



Memorandum

Date: October 3, 2019
To: Members of the President's Cabinet
From: Tracey Hucks, Dean of the Faculty and Provost
JS Hope, Vice President for Finance and Administration

Subject: Colgate University Budget Process 2020/21

We are writing to ask for your participation in the preparation of the 2020/21 university operating budget.

There is a tremendous amount of enthusiasm and anticipation as we enter this new budget cycle and new century for Colgate. Our bicentennial year laid the groundwork for an exciting and ambitious plan; one that befits a distinguished institution in its third century. In order to meet the challenges of the competitive environment and our third century, we must continue to make investments in our academic programs and faculty, the student life experience, and the physical campus itself. Although we are a healthy institution overall, near and long-term financial challenges still remain.

Colgate, and all of our peers, face the same daunting challenge of making education affordable and accessible to as many students as possible while planning and building in an ever-changing educational landscape. We are fortunate that demand for a Colgate education remains strong and that we are able to attract quality students to campus with our strongest and largest classes to date. While Colgate has made great progress in recent years, we have limited capacity on student charge increases and the demand this places on student financial aid and the expenditure base. Aside from our plan to modestly increase enrollment, we do not anticipate robust growth in net tuition revenue or endowment support in the coming year. Therefore, we must carefully scrutinize incremental increases to our expenditure base by prioritizing in conjunction with our third century framework. As you and your budget managers work to develop your 2020/21 budgets, we ask that you keep these economic dynamics in mind.

2020/21 Budget Process

Similar to past practice, we will ask Deans and Vice Presidents to assume responsibility for their division's aggregate budget submissions. As we enter the 2020/21 budget process, non-compensation budgets will initially be held flat. We do understand that there will be uncontrollable cost increases in some areas and we do expect the ability to accommodate a certain level of incremental requests across the institution. The ability to incorporate incremental budget requests will be evaluated separately and is dependent upon available resources. For 2020/21 we will again implement several "zero-based" accounts (mainly related to equipment purchases and non-recurring expenses) as part of the budget materials. Each zero-based account needs details justifying the expense for each item in these account lines.

Overall divisional budget submissions that include increases over the 2019/20 budget must be accompanied by

Office of Budget and Decision Support

Colgate University, 13 Oak Drive, Hamilton, NY 13346

315-228-7000

detailed justifications supporting budget growth. These incremental increases should be listed separately and will be summarized by division to determine what can be accommodated in next year's operating budget. Please keep in mind that additional new staffing requests could place additional pressure on the 2020/21 budget, so it is critical that we effectively control our expenditure growth in non-compensation lines. The ability to fund any incremental budget requests is largely dependent on the university's highest priorities and overall strategic direction. Thus, it is critical that we prioritize and consider each initiative or request for incremental funding within the larger financial framework and needs of the university.

As part of the budget process, it is necessary for each Dean or Vice President to inform us of any anticipated staffing requests on the horizon for 2020/21 with supporting documentation for these requests. The annual budget process represents each division's opportunity to request new staff positions for the upcoming fiscal year. Requests for replacement staff positions will continue to be evaluated on an ongoing basis, however, it will be important to consider both the non-compensation budget submissions in conjunction with potential new staffing requests. Instructions for position requests have been included in the budget materials.

The budget timetable, guidelines, and budget worksheets are attached. The Budget Office is available at your convenience to discuss the process and answer questions; individual meetings can also be arranged if needed. If there is any additional information that would be of assistance, please contact Vice Provost for Administration and Planning Trish St. Leger (academic budgets) or Associate Vice President for Budget, Financial Planning and Analysis John Collins (all other budgets). John and Trish are ready to assist you throughout this process.

We thank you in advance for your cooperation and support in this important university process.

cc: Brian Casey, President
Trish St. Leger, Vice Provost for Administration and Planning
John Collins, Associate Vice President for Budget, Financial Planning and Analysis
Drew Porter, Senior Budget Analyst



2020/21 Budget Development Guidelines

Welcome to the start of the 2020/21 budget process. Enclosed are some useful tips and reminders as you prepare your budget.

What's New?

