

# **Budget Basics**

## **A beginner's guide to Budgeting**

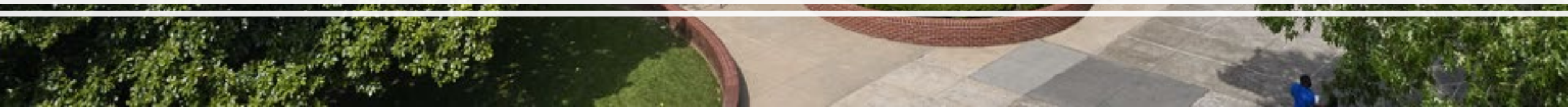
# Budget Basics | Topics

1. Budget
  - Budget Overview
  - Budget Types
  - Budget Adjustment
2. Financial Transaction Components
  - FOAPAL and Index Elements
  - Rule Class Codes
3. Budget Tools & Reporting
  - Finance Program Guide
  - Banner Self Service (SSB)
    - Budget Terms/Fields
  - Banner Admin Pages
  - Banner ePrint
  - Argos
  - OnBase
4. Budget Transactions & Review Processes
  - Budget Revisions
  - Carryforward Process
  - Budget Review Processes





Budget





# Budget | Overview

What is the purpose of a budget?

- The University's budget is a plan
- A control mechanism to match anticipated actual revenues and expenditures
- Essential for effective financial management
- Assists in controlling actual costs

# Budget | Overview

Who is responsible for monitoring the budget?

- The Office of Financial Planning and Analysis is responsible for the development and implementation of the University's budget throughout the academic and administrative areas
- Each department's Financial Manager is responsible for accurately reporting financial transactions as well as budget adjustments when necessary

# Budget | Overview

When is the budget reviewed?

## Spring Budget Cycle:

Reviewing and adjusting the budget before the final University budget is approved by the Board of Trustees and put into effect for July 1<sup>st</sup>

## Fall Budget Cycle:

Reviewing and adjusting the budget based on Fall enrollment and any other changes that may have occurred since the Spring review

## Year-Round Review:

Financial Managers and Designees should continually monitor their department budget outside of the Spring and Fall budget cycles

# Budget | Overview

Why is it important to understand the budget?

- To monitor actual revenues and expenses compared to the expected amounts (budget)
- Maintaining an understanding of a department's accounts will help limit overexpenditures and keep revenue aligned with actual trends
  - Making sure to resolve any overexpenditures on a monthly basis
- To better assist with the Fall & Spring budget review cycles where budget is aligned with actual revenues and expenses

# Budget | Types

The University tracks two types of budgets in Banner:

## Base/Future

- Base budget is made up of funding that is recurring and is expected to continue year after year
- Examples:
  - Recurring tuition & fees
  - Sales and Services

## Adjusted/Current Year

- Adjusted budget is made up of recurring funding as well as any one-time funding
- Examples:
  - Non-recurring income/revenue
  - Conferences and workshops



# Budget | Adjustments

The University captures two types of budget adjustments in Banner:

- **Permanent**

- These budget adjustments are made to the **Base/Future Budget** for any permanent changes that will be recurring yearly or monthly
- Examples:
  - Tuition rate change
  - Course fee change
  - Change in salary

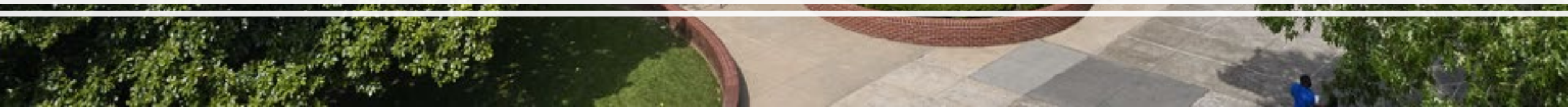
- **Temporary**

- These budget adjustments are made to the **Adjusted/Current Year Budget** for any temporary changes or one-time charges
- Examples:
  - Funding a one-time event
  - Increase in travel due to attendance of a non-recurring conference





