



Memorandum

TO: Campus Community

FROM: Jeff Briggs, Controller

RE: Xavier's Fiscal Year End

DATE: 4/15/11

The Board of Trustees passed a resolution in December 2010 changing the University's fiscal year end to June 30, 2011. Adopting this fiscal year will align Xavier's fiscal year with a majority of colleges and universities across the country allowing for better comparisons and benchmarking. This significant change affects many functions on campus. The Controller's office has begun the process to transition the University to the new date. Attachment A contains several points of information regarding the transition. Attachment B contains information about the transition relating to the University's budget.

An implementation team has been formed to address and identify issues. The team includes Jeff Briggs, Tim Bucher, Rob Munson, Dan Solazzo, Suzanne Leiker and Mark Brockman. Significant testing of Banner Finance is underway to make this change in Banner.

Salary increases will be effective June 1, 2011, as in prior years. As previously communicated by HR, accrued vacation time will be adjusted as of May 31, 2011 for individuals whose balances are at the maximum limit of 30 days. Accrued vacation will be adjusted next year as of June 30, 2012.

Budgets for the month of June 2011 are also a frequent question. The 2011-2012 Operating Budget will not be available for use until July 1, 2011. The 2010-2011 Operating Budgets will be extended through June 30, 2011. If a department requires funding for June 2011 in excess of the Department's available budget, a request for funds must be made first to the Divisional Leadership and then to Financial Planning & Budgeting. Departments should defer purchases until after July 1, 2011. Where possible, contract terms currently due June 1 should be extended until July 1 and renewed for the fiscal period July 1 to June 30. In short, discretionary spending for June 2011 should be minimized. See Attachment B for more information.

See www.xavier.edu/controller for FAQ's and year end cut-off guidance.

Attachment A
Fiscal Year End Transition
Other Points of Information

Overview

- The Board of Trustees has designated June 30 as the university's fiscal year end, beginning with the year ended June 30, 2011.
- Fiscal year 2011-2012 (FY12) will begin on July 1, 2011 and end June 30, 2012.
- The Controller's Office has posted an FAQ: www.xavier.edu/controller.

Financial statements and tax returns

- Xavier will close its books and produce financial statements as of and for the **twelve** months ended 5/31/2011. Xavier has engaged Deloitte & Touche to perform an audit of the financial statements.
- Xavier will close its books and produce financial statements as of and for the **thirteen** months ended 6/30/2011. Xavier has engaged Deloitte & Touche to perform an audit of the financial statements. Deloitte will also audit the NCAA and A-133 compliance reports as of 6/30/2011
- Xavier will file complete sets of tax returns for both May 31, 2011 and June 30, 2011.

Operational issues

- Cut-off dates for FY11 spending, including spending through June 2011, is posted to the Controller's office website: www.xavier.edu/controller.
- Banner:
 - Fiscal year 11 in Banner will be 6/1/2010-6/30/2011
 - Fiscal Year 12 in Banner will be 7/1/2011-6/30/2012
 - Academic terms were not changed in Banner and do not need to be adjusted.

Attachment B
Fiscal Year End Transition
Budgetary Facts/Issues

Overview

- Fiscal year 2011-2012 (FY12) will begin on July 1, 2011 and end June 30, 2012.
- The FY12 operating budget approved by the Board of Trustees is for the period July 1, 2011 through June 30, 2012.

Compensation Impact

- Salary and merit increases for the upcoming cycle will be effective June 1, 2011.
- Salary and merit increases for FY13 will be effective July 1, 2012.
- Discussions will be held and advance communications made regarding the transition from a June 1 to a July 1 start date for compensation increases in 2012.

Operating Budget Impact- FY12

- Budgets for FY12 will be loaded for expenditure effective July 1, 2011.
- New positions approved in the FY12 budget are available for hire as of July 1, 2011 or after.

Operating Budget Impact – FY11

- Current analysis indicates the University *as a whole* will breakeven for the 13 month period ending June 30, 2011 without additional budget authorization beyond the previously approved 12 month FY11 budget.
- Therefore, in general, existing FY11 expenditure budget allocations will be extended to cover the expenses that will be incurred during period through June 30, 2011.
- All departments are asked to make their best effort to cover expenses through June 30, 2011 with their existing FY11 expenditure allocation.
- It is understandable, however, that some departments will need additional funding for the month of June. If a department requires additional funding beyond current available funding:
 - Develop an estimate of needed funds through June 30, 2011
 - Review the request with your Divisional leadership
 - A request should come to Financial Planning and Budget should come from the Division, not individual departments.
- We note that some departments attempt to spend all of their funding in April and May rather than allowing it to go unspent. This practice is never in the best interest of Xavier. This year, it is particularly ill-advised as existing budgets are to extend through June.
- Departments are asked to defer those purchases that are not time-sensitive until after July 1, 2011.
- Where possible, contract terms currently due to renew on June 1 should be extended until July 1 and renewed for the fiscal period July 1 to June 30.