Budget Office Training Agenda

- Budget Terms and Concepts
- Preparing a Request for Budget Change (RBC)
- Preparing a Transfer of Funds (to support an RBC)

This presentation is saved with notes to provide learners with additional information and content besides what is on the slide presentation. Please use the notes as a resource after taking the course in UA Learning.
Part 1: Budget Office Terms & Concepts

- Fund Types: State Accounts & Locally Allocated
- Fund Types: Auxiliary & Budgeted Designated
- Budget Revision vs. Budget Transfer
- Temporary vs. Permanent Budget
- Managing Budget Lines
- Carry Forward
# Budget Terms & Concepts

## Fund Types: State & Locally Allocated

### State
- Fund Group Code = ST (State)
- Examples of Sub Funds: Ag, Ag Ext, AHS, Main Campus, UA South
- Budget determined by State appropriations and tuition revenue
- Budget loaded to accounts by Budget Office
- Budget Adjustments processed via Budget transfers

### Locally Allocated
- Fund Source = DE (Designated) & DI (Designated IDC)
- Examples of Sub Funds: ASC, Retained Fees, Program Fees, IDC
- Budget determined by Budget Office or Department and loaded to accounts each year
- Budget Adjustments processed via Budget transfers

Current policy on Fund Management can be found on FSO’s website [https://www.fso.arizona.edu/financial-management](https://www.fso.arizona.edu/financial-management)

Some helpful resources are the (1) Account Types-Fund Description and (2) Fund/Sub-Fund Table
# Budget Terms & Concepts

## Fund Types: Auxiliary & Budgeted Designated

### Auxiliary

- Fund Group Code = AX
- Examples: Bookstore, Campus Recreation, Student Union, Parking, Residence Life
- Departments *project* revenue and expenditures during Local Fund Budget cycle
- Budget loaded in Spring
- Budget Adjustments processed via Budget *revisions*

### Budgeted Designated

- Fund Group Code = DE, DR
- Examples of Sub Funds: Admin Sales & Service, Student Fees, CESL, & Dept Sales & Service
- Departments *project* revenue and expenditures during Local Fund Budget cycle
- Budget loaded in Spring
- Budget Adjustments processed via Budget *revisions*
- Budget Record Level Code = C

Current policy on Fund Management can be found on FSO’s website [https://www.fso.arizona.edu/financial-management](https://www.fso.arizona.edu/financial-management)

Some helpful resources are the (1) Account Types-Fund Description and (2)Fund/Sub-Fund Table
<table>
<thead>
<tr>
<th>Budget Terms &amp; Concepts</th>
<th>Budget Transfer vs. Budget Revision</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Budget Transfer</strong></td>
<td></td>
</tr>
<tr>
<td>• Processed on state and locally allocated accounts</td>
<td></td>
</tr>
<tr>
<td>• Initiated by the department and/or Budget Office</td>
<td></td>
</tr>
<tr>
<td>• Two-sided transaction on the Request for Budget Change (RBC)</td>
<td></td>
</tr>
<tr>
<td>• Cash automatically moved on object code 0932</td>
<td></td>
</tr>
<tr>
<td><strong>Budget Revision</strong></td>
<td></td>
</tr>
<tr>
<td>• Processed on auxiliary and budgeted designated accounts</td>
<td></td>
</tr>
<tr>
<td>• Initiated by the department and/or Budget Office</td>
<td></td>
</tr>
<tr>
<td>• One-sided transaction on the Request for Budget Change (RBC)</td>
<td></td>
</tr>
<tr>
<td>• Does not move cash</td>
<td></td>
</tr>
</tbody>
</table>
Budget Terms & Concepts

Budget Transfer vs. Budget Revision

Budget Transfer 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 Transfer vs. Budget Revision

Budget Revision Example:

A unit is expecting an increase in revenue activity and needs a budget adjustment to increase revenue and operational expenses.

<table>
<thead>
<tr>
<th>REQUEST FOR BUDGET CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAME: VORONICA S CHU</td>
</tr>
<tr>
<td>BUDGET DEPT: 9201</td>
</tr>
<tr>
<td>ADDRESS: PO BOX 210066</td>
</tr>
<tr>
<td>DESCRIPTION: 2253460 - Increase revenue projections</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ROW</th>
<th>FROM DEPT</th>
<th>POSITION</th>
<th>ACCT</th>
<th>SUB ACCT</th>
<th>OBJ</th>
<th>SUB OBJ</th>
<th>PROJECT</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0000000</td>
<td>T</td>
<td>9503</td>
<td>3000000</td>
<td>000</td>
<td>0000000</td>
<td>0000000</td>
<td>1000.00</td>
</tr>
<tr>
<td>2</td>
<td>0000000</td>
<td>T</td>
<td>9503</td>
<td>3000000</td>
<td>000</td>
<td>0000000</td>
<td>0000000</td>
<td>1000.00</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2000.00</td>
</tr>
</tbody>
</table>

