

SCHOOL OF OPTOMETRY POLICY

Date Revised: 12/1/2024

Responsible Party: Dean's Office

Contact(s): Chris Boutwell, Mac, Executive Director of Administrative Operations

Budget and Financial Management Procedure

The UAB School of Optometry is part of a larger academic institution and is operated under a centralized financial structure. The School falls under the financial oversight of the Office of Financial Affairs. This office includes such departments as: Accounts Payable, Budget Administration, Controllers Office, Financial Accounting, Payroll Services, Student Account Services, Treasury, University Contracts, and University Purchasing.

It is the policy of the UAB School of Optometry to follow any and all policies and procedures published by the Office of UAB Financial Affairs. Furthermore, the School will not develop policies or procedures that deviate from those of the Office of UAB Financial Affairs.

The Office of Financial Affairs has published a comprehensive list of Policies and Procedures at:

<https://www.uab.edu/financialaffairs/policies>

<https://www.uab.edu/financialaffairs/procedures>

The following procedures are unique to the School of Optometry. These procedures provide oversight into the daily fiscal activities undertaken by the School to manage its fiscal resources.

Expenditure Review

The School's Executive Director of Administrative Operations will establish approver levels within the University's WAM workflow software. Each of these approvers will review their Oracle worklist throughout each workday. Approvers will review these expenditures for appropriateness to include: is the expense allowable; is the correct account and object code being used, are there funds available to support the expenditure, is the expenditure budgeted.

Grant Balance Review and Projections

School staff will submit a monthly compilation of all grant accounts to the School's Executive Director of Administrative Operations. This compilation will include both actual grant balances and projected grant balances. Staff will comment on those account balances that are projected to run a deficit to explain the reason behind the deficit and plans to fully fund the account. The School's Business Officer will meet with research faculty on a regular basis to review these account balances and to address any concerns regarding projected grant balances.

Monthly Financial Review

The Fiscal Officers of the School will produce an array of fiscal reports each month in an effort to review the School's fiscal activity. These reports will include the following information:

- School Operating Results – this report provides a comparison of actual versus budget Ledger 1 and Ledger 2 accounts. The information will be presented at both a month-to-date and year-to-date basis.
- Spend by Object Code – this report categorizes spend by object code. The information will be presented at a current year-to-date and budgeted year-to-date basis.
- Faculty Salaries – this report lists all salary payments to faculty. The report lists payments by month. It will also calculate actual year-to-date payments and budgeted year-to-date payments. Budget variances against these payments will be presented.
- Staff Salaries – this report lists all salary payments to non-faculty. The report lists payments by month. It will also calculate actual year-to-date payments and budgeted year-to-date payments. Budget variances against these payments will be presented.
- Variance Analysis – this report captures spend patterns by department, by object code. Variances are captured at both year-to-date and month-to-date levels. Other information such as actual spend as a percentage of budgeted spend and prior year spend is also captured.
- B&E Report – this report captures spend against reserve accounts and provides current balances.
- Renovation Funding Requirements – this report captures the balances in various renovation related funds along with actual expenditures.
- Chart of Accounts Review – each month a review will be made of the School's chart of accounts in an attempt to identify ledger 3 accounts that are in a deficit position.
- Over-Time Report – this report monitors over-time hours and dollars in the Clinic.
- Compulink-Oracle Cash Reconciliation – this report reconciles cash receipts in Compulink against cash receipts into Oracle.
- Accounts Receivable – this report provides A/R information that is separated into various categories based on the party responsible for collecting those funds.
- Adhoc reports will be produced as needed.

Annual Budget Compilation

The timing of the School's budget compilation process is driven by deadlines established by the Office of Budget Administration. Annual budgets typically have to be submitted to the Office of Budget Administration in July of each year which means the School will start its work in late April of each year.

Procedures:

- The School's Executive Director of Administrative Operations will send out communications to appropriate faculty and staff where each party's input into the annual budget is sought. The communication with these stakeholders typically happens in April of each year. Each party should be asked to identify large spend items that each anticipates will be new in the coming budget year. Each party should also be asked to identify large spend items that have occurred in the current fiscal year but will not reoccur in the new year.
- The fiscal officers will send a budget template to department heads and those who provide budgetary oversight of accounts. Each of these stakeholders will be asked to make non-labor related budgetary requests at the object code level.
- The fiscal officers will send a template to the Director of Students Affairs and Director of Graduate Students seeking input into enrollment levels and classifications for the coming academic year.
- Budget Administration will send the Schools guidance on merit increases, IER estimates, state appropriations, and RMC related expenses. This information is typically distributed in June of each year.
- The School's Executive Director of Administrative (ED) will collect all feedback, templates and guidance from the stakeholders noted above. The ED will then build the budget in an Excel template hoping to arrive at some level of positive cash flow. Additional conversations may be needed with stakeholders should their budget request prove to be too large to lead to a budget with a positive cash flow. The ED will communicate any reduction of requested budgetary funds to the appropriate stakeholders.
- Once a budget with a positive cash flow is produced in the Excel template, the data should be transferred to Axiom where the Office of Budget Administration can review the requested budget.
- The Provost Office will distribute a template requesting current fiscal year projections, the coming fiscal year budget, and projections for at least two other future fiscal years.

The Office of Budget Administration will then schedule a meeting with the School's Dean and ED to review and discuss budget submissions. At times, the budget submitted by the School will be adjusted as directed by the Office of Budget Administration.