# Financial Transaction Components

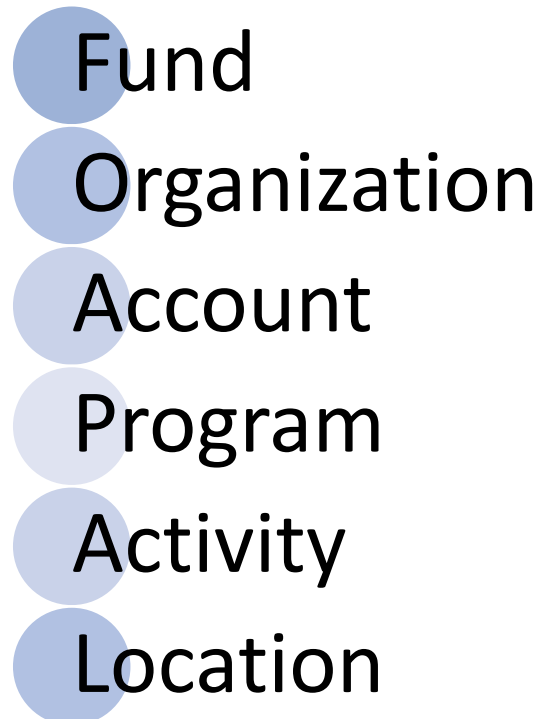




# FOAPAL | Overview

## What is a FOAPAL?

- FOAPAL is the acronym that represents each element in the University's Chart of Accounts.
- FOAPAL information is needed on all financial transactions as this data is used by Banner to record and retrieve information for Financial reporting purposes.
- A FOAPAL is a string of digits made up by the following parts:



# FOAPAL | Fund

## Fund

- First element within a FOAPAL accounting string
- A six-digit code that identifies the source of the money
- Funds are classified into three main categories

Fund Type	Description
Unrestricted Funds / Education and General (E&G) Funds	The University retains full control over these funds in achieving any of its authorized institutional purposes
Restricted Funds	Externally restricted funds that may be used only for the purposes established by the provider (e.g. grants, contracts, centers of excellence)
Auxiliary Funds	Self-supporting (break-even) enterprises that provide services to students, faculty, and staff

# Fund Types | Unrestricted Funds / E&G Funds

## Unrestricted (E&G) Funds

- **Fund Codes:** 1XXXXX
- **Funding Sources:**
  - State appropriations
  - Tuition & Fees
  - Sales & Services of E&G Activities
  - IDCR
  - Other Unrestricted
- **Core functions of the University necessary to support the teaching, research, and public service missions**

## Designated Funds

- **Fund Codes:** 12XXXX
- **Funding Sources:**
  - State appropriations
  - Tuition & Fees
  - Sales & Services of E&G Activities
- **E&G activities with special revenue and fees**
- **Designated as a “separate pot of money” within the E&G fund**



# Fund Types | Restricted Funds

## Restricted Funds

- **Fund Codes: 2XXXXX**
- **Funding Sources:**
  - Gifts
  - Grants
  - Contracts
  - Federal Financial Aid
- **Externally restricted funds that may be used only for the purpose established by the provider**



# Fund Types | Auxiliary Funds

## Auxiliary Funds

- **Fund Codes: 3XXXXX**
- **Funding Sources:**
  - Student Housing
  - Parking
  - Food Services
- **Self-supporting (break-even) enterprises that provide services to students, faculty, and staff**



# FOAPAL | Organization

## Organization

- Second element within the FOAPAL accounting string
- A six-digit code that identifies a unit of budgetary responsibility and/or departments within an institution
- Defined as the area or department responsible for spending the funds
- Organizations distinguish schools, colleges, divisions, and departments
- Example: 205000 is the six-digit organization code mapped to the English department



# FOAPAL | Account

## Account

- Third element within the FOAPAL accounting string
- A five-digit code that identifies the type of transaction
- The account code indicates the type of revenue, expense, or transfer that is being recorded
- Example: 74500 is the account code mapped to supplies



# FOAPAL | Account

## What is a revenue?

- A revenue can be described as any income received through the sale of a good or service
- The most common forms of revenue are tuition and fees, state appropriations, grants and contracts, and auxiliary operations

## What is an expense?

- An expense is a cost that is incurred when offering a good or service
- The most common forms of expenses are salary, benefits, travel, and operating expenses such as supplies, printing, and phone charges.