- This year, you will be given your base budget and if you have no changes, just fill in your zero-based accounts (202, 203, 310, 311, 699) and you are done. If you need to increase your budget, add your incremental requests to the bottom of the yellow sheet with a justification and priority (low, medium, high). Those using the electronic spreadsheet to complete their budget will add their incremental requests on the designated tab. **If you do not add funds for zero-based accounts, you will not have any funds for FY21 in these accounts.**
 - You may re-allocate your expenses within your Org as long as you do not exceed your bottom line target.
- Co-Sponsorship (account 261). As part of an ongoing effort to align actual expenditures with budgets, if you are co-sponsoring a lecturer, guest speaker, or honorarium and sharing the expense with another department, budget for your share of the expense in account 261. If you budgeted for these funds in account 299 or another account, please reallocate those funds during this budget process.
- Restricted Funds: There is a Tableau dashboard with your restricted funds already estimated for 2020/21. You only need to take action if you feel there is a substantial change in your restricted budget. **You will be notified via email once the dashboard is ready.**

Key Dates

Academic Departments

October 3 – Spreadsheets, guidelines and worksheets issued to Deans/VPs.

November 1- Academic Department budget requests due to Academic Division Directors

November 8 – Budget request worksheets due to Trish St. Leger

November 15 – Dean of Faculty budget spreadsheets due to John Collins in the Budget Office

Administrative Departments

October 3 – Spreadsheets, guidelines and request worksheets issued to Deans/VPs

October 25 – Administrative budget requests due to Deans and Vice Presidents

November 11 – Administrative budget spreadsheets due to John Collins in the Budget Office

Getting Started

The benefits for stipends, OT, cell phones, and casual wage will be calculated for you. Keep in mind this will impact your overall budget request.

There are four compensation accounts in the Unrestricted budget for which benefits are calculated: 105, 122, 141, 143. To simplify this potentially complicated process, we created a formula to calculate the social security expense (account 166) and unemployment expenses (account 176). The benefits will calculate

automatically at the bottom of the spreadsheet and the budget office will distribute the total to the proper accounts.

Zero-Based Budgets

A few accounts have been identified as “zero-based” for 2020/21. These accounts will have a budget amount of \$0 in the 2020/21 base budget. Budget managers are asked to enter the amount they need for 2020/21 and justify (explain) why they need that amount. ***The zero-based accounts this year are: 202, 203, 310, 311, 699. They have been highlighted in blue on the electronic worksheet.***

Example: Account 202 – Major Equipment: \$7,000

Justification: 2 Lab centrifuges @\$3,500 each replacing old, out-of-warranty ones.

****If you do not submit an amount for your zero-based accounts, your zero-based accounts will have no funds for FY2020.***

Budget Worksheets – Unrestricted (Yellow) Worksheets - if applicable

Please verify that all of the expense and revenue budgets you normally use are represented. If you are missing a specific revenue or expense organization worksheet, please contact Drew Porter, ext. 7458, immediately.

1. Complete the Unrestricted (Yellow) Worksheets

a). No change to the Base Budget

The Base Budget column for 2020/21 contains a budget amount based on the current year’s budget. If this budget is acceptable **you need take no action other than initialing the sheet** and forwarding it to your Division Director (Academic Budgets) or your Dean or Vice-President (non-Academic budgets).

*** If there is no change, please do not write “0” in the “REQUEST FY2021” column since this may create confusion.

b). Need to change the Base Budget

If you need to change any of the amounts, please cross out the printed figure, enter your request in the “REQUEST FY2021” column, and include a brief explanation in the justification column where appropriate. Requests for funding of any significant program initiatives that cannot be accommodated by the reallocation of the existing budget should be made on the bottom of the yellow sheet with justification and priority (Low, Medium, High) to your Division Director (Academic and Athletic Budgets), or your Dean or Vice-President (non-Academic budgets).

*** If there is no change, please do not write “0” in the “REQUEST FY2021” column since this may create confusion.

c). Zero based account

Enter the amount of your request in the REQUEST FY2021 column. In the Justification column, enter your explanation for the amount requested.

Example: Account 202 – Major Equipment. “Need to replace a conference room table: \$6,000. Justification: Old conference room table was delaminated and cracked.

2. Forward Completed Worksheets to Your Budget Contact

Academic areas: Division Director by **November 1** and then to Trish St. Leger by November 8.

Administrative areas: John Collins by **November 11**.

Fine Tune Your Budget

1. Transferring Amounts (Budgets of “\$1.00”) You should not be submitting a budget of \$1.

When you see a one dollar budget, please provide your best estimate of future expenditures and reduce

another account by the same amount.

