THE UNIVERSITY OF TEXAS SYSTEM
BUDGET RULES AND PROCEDURES
For Fiscal Year Ending August 31, 2016

A. INITIAL BUDGET

1. Any transfers subsequent to the approval of the initial budget shall be made only after careful consideration of the allocations, transfer limitations, and general provisions of the current general appropriations act. (See B: Budget Amendments)

2. All appointments are subject to the provisions of the U. T. System Board of Regents' Rules and Regulations (“Regents’ Rules”) for the governance of The University of Texas System.

3. The established merit policy will be observed in determining salary rates.

4. All academic salary rates in the instructional departments of the academic institutions are nine-month rates (September 1 - May 31) unless otherwise specified. In the health-related institutions, all salary rates are twelve-month rates unless otherwise specified.

5. All appointments of classified personnel are based on twelve-month rates and are made within appropriate salary ranges as defined by the classified personnel Pay Plan approved by the president or Chancellor. All appointments of administrative and professional personnel are based on twelve-month rates.

6. Compensation for continuing personnel services (for a period longer than one month), though paid for on an hourly basis, is not to be paid out of maintenance and equipment, or like appropriations, except upon specific approval of the president of the institution or the Chancellor.

7. All maintenance and operation, equipment, and travel appropriations are for twelve months (September 1 - August 31) and should be budgeted and expended accordingly.
## B. BUDGET AMENDMENTS

1. Items requiring approval of the U. T. System Administration and subsequent approval by the U. T. System Board of Regents through the Consent Agenda
   
   a. Transfers from unappropriated Educational and General Fund Balance.
   
   b. New appointments of tenured faculty (Regents’ Rule 31007).
   
   c. Award of tenure to any faculty member (Regents’ Rule 31007).
   
   d. New appointments as Regental Professor, Dean Emeritus, Chair Emeritus, or Professor Emeritus (Regents’ Rule 31001). Titles set forth in Regents’ Rule 20301 including Chancellor Emeritus, President Emeritus and similar honorary designations are conferred by the U. T. System Board of Regents through the full agenda.
   
   e. Appointments, promotions, and salary increases involving the president (Regents’ Rules 20201, 20202, 20203).
   
   f. New contracts or contract changes involving athletic directors or head coaches whose total annual compensation equals or exceeds the amount specified by Regents’ Rule 10501 Section 2.2.12.
   
   g. Compensation changes for employees whose total annual compensation is $1,000,000 or above (Regents’ Rule 20204).
   
   h. Compensation changes for Key Executives as defined by Regents’ Rule 20203.
   
   i. Increases in budgeted amounts from income for Educational and General, Auxiliary Enterprises, Designated Funds, Service Departments, Revolving Funds, and Plant Funds, subject to the thresholds established in B.5 below.
   
   j. Increases to Plant Funds which result from transfers from Educational and General Funds, Auxiliary Enterprises, Designated Funds, Service Departments, and Revolving Funds, subject to the thresholds established in B.5 below.

2. Items requiring approval of U. T. System Administration (no Consent Agenda approval required)
   
   a. Reappropriation of prior year Educational and General Fund balances, subject to the thresholds established in B.5 below.
   
   b. Increases in budgeted amounts from income for Educational and General, Auxiliary Enterprises, Designated Funds, Service Departments, Revolving Funds, and Plant Funds, subject to the thresholds established in B.5 below.
c. Increases to Plant Funds which result from transfers from Educational and General Funds, Auxiliary Enterprises, Designated Funds, Service Departments, and Revolving Funds, subject to the thresholds established in B.5 below.

d. Compensation changes for employees whose total annual compensation is $500,000 or more but less than $1,000,000 (Regents’ Rule 20204).

e. Compensation increases involving tenured faculty of $10,000 or more at academic institutions and $25,000 or more at health-related institutions. This includes one-time merit payments.

f. Appointments and promotions involving administrative and professional personnel reporting directly to the president, a vice president, or the equivalent.

g. Compensation increases of $10,000 or more involving administrative and professional personnel reporting directly to the president, a vice president, or the equivalent. This includes one-time merit payments.

h. All appointments and compensation increases of $10,000 or more involving employees serving under written employment contracts. This includes one-time merit payments.