## What is a transfer?

- A transfer allows the university to move money between two or more funds
- We can view transfers as having the same effect as revenue and expense where money is transferred in and/or transferred out of an account
- Transfers net to zero



# FOAPAL | Account Classifications

See the chart below for account codes and their classifications

Account Code	Account Classification
1XXXX	Assets
2XXXX	Liabilities
3XXXX	Control Accounts
4XXXX	Fund Balances / Net Assets
<b>5XXXX</b>	<b>Revenues</b>
<b>6XXXX</b>	<b>Salaries / Benefits</b>
<b>7XXXX</b>	<b>Expenditures / Departmental Revenues</b>
<b>8XXXX</b>	<b>Transfers</b>
9XXXX	Fund Additions / Deductions

# FOAPAL | Budget Pool Accounts

Accounts are either budgeted for in individual account codes or Budget Pool Account codes

- Account types WITHOUT budget pool accounts are allocated budget directly to the individual account codes (ex: Salary accounts)
  - There must be enough budget in the individual account to cover the expenses for that account
- Account types WITH budget pool accounts are allocated budget to these distinct budget pool accounts rather than the individual account codes (ex: Operating expense accounts)
  - There must be enough budget in the budget pool account to cover the expenses for all accounts within that account type

Account Code	Account Type	Budget Pool Account
61XXX	Salaries	N/A
62XXX	Employee Benefits	62000
71XXX	Travel	73000
74XXX	Operating Expenses	74000
751XX	Utilities and Fuel	75100
753XX	Allocated Charges	75300
754XX	Departmental Revenues	75400
78XXX	Capital Expenditures	78000
79XXX	Scholarships and Fellowships	79000
7AXXX	Depreciation Expense	N/A
7BXXX	Grant Related Expense Items	N/A
7CXXX	Other Non Operating Expense Items	N/A
7DXXX	Loan Fund Deductions	N/A

# FOAPAL | Program

## Program

- The fourth element within the FOAPAL accounting string
- A four-digit code that identifies the general purpose of expenditures
- How the money is being used or what function is the expense supporting
- Program codes are grouped based on the Program Types listed

Program Type Code	Program Code	Program Type
10	1000-1999	Revenue
20	2000-2499	Instruction
25	2500-2999	Research
30	3000-3499	Public Service
35	3500-3999	Academic Support
40	4000-4499	Student Services
45	4500-4999	Institutional Support
50	5000-5499	Physical Plant
55	5500-5999	Scholarships and Fellowships
60	6000-6999	Transfers
70	7000-7999	Auxiliary Enterprises
80	8000	Depreciation Expense
99	9990	Nonprogram Transactions

# FOAPAL | Activity & Location

## Activity

- The fifth element within the FOAPAL accounting string
- The use of an activity code is **optional** for financial transactions
- A code that can be up to six-digits that is used to track a project or event within a department's operating budget
- Used to subdivide activities for tracking multiple projects
  - (Ex: Grant Cost Shares, Physical plant projects)

## Location

Not currently used at this time

# Index

## Index

- A six-digit University code that maps to the FOAPAL
- Indexes are shortcuts used to speed up data entry and improve accuracy
- They are mapped to a unique combination of chart elements to automatically pull in the fund, organization, program, and activity (if used)
- Note the account code is not included in the index mapping. You will need to manually enter the account code



# Rule Class Codes

## What does a Rule Class Code mean?

- Rule Class Codes can be found on all financial transactions in Banner
  - They are packets of posting instructions to control the processing of transactions
    - 4-character Rule Class Codes are standard
    - 3-character Rule Class Codes are UoM created
- Examples include:
  - BD02 - Permanent Budget Adjustments
  - BD04 - Temporary Budget Adjustment
  - CSS1 - Banner Student - Cash Payments
  - XCB – Carry Forward Budget
  - XPC – Purchasing Card
- For a listing of all Rule Class Codes, visit the Finance Program Guide:  
<https://bf.memphis.edu/spectrum/rules.php>

# Knowledge Check | Financial Transaction Components

Which element of the FOAPAL accounting string does the following...?

Identifies the budgetary unit or department

Identifies the general purpose/function of the transaction

Identifies the type of transaction

Tracks projects or events

Identifies the source of money

Fund

Program

Organization

Activity

Account

Location

# Knowledge Check | Financial Transaction Components

Which element of the FOAPAL accounting string does the following...?

Identifies the budgetary unit or department

Organization

Identifies the general purpose/function of the transaction

Program

Identifies the type of transaction

Account

Tracks projects or events

Activity

Identifies the source of money

Fund

Not used

Location

# Knowledge Check | Financial Transaction Components

Which elements of the FOAPAL accounting string are required on all financial transactions?