2. Student Wages/Casual Wages

The New York State minimum wage is slated to increase again in 2021. As a result, Colgate student wage rates will increase annually through the 2020/21 budget cycle. We recommend that if your hiring needs will remain fairly constant into 2019/20, your *student wage* budget should be increased to reflect the mandated wage increase. **Starting January 2020, the minimum wage is \$11.80/hr. The minimum wage rises again in January 2021 to \$12.50.** This also applies to the casual wage budget. Unless you currently pay your *casual wage* employees considerably more than the 2020 minimum wage of \$11.80/hour, please adjust your budget accordingly.

3. Requesting Budget Support for Costs Not Included in Your Budget

ITS equipment and software is budgeted centrally rather than at the department or office level. Please refer to the attached “Information on Computer and Software Purchases” for documentation on how to request classroom computing, projection and multimedia equipment, office workstations or software.

4. Endowment Income Funds

Please remember to consider the availability of any endowed resources that will help your department or program achieve its goals. If you have immediate questions, please call Tom O’Neill, ext. 7865.

Questions?

The staff members listed below are available to assist you with preparing estimates or completing the worksheets.

| <i>Topic</i> | <i>Contact</i> |
|-------------------------------------|------------------------------------|
| General information/assistance | |
| Academic programs | Trish St. Leger, ext. 7224 |
| Administrative programs | John Collins, ext. 7714 |
| Deadlines | Drew Porter, ext. 7458 |
| Account Codes | Drew Porter, ext. 7458 |
| Computer equipment/software | <i>See attached ITS guidelines</i> |
| Classroom technology | Trish St. Leger, ext. 7224 |
| Non-computer equipment | Simon Fritz, ext. 7820 |
| Building repairs and renovations | Matt Hill, ext. 7169 |
| Student employment | Jill Dinski, ext. 7411 |
| Temporary employment (casual wages) | Jill Dinski, ext. 7411 |
| Overtime for continuing employees | Jill Dinski, ext. 7411 |
| Postage & Printing costs | Kip Manwarren, ext. 7487 |
| Motor Vehicle Use | Gert Neubauer ext. 7334 |
| Budgeting for restricted funds | Tom O’Neill, ext. 7865 |

Budget Manager Assistance

If you have budget questions and need help, the budget office will be happy to assist you or set up an individual appointment. Please call Drew Porter at x7458 or email him at aporter@colgate.edu and he will be happy to assist you.

Attachments: 2020/21 Budget Development Schedule
Information on Computer and Software Purchases
Common Accounts and Definitions

COLGATE UNIVERSITY
2020-21 BUDGET DEVELOPMENT SCHEDULE

| | |
|---------------------------------------|---|
| October 3 | Budget summary spreadsheets issued to Deans and Vice Presidents , along with Budget Development Guidelines and budget request worksheets for onward transmission to Budget Managers . |
| October 25 | Suggested date for all administrative budget request worksheets to be submitted to Deans and Vice Presidents . |
| November 1 | Academic Departments submit completed summary spreadsheets to the Academic Division Directors . All directors whose budgets are reviewed by the Dean/Provost (with the exception of the four academic division directors) submit budget request worksheets to Trish St. Leger, Associate Provost . |
| November 8 | Academic Division Directors submit budget request worksheets to Trish St. Leger, Associate Provost . |
| November 11 | All non-academic budget summary spreadsheets and staffing plans submitted to the Budget Office . |
| November 15 | All Dean of Faculty/Provost budget summary spreadsheets and staffing plans (non-faculty) submitted to the Budget Office . |
| December 2- Dec 18 | Deans and Vice Presidents operating budget review. |
| Early-Mid Dec | Budget Office prepares consolidated draft budget. On-Campus Budget Committee reviews first draft. |
| Mid December- Late January | Budget balancing with Vice Presidents and Deans will occur. |
| Late January | Board of Trustees to review budget and discuss total student charges. |
| Late February- Early March | Trustee Budget Committee and Executive Committee to review and approve budget. |
| May 1-2 | The recommended 2020/21 operating budget will be presented to the Board of Trustees for its review. |

Information on Technology Purchases

2020 – 2021 Budget

Information Technology Services (ITS) budgets for faculty and staff desktop/laptop computer hardware, standard productivity software, classroom projection equipment, multimedia equipment, and instructor computers for classrooms. **All technology purchases must go through ITS.** Purchases using budget codes or corporate cards will be flagged by the Purchasing Department and the Colgate Bookstore and referred to ITS. ITS cost-shares 50% of some curricular software with departments. If you would like assistance with this process please call the ITS Service Desk at x7111 or email itshelp@colgate.edu. All requests are considered in light of Colgate's overall budget. ITS will maintain communication about requested, approved and deferred items through your academic Department Chair or the Director of your administrative department.

