Office of the President

May 1, 2009

MEMORANDUM

TO: Mr. Juan J. Castillo
    Ms. Candy Hein
    Dr. Pablo Arenaz

FROM: Ray M. Keck, III
      President

SUBJECT: Budget Instructions

* General Guidelines
The Texas A&M University System and Texas A&M International University face many continuing challenges including serving an increasing student population, expanding access to more potential students, improving existing programs and developing new programs to meet new demands, expanding research capabilities and activities, and increasing the services delivered to the citizens of Texas. The imperative of excellence in all we do and the reality of resource limitations in the State of Texas increase the difficulty of meeting these challenges and dictate that we devote our collective skills to ensuring that the productivity of all System and Texas A&M International University resources are optimized.

Goals (Strategic Plan) and objectives (Compact) must support achievement of the agreed mission. Strategies are designed to ensure the accomplishment of goals and objectives. These strategies could include legislative, operating, financial, reputational or other activities impacting academic programs, infrastructure or auxiliary activities. Operating budgets should be designed to fund the execution of agreed strategies within the limits of available resources.

Accountability targets in excellence, efficiency, access, and success should continue to be guiding principles in budgeting and fiscal management for FY 2010. There should be a continuing effort to increase and expand programmatic excellence, to efficiently utilize available resources by prioritizing programs, facility requirements, and staffing needs, and to encourage access in every way possible in our rapidly changing environment. The impact of tuition and fee increases on student access must be given careful consideration.
Budget recommendations shall be prepared within available resources. In self-supporting activities, total funds budgeted shall not exceed realistic estimates of income and balances brought forward. It is expected that government and private contracts will finance their proportionate share of increases being recommended. Recommendations for other operating expenses should be based upon careful estimates of actual needs, taking into account every possibility for savings.

**Merit Increases**

It is our expectation to provide a 3% merit pool. Submit recommendations for merit increases on the appropriate form. A merit salary increase may be granted for recognition of superior performance. In order to be considered for a salary merit increase, an employee must have a satisfactory performance evaluation on file to support the merit proposal. **In addition, an employee must have been employed by the University on or before March 1, 2009.**

**Schedule for Submitting Budgets**

- Budget kick-off meeting: April 28, 2009
- Budget Instructions, Budget Request & Merit Worksheets Distributed: May 1, 2009
- Budget Request forms due back to VP's: May 14, 2009
- Completed Merit Worksheets Due to back to VP's: May 15, 2009
- Budget request forms due to V.P. for Finance and Administration: May 26, 2009
- Merit worksheets due back to the Budget Office: May 26, 2009
- Budget request review with Budget Advisory Committee: June 2-3, 2009
- President, CFO, and VP’s review budget committee recommendations: Mid-June, 2009
- President approves budget and presents to University: TBA
- FY 2010 Budget Presented to Board for Approval: Late July, 2009

**Faculty Promotion and Terminal Degree Increments**

- Associate Professor to Professor: $5,000
- Assistant Professor to Associate Professor: $3,000
- Instructor to Assistant Professor: $1,500
- Terminal Degree Completion: $1,200

Please direct any questions pertaining to budget preparation to Mr. Fred Juarez, ext. 2448, Ms. Elizabeth N. Martinez, ext. 2380, or to Mr. Juan J. Castillo, ext. 2380.

*From the Texas A&M University System Budget Instructions with some modifications.*