Fund

Organization

Account

Program

Activity

Location

What is an Index?

A six-digit code that identifies the source of the money

A six-digit code that identifies a unit of budgetary responsibility

A six-digit code that maps to a specific FOAPAL

A five-digit code that identifies the type of transaction

# Knowledge Check | Financial Transaction Components

Which elements of the FOAPAL accounting string are required on all financial transactions?

Fund

Organization

Account

Program

Activity

Location

What is an Index?

A six-digit code that identifies the source of the money

A six-digit code that identifies a unit of budgetary responsibility

**A six-digit code that maps to a specific FOAPAL**

A five-digit code that identifies the type of transaction



# Knowledge Check | Financial Transaction Components

Self-supporting (break-even) enterprises that provide services to students, faculty, and staff are considered Unrestricted (E&G) Funds.

True

False

Tuition & Fees and State Appropriations are funding sources that fall under Unrestricted (E&G) Funds.

True

False

All accounts are budgeted for at the individual account code level.

True

False

# Knowledge Check | Financial Transaction Components

Self-supporting (break-even) enterprises that provide services to students, faculty, and staff are considered Unrestricted (E&G) Funds.

True

False

Tuition & Fees and State Appropriations are funding sources that fall under Unrestricted (E&G) Funds.

True

False

All accounts are budgeted for at the individual account code level.

True

False

# FOAPAL & Index | Additional Training

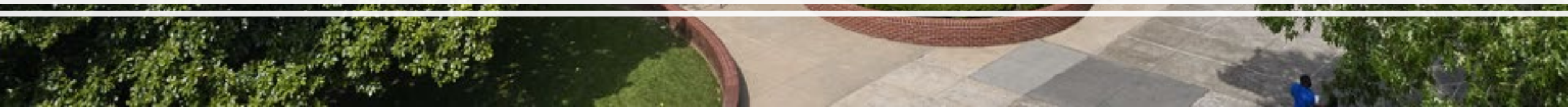
For additional information or training on the FOAPAL elements or Index codes please review the **FOAPAL Training** on the Financial Planning webpage