Budget Office will also process Budget Revisions for new projects.
This type of RBC would apply to Auxiliary and Budgeted Designated Accounts.
Majority of campus does not process RBCs and instead will update budget during the Local Fund Budget Cycle.
Budget Terms & Concepts
Budget Transfer vs. Budget Revision

POP QUIZ

True or False: You should never process a TF document to move funds on a State or Locally Allocated Account.

True!

True or False: When doing a Budget Transfer ("BT") from one state account to another, cash will move automatically.

True!

True or False: When doing a Budget Transfer ("BT") from a state account to a budgeted designated account, you will also need to process a TF doc to ensure that cash is moved.

False! This is a trick question. You cannot transfer funds to or from a State account to a Designated account, whether on an RBC or using a TF doc. When dealing with State or Locally Allocated accounts, transfers are not allowed across different sub-funds.
## Budget Terms & Concepts
### Temporary vs. Permanent Budget

<table>
<thead>
<tr>
<th>Temporary “Temp” Budget</th>
<th>Permanent “Perm” Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Operating budget for the <em>current</em> fiscal year</td>
<td>• Operating budget for the <em>next</em> fiscal year</td>
</tr>
<tr>
<td>• Temporary budget = state and locally allocated</td>
<td>• Permanent budget = state and locally allocated</td>
</tr>
<tr>
<td>• Current year budget = auxiliary and budgeted designated accounts</td>
<td>• Next year budget = auxiliary and budgeted designated accounts</td>
</tr>
<tr>
<td>• “Current Budget” = Temp budget in UAccess Financials</td>
<td>• “Base Budget” = Perm Budget in UAccess Financials</td>
</tr>
</tbody>
</table>
Budget Terms & Concepts
What reports do I use to view my budget balances?
(Auxiliary and Budgeted Designated)

Income/Expense Report
Sorts by Consolidation Object Name
Original Budget is Perm Budget set in the prior year. Original Budget will not change during the year. It is set on July 1.
Base Budget is the same as Perm Budget
Current Budget is the same as Temp Budget

LFB Report
Sorts by summary object code
shows beginning and ending fund balance
Reports history for prior 4 years
Totals between reports tie but the layout of the report is different in that columns for Balance Available Detail break out payroll, ere, and ops. Income Expense Report totals by fiscal year. Income and Expense is most commonly used but will only detail by the object code level. Balance Available Detail Report is best to use for reporting budget vs actuals by budget lines.
**Budget Terms & Concepts**

Temporary vs. Permanent Budget

**Recap**

What other words might you see to describe “Temp” or Temporary budget?
- Current Budget
- Pending Balance Available

What other words might you see to describe “Perm” or Permanent Budget?
- Next Year Budget
- Base Budget

What reports can I use to view Auxiliary and Budgeted Designated budgets in Analytics?
- Local Fund Budget report (Budget-Local Fund Budget dashboard)
- Income/Expense Report (General-Financial Management dashboard)

What reports can I use to view State and Locally Allocated budgets?
- Balance Available Detail report (Budget-Current dashboard)
- Income/Expense Report (General-Financial Management dashboard)
Budget Terms & Concepts
Managing Budget Lines

What is required?
• Divisions/colleges must maintain Perm/Next Year budget lines for Permanent, State and Allocated funded positions
• The Budget Office reports these to external agencies

Other benefits to managing budget lines:
• Holding place for unassigned commitments
• Track assigned commitments
• Demonstrate budget capacity to campus leadership (e.g. merit increases)

Assigned and Unassigned commitments
The budget system has an updated line management module
Additional training will be available but please work with your budget analyst if you’d like to use this feature
Here is a link to the Budget Office Website for a document that will provide some information on line management
http://www.budgetoffice.arizona.edu/sites/budgetoffice/files/line_guideline_revised_9.29.17.pdf

Reasons to Manage Budget Lines:
Budget Office reports to the external agencies Perm/Next Year budget by position to fulfill our reporting requirement as a State agency.
Budget Office and leadership 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 FY17.
Who actively uses budget lines as a management tool?
How do you use budget lines in your role?
What are some of the benefits of managing budget lines?
What are some of the challenges or shortfalls of managing budget lines?
Who can share some budget line management best practices?
Are there any additional questions about managing budget lines?
**Budget Terms & Concepts**  
**Carry Forward (Lines 903, 2001, 3001)**

