Budget Office Training Agenda

- Budget Terms and Concepts
- Preparing an RBC & Transfer of Funds
- Editing and Adding Budget Lines
- Deleting and Renumbering Budget Lines
- Closing Accounts
Budget Office Terms & Concepts

- State Accounts & Locally Allocated
- Auxiliary and Budgeted Designated
- Budget Revision/Budget Transfer
- Temporary/Permanent Budget
- Managing Budget Lines
- Carry Forward

Budget Terms & Concepts
State & Locally Allocated

- Budget is loaded by the Budget Office and determines the spending authority on the account from year to year.
- Budget adjustments are processed with Budget Transfers by departments or by the Budget Office.
- **State**
  - Fund Group Code = ST (State)
  - Examples of Sub Funds are Ag, Ag Ext, AHS, Main Campus, UA South
  - Budget is determined by State appropriations and tuition revenue

- **Locally Allocated**
  - Fund Source = DE (Designated) & DI (Designated IDC)
  - Examples of Sub Funds are ASC, Retained Fees, Program Fees, IDC

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**Budget Terms & Concepts**

**Auxiliary & Budgeted Designated**

- Budget adjustments are processed with Budget Revisions by the department
- Budget is loaded in Spring during the Local Fund Budget cycle. Departments input revenue and expenditure projections into the Local Fund Budget System.
• **Auxiliary**
  • Fund Group Code = AX
  • Examples include Bookstore, Campus Recreation, Student Union, Parking, & Residence Life

• **Budgeted Designated**
  • Fund Group Code = DE, DR
  • Budget Record Level Code = C
  • Examples of Sub Funds include Admin Sales & Service, Student Fees, CESL, & Dept Sales & Service

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**Budget Terms & Concepts**

**Budget Transfer**

• **Budget Transfer**
  • Processed on state and locally allocated accounts
  • Initiated by the department and/or budget office
  • Two-sided transaction on the RBC
• Cash is automatically moved in UAccess Financial on OC 0932
• *Example:* Move salary savings from one state account to a new line/position on the same account or another state account

### Budget Terms & Concepts

#### Budget Revision

- **Budget Revision**
  - Processed on auxiliary and budgeted designated accounts
  - Initiated by the department and/or budget office
  - One sided transaction on the RBC
  - *Example:* A unit is expecting an increase in revenue activity so the budget adjustment would increase revenue and operational expenses
Budget Terms & Concepts

Temporary & Permanent Budget

• **Temporary Budget**
  - Operating budget for the current fiscal year
  - Temporary budget = state and locally allocated
  - Current year budget = auxiliary and budgeted designated accounts

• **Permanent Budget**
  - Operating budget for the next fiscal year
  - Permanent budget = state and locally allocated
  - Next year budget = auxiliary and budgeted designated accounts
### Budget Terms & Concepts

**Temporary & Permanent Budget**

- **Auxiliary & Budgeted Designated**

What reports do I use to view my budget balances?

- **Income/Expense Report**
  - Base Budget is Perm & Current Budget is Temp

#### Local Fund Budget Report

<table>
<thead>
<tr>
<th>Budget Shell Code</th>
<th>Category Name</th>
<th>Summary Object Code</th>
<th>2012 Actuals</th>
<th>2013 Actuals</th>
<th>2014 Actuals</th>
<th>2015 Actuals</th>
<th>FY16 Original Budget</th>
<th>FY17 (Perm) Budget</th>
<th>FY16 (Temp) Current Year Budget</th>
<th>FY16 Current Actuals</th>
<th>FY16 Encumbered</th>
<th>FY16 Total Committed</th>
<th>FY16 Balance</th>
<th>FY16 Close</th>
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<td>Transfers - In Total</td>
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<td>5792</td>
<td>Cost Of Goods Sold</td>
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<td>0</td>
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Budget Terms & Concepts
Temporary & Permanent Budget State and Locally Allocated

What reports do I use to view my budget balances?

- Income/Expense Report
  - Base Budget is Perm & Current Budget is Temp

- Balance Available Detail Report
- Pending Balance Available is Temp Budget & Perm Next Year is Perm Budget
  - Ability to view budget at the line item detail
Budget Terms & Concepts
Managing Budget Lines

At a minimum manage perm/next year budget lines for the following reasons:

1. Budget Office reports to the external agencies Perm/Next Year budget by position to fulfill our reporting requirement as a State agency.

2. Budget Office and leadership & management across campus use position budgets to analyze budget capacity within an organization, division, or college unit. An example of this was the merit increases in FY15.