<https://www.memphis.edu/budget/fptraining.php>





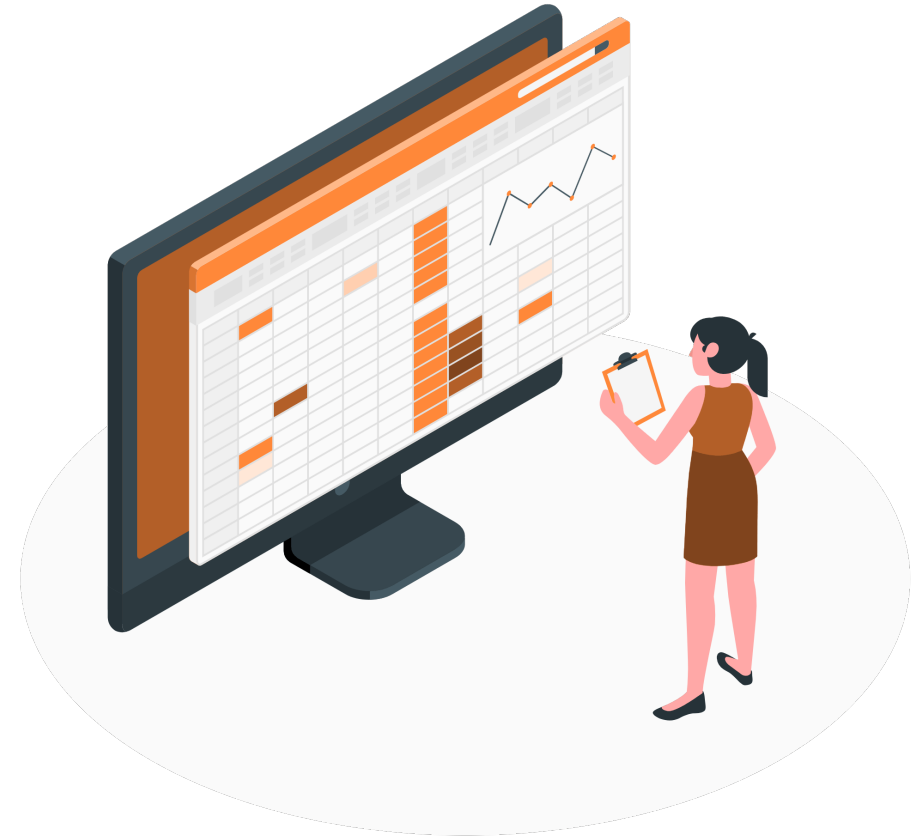
## Budget Tools & Reporting





# Budget Tools & Reporting

- **Finance Program Guide (Reference)**
  - To lookup Index Codes or FOAPAL information
  - To lookup signatures by org, to see the approval que
  - To view Overexpenditure and Revenue Review reports
- **Banner Self Service (SSB)**
  - Budget Queries
  - Approve and View Documents
  - Budget Transfers
- **Banner Admin Pages**
  - To access certain position and finance information
- **Banner ePrint**
  - To access position and finance information as of certain point in time
- **Argos**
  - For a variety of reporting through queries and dashboards
- **OnBase**
  - The official document management system used by the University





# Finance Program Guide

The online resource for all things Finance



## Finance Program Guide

FOAPAL  
Information

FOAPALS  
search by index  
search by fund  
search by organization  
search by program  
search by activity  
search by multiple fields  
search by orgn title  
search by index title

Organization  
approval  
information

SIGNATURES  
signatures by org  
signatures by name  
approval queues by org  
approval queues by name  
EPAF approval queues by name

Reports for  
monthly / semi-  
annual review

CODES  
account code list  
rule code list  
location code search  
program code list  
data standards manual

UTILITIES & REPORTS  
budget overexpenditures  
revenue budget reviews  
e-Print

FORMS  
accounting  
budget  
procurement  
system access

HR PROGRAM GUIDE  
TIGERBUY WEB SITE

### Welcome to the Finance Program Guide!

This site is your online resource for all things related to the Banner Finance system. All information related to index numbers, FOAPALS, authorized signatures, and approval queues can be accessed via this program guide. You can access Banner Finance via the [myMemphis](#) portal.

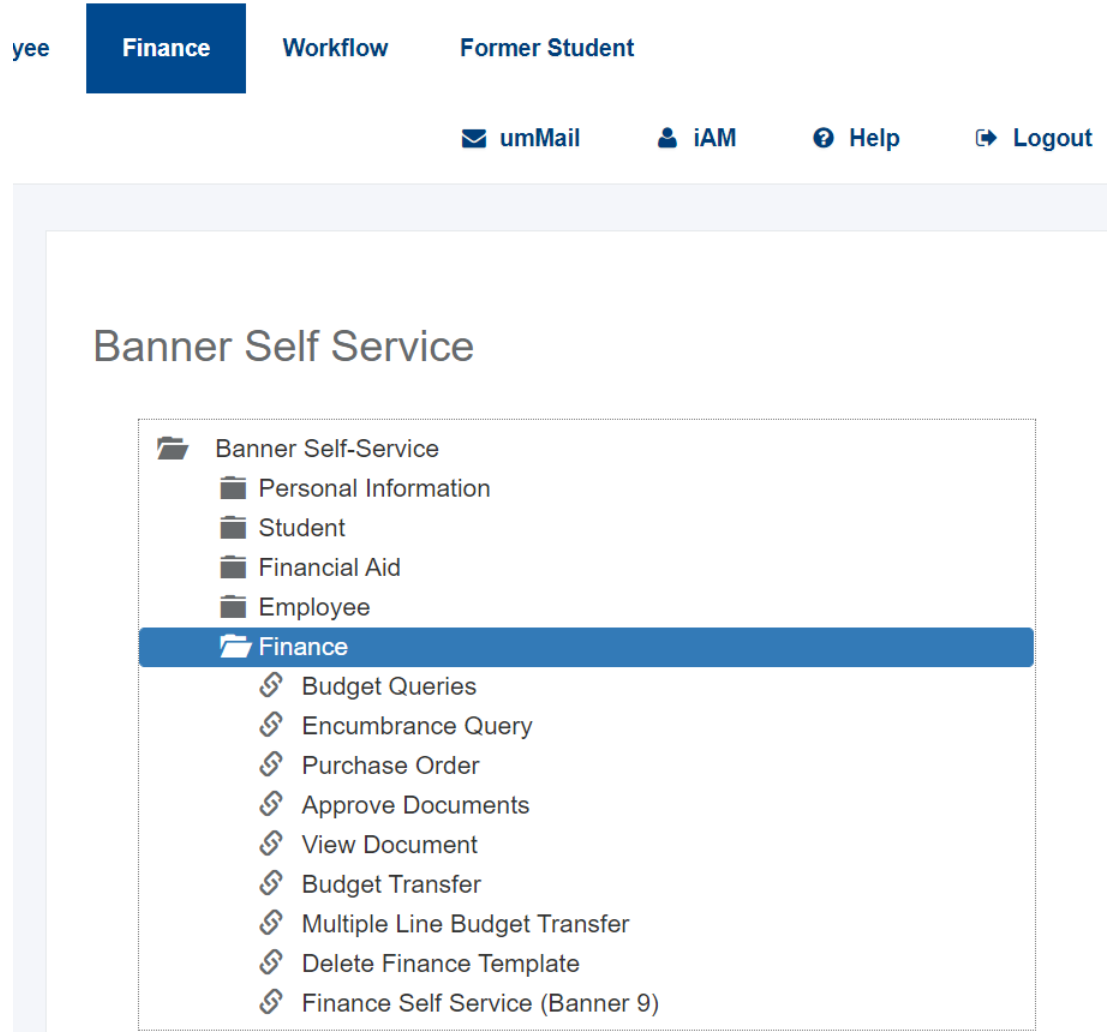
Use the links at the left to begin. If you have any questions or need more help, please contact the Admin Helpdesk at 678-8888.