Replacing Computing Equipment in Offices and Labs

Replacement cycles for computing equipment vary by equipment type and use pattern, and in most cases are approximately four years for laptop and desktop computers. There are times when extending the life of the equipment in place is appropriate, and a few times when accelerated replacement is warranted. ITS tracks the replacement cycle and will be in touch several weeks in advance to discuss replacement options with you.

If you believe your computer is past due for replacement, please contact the ITS Service Desk for assistance.

For information about currently supported hardware and baseline specifications, visit the ITS website - <http://www.colgate.edu/offices-and-services/information-technology/getting-help/hardware-standards>. Typically replacement equipment matches these general specifications. In cases where one's work requires higher or more advanced specifications, ITS will work with you to discern needs. In cases where a requested configuration exceeds the ITS budget allocation for equipment replacement, departmental cost-sharing may be necessary. The specifications listed are subject to change during the year.

Computer Inventory

ITS inventories computing and classroom equipment to assure equipment is assigned to the proper contact person or department and to correct other inventory inaccuracies. Budgeting for replacements for departmental equipment depends on the accuracy of the inventory. Please do not reassign computers within your offices without prior contact with ITS - an up to date inventory helps ensure departmental units are up to date and reliable, while surplus items can be recycled for cost savings. Units formerly used by faculty/staff who have left Colgate are repurposed by ITS.

Additional Computers, Printers and Peripherals

ITS typically budgets for a single desktop or laptop every four years for each staff and faculty member whose job requires a computer. Second computers, personal printers, tablets and other devices may be purchased through ITS at the department's expense. Justification requirements vary based on the budget policies of individual departments. Please note that the University has a policy requiring most users to share departmental printer/copier/scanner devices except in rare circumstances and individual printers are not typically centrally funded.

Software and Services

ITS fully funds the standard software (i.e. Microsoft Office, Web Browsers, Banner, Utilities) typically installed on all Colgate-owned computers. ITS often funds 50% of curricular software costs when the software has been submitted for prior review during the normal budgeting process. If not submitted at budget time, the department will be responsible for 100% of the cost. A list of standard productivity and curricular software may be found at <http://www.colgate.edu/offices-and-services/information-technology/getting-help/supported-software>.

New Hires

The determination of new staff positions is not on the same cycle as budget submission. If your department gains a position, you should inform ITS of computer needs as soon as possible after you know a new position will exist, to ensure the timely set up of the equipment. It can take 2-3 weeks to acquire and prepare a new computer depending on the request. Newly created positions should have computing needs budgeted at the time of hire. The department pays for the first computer issued for the position, and any non-standard peripherals. If a position is eliminated, the computer for that position must be returned to ITS and will be recycled to another need within the University.

Classroom Computing, Projection, and Multimedia Equipment

ITS continues to equip appropriate classrooms with the resources needed for presentations and instruction using computer technology and multimedia equipment. Requests for classroom instructional technology should be directed to the ITS Service Desk at x7111 or email itshelp@colgate.edu. Additionally, the purchase and installation of televisions and similar media equipment for offices, meeting rooms, residence halls and common spaces should be coordinated through this process.

Vendor Risk Assessments

If sensitive Colgate information will be transferred to the vendor or supplier as part of the technology purchase, then a vendor risk assessment must be completed. This assessment evaluates the administrative, technical and physical security controls implemented by the vendor or supplier in order to safeguard Colgate sensitive information. Examples of sensitive data include student records, Personally Identifiable Information (PII), financial information, and all regulated data (e.g. credit card information under PCI-DSS). If required, additional Terms and Conditions may be included in the purchase contract to address identified security gaps or deficiencies. Please note that a vendor risk assessment requires additional lead time, and should be coordinated as soon as possible once a proposed technology solution has been identified.

If you have further questions about equipment or this part of the budgeting process, please contact the ITS Service Desk at x7111 or send an email to itshelp@colgate.edu.