Benefits to managing budget lines by position

1. Holding place for unassigned commitments

2. Track assigned commitments
3. Analyze by vacancies

**Budget System Upgrades to help streamline management of budget lines**

1. Upload an RBC from an Excel template
2. Add and delete rows of an RBC
3. Electronic routing of RBC
4. Automatically move budget between lines based on business rules
Budget Terms & Concepts

**Carry Forward**

Prior year report has negative ERE and positive operational costs that will carry forward to new year.

Next Year report carry forward by line number.
• Carry Forward is unused Temp Budget which loads in August by the Budget Office using Line 903, 2001, & 3001.
Preparing an RBC

- Understanding the RBC
- Line and Position relationships
- ERE Line Considerations
- Creating an RBC using the Excel Template Upload
- Using the Budget Balance Available Detail Report
- New features coming soon

Preparing an RBC
Understanding the RBC

### How to Complete an RBC (Request for Budget Change)

1. Input or Import data into the RBC. See field explanations below for further detail
2. Select the “draft” link at the bottom of the RBC then select the “Save RBC” to create an RBC #
3. Print the RBC for departmental/college signature and route paper document to the Budget Office
Preparing an RBC
Line and Position Relationships

For State & Locally Allocated Accounts, a BT – Budget Transfer should be processed to ensure cash is moved. A BT must be two sided, so be sure to enter a “from” and “to” account.

For Auxiliary & Budgeted Designated Accounts, a BR – Budget Revision should be processed. A BR is one-sided.

T= Temporary Budget and will move current year budget
P= Permanent Budget and will move next year’s budget

Required lines on the “From” and “To” side include Line#, Account #, Object Code, & Amount.
- Dept # will automatically populate based on Acct#
- Position is only required if moving payroll
- Project will not populate to budget reports but will load to KFS transaction reports
• To determine if a line already exists in the department, search by going to budgetoffice.arizona.edu > Budget System > Account Department > Select your department.
• To assign a new position a new line, select a line # that doesn’t already exist
• To assign a new position a vacant line or to fill an old position, use the appropriate line
• A new line # and position # will be created once the RBC has been approved
• If a line# already exists for the department, the RBC will auto populate the PCN

Preparing an RBC
ERE Line Considerations
• Accounts that have an ERE Pool account will auto populate the budget for the ERE costs

<table>
<thead>
<tr>
<th>BUDGET LINE</th>
<th>EMPLID</th>
<th>POSITION</th>
<th>OC</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>12702198</td>
<td>1972935</td>
<td>1150</td>
</tr>
<tr>
<td>2</td>
<td>01085122</td>
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<tr>
<td>3</td>
<td>01250917</td>
<td>2001420</td>
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</tr>
<tr>
<td>4</td>
<td>03407406</td>
<td>1862882</td>
<td>1150</td>
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<td>5</td>
<td></td>
<td>1838590</td>
<td>1150</td>
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<td>6</td>
<td>23120107</td>
<td>2014056</td>
<td>1150</td>
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<tr>
<td>8</td>
<td>12204573</td>
<td>2000858</td>
<td>1150</td>
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<tr>
<td>9</td>
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<tr>
<td>14</td>
<td></td>
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<td>1000</td>
</tr>
</tbody>
</table>
- Accounts without an ERE Pool (i.e. auxiliary, program fees) fund ERE within the account.
- For example, Program Fee budgets are loaded to line 3000/OC 3000, so to fund ERE, process an RBC-BT from Line 3000 to Line 2000.

### Preparing an RBC
Creating an RBC using the Excel Template Upload
• Uploading an RBC will allow up to as many rows as needed.
• Once uploaded the user can add & delete rows in the RBC

Preparing an RBC
Using the Budget Balance Available Detail Report

Example: Account budget lines are **not funded**
• An unassigned line will default to the account.object code
• The balance available will be negative
In this particular case, the budget has been loaded to line 3000 so budget could be moved from line 3000 to create lines for each position

Preparing an RBC
Using the Budget Balance Available Detail Report
Example: Account budget lines that are funded
- Budget lines have been created for each position
- Some positions have available balance which could be due to unpaid time or leaving the position
- New lines have been created to commit a line for future spending which creates an available balance
Preparing an RBC
New features coming soon

• RBC Access Rules
  • Create RBC roles for account users
  • Analytics report to identify users and approvers in a college/department
• Electronic Routing
  • Electronic signatures based on roles
  • Upload of backup documentation

• RBC Features
  • Add & delete rows of an RBC without having to re-create the RBC
  • Automatically move budget between lines based on business rules
  • RBC business rules to prevent submitting an RBC in error

Preparing a Transfer of Funds
(to support an RBC)

Rules for Auxiliary & Budget Style Accounts
Rules for State and Locally Allocated
Other guidelines and considerations
Preparing a Transfer of Funds (TF)
Rules for Auxiliary & Budgeted Designated Accounts

- If the transfer **is budgeted**, then only a TF should be processed. Use OC 7930 in the “From” Section and OC 0930 in the “To” Section. Indicate in the notes section that the transfer was budgeted.