Listing of all  
accounts, rule  
classes, and  
programs

Accounting and  
Budget forms

Visit: <https://bf.memphis.edu/spectrum/>

# Banner Self Service (SSB)



yee **Finance** Workflow Former Student

umMail iAM Help Logout

## Banner Self Service

- Banner Self-Service
  - Personal Information
  - Student
  - Financial Aid
  - Employee
  - Finance**
    - Budget Queries
    - Encumbrance Query
    - Purchase Order
    - Approve Documents
    - View Document
    - Budget Transfer
    - Multiple Line Budget Transfer
    - Delete Finance Template
    - Finance Self Service (Banner 9)

Banner Self Service is where you can access all financial transactions

- Budget Queries can be run to pull Actuals and Budget data
- Documents can be approved and viewed
- Budget Transfers can be made

# Banner Self Service (SSB) | Budget Queries

## How to Run a Budget Query

- Access Banner Self Service (SSB)
  - Navigate to the Finance tab
  - Click Budget Queries
  - Select Budget Status by Account and click Create Query
  - Select the columns to display (see right)
  - Enter Index/FOAP information and click Submit Query
  
- Adjusted Budget (Current Year) is a provided field in Banner
  
- Base Budget (Future) is not provided and must be added using the *Compute Additional Columns* option
  - Under the *Compute Additional Columns for the query* section, input the following calculation then click Perform Computation

**Budget Query Column Display Options**

Select the Operating Ledger Data columns to display on the report.

<input checked="" type="checkbox"/> Adopted Budget	<input checked="" type="checkbox"/> Year to Date
<input checked="" type="checkbox"/> Budget Adjustment	<input checked="" type="checkbox"/> Encumbrances
<input checked="" type="checkbox"/> Adjusted Budget	<input type="checkbox"/> Reservations
<input checked="" type="checkbox"/> Temporary Budget	<input type="checkbox"/> Commitments
<input type="checkbox"/> Accounted Budget	<input checked="" type="checkbox"/> Available Balance

Save Query as:



**Formula to Compute Base Budget Column**

**Compute Additional Columns for the query**

Column 1	Operator	Column 2	Display After Column	New Column Description
FY21/PD14 Adjusted Budget	minus	FY21/PD14 Temporary Budget	FY21/PD14 Temporary Budget	Base Budget

