



OFFICE OF THE SENIOR VICE PRESIDENT AND PROVOST

MEMORANDUM

DATE: July 6, 2016

TO: Vice Presidents, Deans, Directors, and Department Chairs

FROM: Mary Ann Rankin 
Senior Vice President and Provost

SUBJECT: Budgetary Guidelines for Fiscal Year 2017 for State Supported Unrestricted and Restricted Funds

As we have discussed at various forums, one of the charges to the Administrative Modernization Team (AMT) is to move the University toward a new, more transparent and effective budget model. This process began in March 2016 when programs across the campus were trained and subsequently directed to budget self-funded accounts.

The next step is to make the cost of employee fringe benefits transparent for all University activity. Effective July 1, 2016, Kuali Financial System (KFS) accounts will show fringe benefit costs based on the account from which an employee is paid. This is an important move toward full disclosure of the actual cost of programs at this University.

Fiscal Year 2017 will be a "HOLD HARMLESS" period for state appropriated accounts. Programs will not incur any new fringe benefit charges. Fringes charged to state accounts will continue to be paid by the University. This will also be the case for Maryland Industrial Partnership (MIPS) accounts, certain Cost Share accounts that are either grandfathered in or are using state-budgeted faculty and staff as cost-sharing on an award, and other accounts where the fringe benefits are currently covered by the General University fringe pool.

The accompanying document provides budgetary guidelines for Fiscal Year 2017 in detail and describes the carry-forward entry process in 2017. These changes have been vetted with the College Budget Officers of the four larger colleges as well as key financial personnel within Academic Affairs and within the Offices of the Vice President for Administration and Finance and the Vice President for Research.

I want to thank all of the individuals who worked throughout the spring to implement these changes. In particular, I want to acknowledge the work of Dan Ramia and Dylan Baker. These changes are an advancement towards an improved and inclusive budgetary model for the University, which will benefit all areas of the campus.

Please direct any questions to Cindi Hale or Paul Dworkis.

cc: Cynthia Hale, Associate Vice President for Finance and Personnel, Office of the Provost
Paul Dworkis, Associate Vice President for Finance and Chief Financial Officer, Office of the Vice President for Administration and Finance
Dylan Baker, Director of Finance and Policy Analysis, Office of the Provost
Dan Ramia, Assistant Dean for Finance and Management, College of Agriculture and Natural Resources