- If the transfer **is not budgeted**, then process a TF and an RBC-Budget Revision.

- To revise (increase) budget for OC 7930, the department may: (1) increase revenue if expecting additional funds (2) reduce operations or (3) reduce fund balance. Here is an example of what the RBC would look like in these three scenarios:

<table>
<thead>
<tr>
<th>FROM</th>
<th>TRAN DETAILS</th>
<th>TO</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>

- (1)
Preparing a Transfer of Funds (TF)
Rules for State and Locally Allocated

- Within each fund/sub fund, an RBC Budget Transfer should be processed.
- A Budget Transfer on these type of accounts will also move cash on OC 0932, so a TF is not needed.

- Transfers to a plant accounts (i.e. capital project or debt payment) are allowable and need to be processed on a TF document.
- If the transfer was not budgeted on the source account, then process an RBC-Budget Transfer to fund OC 7930
- Provide backup documents in the TF document to support the transfer.

Preparing a Transfer of Funds (TF)
Other guidelines and considerations
- Process the RBC and TF at the same time and reference each document # on each document
Editing & Adding lines
Guidelines for editing lines

How to add a line in the Budget System

Guidelines for Adding/Editing Budget Lines

- Budget lines are required for State and Locally Allocated accounts
- Budget lines are optional for Auxiliary and Budgeted Designated accounts
- Budget Lines can provide a comprehensive means for organizing the display of departmental budget, expenditures, encumbrances and balances available in the “Balance Available Detail”

Add a line when:
- A new person is hired.
- Funding has changed. For example, Dept. A and B will now split fund the salary, 85%/15%
- New personnel services or operations budgets are needed

Edit a line when:
- Funding has changed in the existing budget department
Adding Lines in the Budget System

- A line can also be added by adding the line to the RBC
- In the Budget System, to add a line, go the Department page and then “Create/Edit Line” link
- In the “Create Line” tab, complete the Line #, Position #, Object Code, Account(s), and comments
- The “Refresh” button will create the new line
Other considerations when creating a new line

• Budget Line Number is limited to 8 digits (i.e. 12345.000)

• Comment Field (Maximum 25 Characters) creates the name of the budget line. However, if the budget line contains a position number with an active incumbent, the comment will be systematically over-written by the incumbent’s name.

• Error messages may be due to
  • Line number already exists in the department
  • Line number, account, and/or object code are missing
  • Account is not valid or does not belong to the department
  • Position number is already on another line
  • When editing a line number, the line number, object code, position number, comment/name and existing accounts cannot be changed. Only able to add new accounts to edit a line.
Renumber and Deleting Lines

• Available once per year in the budget system for a limited time period
• Those with add/edit access will have access to renumber/delete
• Access the detailed instructions on our website
  Budgetoffice.Arizona.edu>Forms & Resources>FY16 Budget Line Renumbering
Closing Accounts

State and Locally Allocated
Auxiliary and Budgeted Designated

Closing Accounts
State and Locally Allocated

Step #1
Using the Balance Available Detail Report
- Process Budget Transfer to remove all Temp by object code group (Personal Services, ERE, Operations, Travel, & Capital) to the nearest $1
- Perm Budget should be cleared at the budget line level

Step #2
Process a transfer of funds for any cash amount less than $1 using object code 0932. The transfer should be within the same sub fund.
Step #3
Process a document to in UAccess Financials to close the account

Closing Accounts
Auxiliary and Budgeted Designated Accounts

Step #1
Using the Local Fund Budget Report
  • Process a Budget Revision to remove all Current Temp & Perm Budget by local fund budget object code pool (Personal Services, ERE, Operations, Travel, & Capital) to the nearest $1

Step #2
Process a transfer of funds to the nearest penny to bring cash balance to $0

Step #3
If the account has balances in Inventory, Accounts Receivable, or other Balance Sheet Object Codes, contact FSO Fund Accountant

Step #4
Once Budget is to the nearest $1, Fund Balance is equal to $0, and Cash Balance is $0, process a document to in UAccess Financials to close the account
Budget Office Feedback Form
• UAccess Community Budget Forum
• Budget Office Staff