Description of Accounts
Sorted by Account

| Type | Account | Account Title | Description | Example |
|--------------|---------|---------------------------------|---|--|
| Compensation | 105 | Stipends | Stipends for significant additional duties taken on by staff or for service commitments approved in advance by the Dean of the Faculty. | Faculty stipend for leading a Colgate study group. |
| Compensation | 122 | Overtime | Any charges for hourly workers over the base approved hours. | Housekeeping staff preparing for students' arrival. |
| Compensation | 141 | Casual Wages | Wages for hourly workers who are either not Colgate students or Colgate students working during the summer. | |
| Compensation | 142 | Casual Wages - Restricted | Casual Wages charged to restricted funds | Casual wages charged to an NSF grant |
| Compensation | 143 | Cell Phone/Data Service Stipend | Cell Phone/Data Service Stipend for employees approved by appropriate VP in accordance with guidelines. | |
| Compensation | 151 | Student Wages | Wages for Colgate students working during the academic year | Student worker at Trudy Fitness Center |
| Compensation | 192 | Other Benefit Distribution | Fringe benefit charge for wages charged to accounts 105 and 141 typically budgeted at 10% wages | |
| Equipment | 202 | Major Equipment (>\$5,000) | Individual, tagable, non-computer items costing greater than \$5,000 | Conference room table |
| IT | 203 | Computer Equipment (>\$5,000) | Computer equipment item in excess of \$5,000 | |
| Event | 251 | Advertising | Advertising and marketing expenses | Ad in newspaper or on the radio or social media |
| Other | 253 | Awards | Awards | Department awards at graduation |
| Event | 254 | Audio Visual | Audio Visual | |
| Printing | 255 | Copy Charges | Photocopier, printer, and multi-function device charge backs | |
| General | 257 | Dues | Dues - dues for institutional membership of professional organizations | Keck Consortium |
| Event | 259 | Entertainment | Expenses related to entertaining external constituents; | Advancement taking a donor to dinner; faculty taking a invited speaker to dinner; admissions hosting guidance counselors |
| Event | 261 | Lecturer/Consultant | Lecturer/Consultant - for academic guest speakers or for administrative consultants | |
| Event | 262 | Program Support | Support for programming | Academic co-sponsorship of events; admissions student volunteer program expenses |
| Event | 266 | Special Events | Expenses related to a special event that the department wants to track separately | |
| Event | 269 | Other Events | Expenses related to other events that the department wants to track separately | |
| Other | 275 | Contract Maintenance | Contract Maintenance - an agreement for support services | Annual support agreement for major instrumentation |
| Other | 283 | Professional Fees | Fees for professional services | Architects; consultants |
| Other | 289 | Other Fees/Contractual | Non-Colgate vendors providing regular services or fees for participation in activities | Snowplowing or window washing contracts for B&G; college fair fees or search vendor fees for admission |
| General | 299 | General Operating | General Operating - for general expenses that do not have a specific account | |
| Equipment | 310 | Minor Equipment | Minor Equipment - assets less than \$5,000 | Chair |

Description of Accounts
Sorted by Account

| Type | Account | Account Title | Description | Example |
|----------|---------|-------------------------------|--|--|
| IT | 311 | Minor Computer Equipment | Minor Computer Equipment - computer equipment less than \$5,000 | laptop |
| General | 316 | Postage Charges | Charges from the mail services department on campus | |
| General | 317 | Outside Mailing Service | Charges for and postage or shipping to external vendor | Fed Ex, USPS, etc. |
| Printing | 321 | Printing Charges - University | Colgate document services charges for printing or printing supplies | Event posters; business cards; letterhead |
| Other | 328 | Rentals (Equip, Prop, Etc.) | Rentals (Equip, Prop, Etc.) | |
| Research | 330 | Research | Research | Student and faculty research activity |
| IT | 338 | Software | Software - computer software purchase | |
| Other | 344 | Training & Development | Non-travel expenses related to training and development | |
| General | 361 | Telephone Tolls | Telephone Tolls | Scanner fees |
| Travel | 373 | Candidate Travel | Travel expenses for prospective employees or students | Faculty candidate travel in academics; prospective student travel in admission |
| Travel | 374 | Travel-Employee | Travel-Employee - expenses related to employee travel for Colgate business | Hotel; car rental |
| Travel | 378 | Student Travel | Travel for students | Hotel; van rental; bus rental |
| Travel | 380 | Team Travel | Athletes' travel to athletic events | Hotel; van rental |
| Travel | 386 | Air Travel | Air Travel | Any travel by plane. |
| Travel | 387 | Mileage Reimbursement | Mileage Reimbursement | Expense for use of personal car for Colgate business |
| General | 486 | Office Supplies | Office supplies formerly recorded in account 299 | Pens, pencils, notebooks, etc. |
| General | 490 | Teaching Supplies | Supplies directly related to teaching | Art supplies; lab supplies |
| Other | 699 | Nonrecurring Expense | Nonrecurring Expense | |