**Note: Any calculated fields cannot be downloaded into Excel**

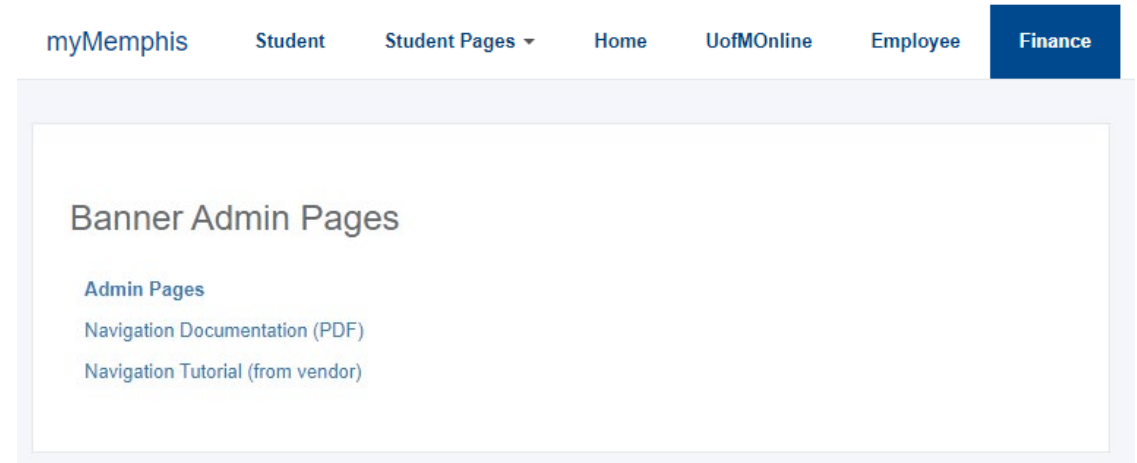
# Budget | Terms/Fields

Adopted Budget	The original adopted budget for that fiscal year. It does not include any budget revisions.
Budget Adjustment	Budget adjustments are made to adjust the Adjusted/Current Year or Base/Future Budget based on updated information/estimates.
Adjusted Budget	Adopted Budget plus all Budget Adjustments. Adjusted Budget is another term for Current Year Budget (they are used interchangeably between different reports).
Temporary Budget	Temporary Budget includes the temporary budget adjustments that were made to the Adjusted/Current Year Budget
Year to Date (YTD)	Actuals recorded as of the report date. These are actual financial transactions that have been recorded.
Encumbrances	Expenses that are expected to be paid during the fiscal year (ex: Salaries, Purchase Orders).
Available Balance	Available balance is calculated by subtracting the Year to Date (YTD) and Encumbrance amounts from the Adjusted Budget

# Banner Admin Pages

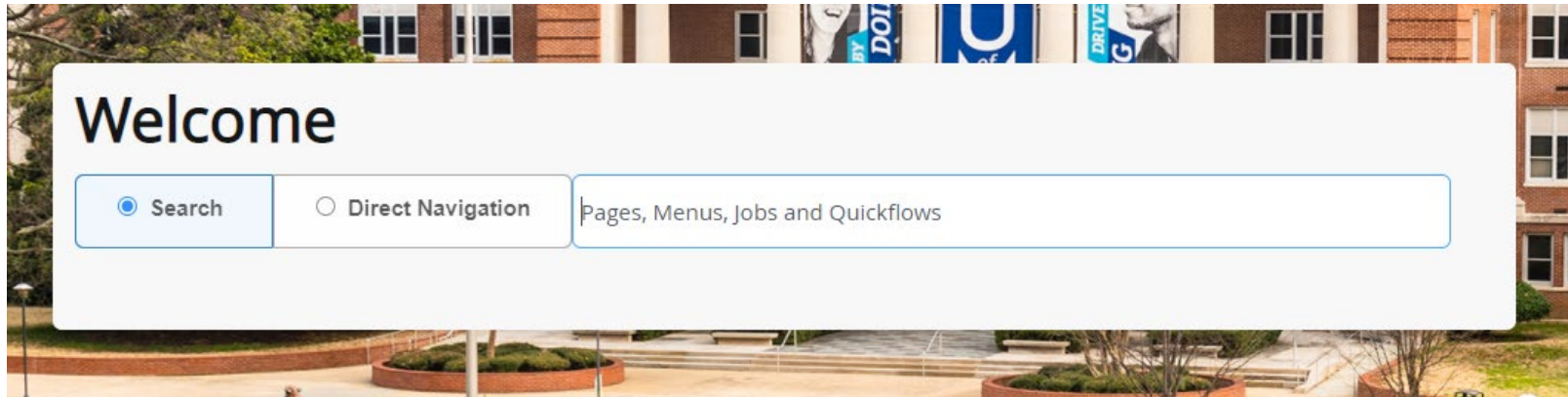
Banner Admin Pages is where you can access certain position and budget information