3. Items requiring approval of the president only

a. All interdepartmental transfers.

b. All budget transfers between line-item appropriations within a department.

c. Increases in budgeted amounts from income for Auxiliary Enterprises, Designated Funds, Service Departments, and Revolving Funds, subject to the thresholds established in B.5 below.

d. Reallocation of unallocated Faculty Salaries. All unfilled and uncommitted line-item faculty salary positions will lapse to the institutional "Unallocated Faculty Salaries" account.

e. Reappropriation of Prior Year Educational and General Fund Balances, subject to the thresholds established in B.5 below.

f. Promotions involving tenured faculty.

g. Transactions involving all other personnel except those specified in B.1b, B.1c, B.1d, B.1e, B.1f, B.1g, B.1h, B.2d, B.2e, B.2f, B.2g and B.2h as defined above.
h. Changes in sources of funds, changes in time assignments, and other changes in status for personnel categorized in Item B.1, provided no change in the individual's salary rate is involved. In the case of Medical Faculty, this provision applies to "Total Compensation."

i. Summer Session Budgets.

j. Clinical faculty appointments or changes, including medical or hospital staff, without salary.

4. Effective date of appointments and compensation increases

a. Any increase in approved compensation for the current fiscal year without a change in classification or position is not to be effective prior to the first day of the month in which the required final approval of the rate change is obtained.

b. A compensation increase resulting from an appointment to another classification or to a position involving new and different duties may be made effective to the time of the first performance of duties under the new appointment.

c. The effective date of an appointment is the date on which the individual is first to perform service for the institution under that appointment.

d. The original appointment during a fiscal year of a person not in a budget for that year or not under an existing appointment for that year may relate back to the first performance of duties during the fiscal year although such person may have been employed in a previous fiscal year and although increased compensation for the same classification or position is involved.

5. Budget amendment criteria

a. Institutions with budgeted revenue, including transfers from the Available University Fund, of $1 billion or more will have a threshold of:
   i. For B.1i and B.1j - Equal to or greater than $2,000,000
   ii. For B.2a - Equal to or greater than $1,000,000
   iii. For B.2b and B.2c – Equal to or greater than $1,000,000 and less than $2,000,000
   iv. For B.3c and B.3e – Less than $1,000,000

b. Institutions with budgeted revenue, including transfers from the Available University Fund, between $250 million and $1 billion will have a threshold of:
   i. For B.1i and B.1j – Equal to or greater than $1,000,000
   ii. For B.2a – Equal to or greater than $500,000
   iii. For B.2b and B.2c – Equal to or greater than $500,000 and less than $1,000,000
   iv. For B.3c and B.3e – Less than $500,000
c. Institutions with budgeted revenue, including transfers from the Available University Fund, less than $250 million will have a threshold of:
   i. For B.1i and B.1j – Equal to or greater than $500,000
   ii. For B.2a – Equal to or greater than $100,000
   iii. For B.2b and B.2c – Equal to or greater than $100,000 and less than $500,000
   iv. For B.3c and B.3e – Less than $100,000

C. OTHER CONSIDERATIONS

1. All appropriations not actually expended or encumbered by August 31 will automatically lapse to the Unappropriated Balance Account except for those reallocated pursuant to Item B.2a and Item B.3e.

2. Compensation indicated as "MSRDP Funds," "DSRDP Funds," "PRS Funds", “Allied Health Faculty Services Plan” or “Nursing Clinical Enterprise Health Services, Research and Development Plan” is contingent upon its being earned or available in accordance with the regulations applicable to the Medical Service Research and Development Plan, Dental Service Research and Development Plan, Physicians Referral Service Plan, Allied Health Faculty Services Plan or Nursing Clinical Enterprise Health Services, Research and Development Plan.

3. Budgeted expenditures authorized from sources of funds other than Educational and General Funds are contingent upon receipt of such funds. Appointments from such fund sources will not become an obligation of the institution in the event the supplemental or grant funds are not realized.

4. Leaves of Absence may be granted only in accordance with provisions contained in Regents’ Rule 30201.

5. In these Rules, Compensation means total annual compensation as defined by Regents’ Rule 20204.
Academic Workload Requirements for General Academic Institutions

Academic workload requirements for U. T. System general academic institutions are set forth in Regents' Rules 31006.

No two institutions in the U. T. System (and, indeed, no two teaching units within a particular institution) are alike in the workload required of individual faculty to meet student needs within the funds appropriated by the Legislature. It is the responsibility of each institutional head to require teaching in excess of the minimum where such teaching is necessary to meet the institution's obligations to its students. Each institution will establish additional standards as necessary in accordance with its role and scope, so long as it satisfies the minimum given herein, to meet the instructional obligations of the institution to the students and to operate effectively within the faculty salary resources available. Faculty members not actively involved in a program of research and publication or in equivalent academic service should typically carry a teaching load greater than the minimum.