- Budget Office loads in August  
- Use the Balance Available Detail Report

<table>
<thead>
<tr>
<th>Level Name</th>
<th>Budget Line Number</th>
<th>Original Budget</th>
<th>(Temp) Current YR Net Budget Change</th>
<th>(Temp) Current YR Budget</th>
<th>Balance Available</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Related Expense</td>
<td>2000.0000</td>
<td>0</td>
<td>52,075</td>
<td>52,075</td>
<td>52,075.00</td>
</tr>
<tr>
<td>2001.0000</td>
<td>0</td>
<td>-20,450</td>
<td>-20,450</td>
<td>-20,450</td>
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<tr>
<td>255500.2114</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**Employee Related Expense Total**

<table>
<thead>
<tr>
<th>Level Name</th>
<th>Budget Line Number</th>
<th>Original Budget</th>
<th>(Temp) Current YR Net Budget Change</th>
<th>(Temp) Current YR Budget</th>
<th>Balance Available</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Related Expense</td>
<td>2000.0000</td>
<td>12,238</td>
<td>-10,434</td>
<td>-10,434</td>
<td>-10,434.46</td>
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<tr>
<td>2001.0000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>255500.2114</td>
<td>0</td>
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<tr>
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<td>255500.2130</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**Employee Related Expense Total**

- **FY17 Report**
- **FY18 Report**

Line 903 is payroll  
Line 2001 is ERE  
Line 3001 is Operations  
Period 13 closes in August so we wait to verify the cash balances.  
We only load to the nearest $1  
Carry Forward does not take into account encumbrances
Part 2: Preparing a Request for Budget Change

- Understanding the RBC
- Creating an RBC using the Excel Template Upload
- Using the Auto-RBC Report
- Using the Budget Balance Available Detail Report
- New features coming soon
**Prepining an RBC**

**Understanding the RBC**

<table>
<thead>
<tr>
<th>CREATE RBC</th>
<th>CREATE RBC FROM EXCEL</th>
<th>CREATE RBC FROM PDF</th>
</tr>
</thead>
</table>

**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. Attach backup documents, add notes, and electronically route RBC. (Self-Paced Tutorial on eRBCs is available on UA Learning).

**Save the RBC as a draft then save RBC to get an RBC number**

**Once the RBC # is created, you can go back and edit the RBC**

**Best practice is to save RBC and review and attach backup before routing for approval**
Preparing an RBC
Creating an RBC using the Excel Template Upload

- Validates the RBC once it’s uploaded
- The template cannot upload amounts that are formulas
Auto RBC Report

- Use the Auto-RBC Report to populate an eRBC

Using the Auto RBC report will help eliminate data entry into the RBC excel template. Report is formatted as the RBC upload template. No need to upload the template from the budget system.

If $ on the “to” side, then the line needs funding.

Auto RBC report will populate on all lines, object codes, sub accounts. It’s possible you would need to exclude rows before uploading to RBC.
Preparing an RBC
Using the Budget Balance Available Detail Report

Example: Account budget lines not funded
- Unassigned line defaults to account object code
- Balance available is negative
- How do we resolve?
- Process RBC Budget Transfer to create lines

In this example, the screen shot of the RBC would be how to fund one of those payroll lines
When you create a Budget Line on the RBC, the system will create that line and match it to
that Position Number (PCN)
Preparing an RBC
Using the Budget Balance Available Detail Report

Example: *Account budget lines are funded*

<table>
<thead>
<tr>
<th>Budget Line Number</th>
<th>Object Code</th>
<th>(Temp) Current YR Budget</th>
<th>Personnel Expenditure</th>
<th>Encumbered</th>
<th>Balance Available</th>
</tr>
</thead>
<tbody>
<tr>
<td>100000</td>
<td>1150</td>
<td>214,225</td>
<td>121,300.74</td>
<td>92,844.00</td>
<td>0.26</td>
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<tr>
<td>200000</td>
<td>1150</td>
<td>149,115</td>
<td>83,115.41</td>
<td>66,000.00</td>
<td>-0.41</td>
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<tr>
<td>300000</td>
<td>1150</td>
<td>76,100</td>
<td>43,015.33</td>
<td>33,085.00</td>
<td>-0.33</td>
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<tr>
<td>400000</td>
<td>1150</td>
<td>72,374</td>
<td>40,961.72</td>
<td>31,392.00</td>
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</tr>
<tr>
<td>500000</td>
<td>1150</td>
<td>68,600</td>
<td>38,984.68</td>
<td>29,615.00</td>
<td>0.32</td>
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<tr>
<td>700000</td>
<td>1180</td>
<td>42,909</td>
<td>39,384.60</td>
<td>22,423.00</td>
<td>0.40</td>
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<tr>
<td>800000</td>
<td>1180</td>
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<td>0.00</td>
<td>0.00</td>
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<tr>
<td>900000</td>
<td>1180</td>
<td>14,589</td>
<td>10,853.82</td>
<td>3,735.00</td>
<td>0.16</td>
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<tr>
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<td>903000</td>
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<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>905000</td>
<td>1000</td>
<td>20,382</td>
<td>0.00</td>
<td>0.00</td>
<td>20,382.00</td>
</tr>
</tbody>
</table>

