed without air travel or overnight lodging. In addition, to establish a baseline, requests for training dollars (7137) will require justification and contact information in the remarks section of Budget Development.

4. Initial Data Entry. Once complete, enter these amounts into your budget worksheet in Budget Development using the attached Budget Development instructions. *At this point, your numbers are not finalized*. Entering them into Banner makes it easier to monitor budget progress and totals at the Department and Division Levels. If you have notes to support your numbers, these can be entered into Budget Development for consideration.

5. Work with your supervisor to adjust and finalize your budget. While budget data is being input from the user level-up, budget allocations are also being made from the division level-down. You may be asked to find ways to reduce your initial budget, to make sure we can meet our institutional budget goals.

6. In order to present our final budget to the Board of Regents on May 7th, steps 1 through 5 must be completed by April 23rd. That will likely require you to complete steps 1 through 4 prior to April 23rd, so that your division's leadership has time to make final adjustments by the 23rd. Since budgets no longer roll-forward, it is imperative that we enter a budget for all org codes that are assigned to our operating budget. Otherwise, they will understate our budgeted expenses.

7. Data Upload. Once the budget is approved, we will take the data that you entered and load it into Banner Finance, so that you can view it in Self-Service. Our goal is to make this data viewable by June 1st.

For some of you, this will be relatively painless and straight forward. For others, it will be more challenging. Regardless of where you fall along the spectrum, please do not hesitate to ask for help, or to lend assistance to others where needed. Craig Chamberlain, Gemma Dulay, Nathan Vailencour and I are

available to provide support. I will hold open office hours specifically for budget assistance from 8:00 to 9:00 AM until April 23rd, no appointment needed. Feel free to call, drop by, or connect with me on my [zoom link](#).

We will host a webinar in the coming weeks to highlight certain aspects of this process. Stay tuned for specific date and time information. Student compensation will be allocated and budgeted separately, by division; please contact your divisional leadership for more information.

Thank you for your attention, and your investment of time into this process.

Patrick Gehring

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AVP For Finance

Appendix A. How To Plan Your Budget In Excel

A. In Self-Service Finance, run an Organizational Budget Status Report, using the steps below:

- i. Within Banner Self Service, select the *Financial Services* tab.
- ii. Select *Summary - PLU Financial Status Queries*.
- iii. Under Query Type, select *Organization Budget Status Report*. Select Next.
- iv. You will be taken to a *Query Options page*. Enter *2021* for the Fiscal Year, *12 - May* for the Through Period, and your Org Code. Then select *Execute Query*.
- v. On the next screen, click on your org code, which will be highlighted in blue or purple. You should be taken to your *Budget Status* report.
- vi. At the very bottom, select *Export to Excel*. Use this report as your budget working copy. I have attached a made-up sample of what this could look like.

B. Format your working copy.

- i. We're only focusing on the 7000 series expense accounts. In Excel, delete all rows that don't start with a 7000 series account. Keep the header row.
- ii. Only focus on the Acct, Account Title, Total Budget and YTD Activity columns. It might be helpful to hide or delete the other columns.
- iii. Add account codes as needed, based on the current account code descriptions.
- iv. To the right, add a column titled: FY22 Budget.

C. Starting from top to bottom, review each account, one at a time, considering the following:

- i. How will the revised account descriptions affect what gets charged to this account in FY22?
- ii. Compare Total Budget with (Year to Date) YTD Activity. Also compare Total Budget with prior year total activity.
- iii. In Self-Service Finance, look up the expense activity within each account. Are there any one-time expenses that you will not incur next year? Do you anticipate any one-time expenses next year that you will not incur this year?
- iv. Are there any contractual costs that you know will change next year?
- v. Are there any costs that can be renegotiated?
- vi. Do you have any unbudgeted expenses?
- vii. Do you have any budget lines where no expenses are being charged?
- viii. Do you have variable costs that are tied to enrollment or participation assumptions?
- ix. How will expenses over summer 2021 compare to expenses over summer 2020, assuming lower than normal on-campus activity?

D. Based on these considerations, enter FY22 Budget amounts into your spreadsheet. It would also be helpful to add notes to support your numbers.

Appendix B: Summary of Account Code Changes (FY21 & 22)

1. Inactivated account 7103, Research Supplies, effective 6/1. Going forward, use 7101, Instructional Supplies.
 2. Inactivated account 7104, Software & Computing Supplies, effective 6/1. Going forward, use 7102, Office / General Supplies for computing related supplies.
 3. Inactivated account 7112–Travel/Subs-Local, effective 6/1. Going forward, most travel² will fall into the following categories:
 - a. 7113-Travel/Subs-Athletics
 - b. 7114-Travel/Subs-Programmatic
 - c. 7115-Travel/Subs-Administrative
 4. Renamed account 7126 from Professional Services to Consulting Services and revised definition.
 5. Created account 7127, Outsourced Support.
 6. Currently, account 7135 is for Subscriptions. Going forward, the cost of subscriptions should be charged to account 7132, Dues & Subscriptions.
 7. Renamed account 7133, On Campus Meetings & Event Expenses, to Meeting & Event Expenses.
 8. Inactivated account 7135, Subscriptions, effective 6/1. Going forward, use 7132, Dues & Subscriptions.
 9. Going forward, *all* costs related to professional development or training will be charged to 7134, 7136, or 7137, Staff or Faculty Development, and training, respectively. This includes airfare, meals, conference registration, mileage, etc.
 10. Renamed account 7145, Telephone & Fax, to Telephone & Internet
 11. Created account 7474, Insurance Claims. All claim related costs will be charged to this account.
 12. Created account 7146, Capital Expenditures. Currently, we have a CAPEX org, but no CAPEX expense account. This would include the annual ~ \$1 million CAPEX budget.
 13. Renamed and repurposed account 7169, E-waste Recycling, to Employee Appreciation. include cards, flowers, food for team meetings, parties, etc.
 14. Clarified definitions and examples on over 20 accounts. Eliminated references to specific vendors.
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² Except for professional development.