**In the example report:**
Budget lines created for each position

**Examples of positive balances**
1) Unpaid time will leave available funds for departmental use
2) Percentage distribution changes. Department should process an RBC BT to move budget to new account
3) FTE change will leave additional funds available for department use
## Budget System and Analytics
### New Features & Coming Soon

<table>
<thead>
<tr>
<th>New</th>
<th>Analytics</th>
<th>Budget System</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer Rules Report</td>
<td></td>
<td>Add, Edit, Delete, Deactivate, and Renumber Lines</td>
</tr>
<tr>
<td>Coming Soon</td>
<td>Dashboard Redesign with Sub-Pages</td>
<td>User Interface Refresh – Color Scheme, Navigation, etc.</td>
</tr>
</tbody>
</table>

Auto RBC Report is located Analytics > Budget-Current > Auto RBC

Transfer Rules Report is located: Analytics > Financial > General – System Value Sets > Allowable Transferes

Dashboard Redesign with Sub Pages refers to changes to the Budget-Current Dashboard and Local Fund Budget Dashboard
-Our goal is to identify tasks and process steps with new reports or links to existing reports to streamline functions

New Line Categories and Editing/Adding/Renumbering is a new feature in the Budget System. Here is a link to a guideline of line management from our website [http://www.budgetoffice.arizona.edu/sites/budgetoffice/files/line_guideline_revised_9.29.17.pdf](http://www.budgetoffice.arizona.edu/sites/budgetoffice/files/line_guideline_revised_9.29.17.pdf)
Budget Terms & Concepts
Temporary vs. Permanent Budget

Recap

What are three different ways to process an RBC
Using a traditional RBC form in the Budget System
Using the excel template upload feature in the Budget System
Using the Auto RBC report in Analytics

What Analytics report can we use to view budget lines and available balances?
Balance Available Detail Report on the Budget-Current Dashboard
Part 3: Preparing a Transfer of Funds
(to support an RBC)

- Rules for Auxiliary & Budgeted Designated Accounts
- Rules for State and Locally Allocated Accounts
- Other Guidelines and Considerations
- Allowable Transfers Analytics Report
Preparing a Transfer of Funds (TF)
Rules for Auxiliary & Budgeted Designated Accounts

If the transfer is budgeted:
• Only a TF should be processed.
• Use OC 7930 in the “From” Section and OC 0930 in the “To” Section.
• Indicate in the notes that the transfer was budgeted.

If the transfer is not budgeted:
• Process a TF and an RBC-Budget Revision.
• To increase budget for OC 7930, the department may:
  ✓ Increase revenue if expecting additional funds
  ✓ Reduce operations
  ✓ Reduce fund balance.

If transfer will be ongoing, then load the budget during LFB

Reports that could be resourceful are located on the Local Fund Budget Report
(1) Proposed Budgeted Transfers
(2) Transfers – Balance Available
Preparing a Transfer of Funds (TF)
Rules for State and Locally Allocated Accounts

- Transfer of funds not allowed, use an RBC Budget Transfer instead

Transfers to plant accounts (i.e. capital project or debt payment) are allowable and need to be processed on a TF document:

If transfer not budgeted on source account, process RBC-Budget Transfer to fund OC 7930
Provide backup documents in TF to support the transfer
Budget Office and Planning Design and Construction will assist with Transfers and RBCs

Example:
State account is funding a new project that was not in the budgeted for in transfers out. The department will need to notify the Budget Office of the funding source account and the Budget Office or the department can process a Budget Transfer from another object code or account to the transfer out object code.
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
Preparing a Transfer of Funds (TF)
Using the Allowable Transfers Report

This is a new report and can be a resource when determining where to transfer funds. Account number or sub fund can be selected to determine allowability. If not sure the other side, you can select “Apply” and the report will populate a table of allowable accounts/sub funds.

Contact the fund accountant and/or the budget analyst for further guidance and next steps.
Thank you!

Any questions?
Resources

- Budget Office Feedback Form
- UAccess Community Budget Forum
- Budget Office Staff