- Position budget and job reports
- Budget availability reports
- Vendor detail reports





# Banner Admin Pages



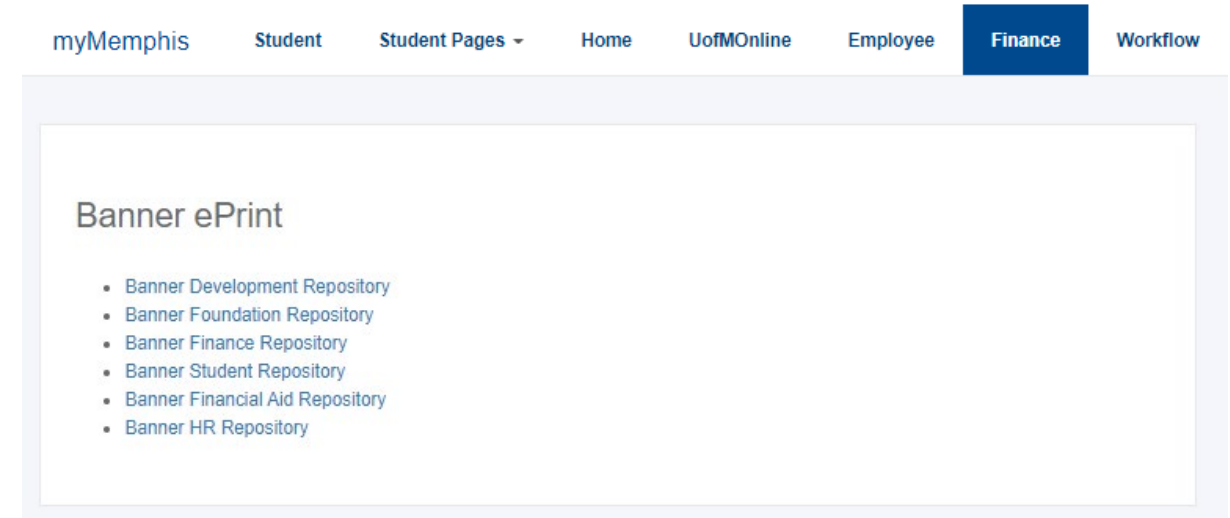
Some useful reports include:

Report Name	When to Use
NBAPBUD – Position Budget	To look up base budget salaries
NBAJOBS – Employee Jobs	To look up individual base job/salary information including Job Labor Distribution
NBIPORG – Position List by Organization	To view all positions located under a specific OGR
NHIDIST – Labor Distribution Data Inquiry	To see all employees paid from a particular index by account code and to see all sources of pay for an individual (ex: GA's account code 61257 paid from department index)
FGIBAVL – Budget Availability Status	To view the REAL balance for your department Index (pending documents are included in the balance calculation)
FAIVNDH – Vendor Detail History	To see if a person/vendor has been paid (non salary payments)

# Banner ePrint

Banner ePrint is where you can access PDF reports run as of a certain date

- Reports related to financial data can be found under the **Banner Finance Repository**
- Reports related to positions can be found under the **Banner HR Repository**



# Banner ePrint

The screenshot shows the Banner ePrint interface. At the top, there is a navigation bar with the Banner ePrint logo on the left, the title "Select Report from Repository Banner Finance" in the center, and "Banner Finance Repository mtllison" on the right. Below the navigation bar, there are links for "About Banner ePrint", "FAQ", "My ePrint", "Change CAS Repository", "Help", and "Logout".

The main content area is titled "Banner Finance" and contains a table with the following columns: "Report", "Description", and "Latest Date". The table lists three reports:

Report	Description	Latest Date
FYBR001-Revenue Budget Estimate/Worksheet by Org	Revenue Budget Estimate/Worksheet by Org	Tue Jul 06, 2021 09:55am
FYBR005- Budget by Org Current Year and Base	Budget by Organization Current Year and Base	Tue Jul 06, 2021 09:54am
FYBR006-Budget Status by Organization	Budget Status by Organization	Tue Jul 06, 2021 09:56am

Below the table, there is a "Previous" button on the left, a drop-down menu in the center with the selected item "FYBR001-Revenue Budget Estimate/Worksheet by Org", and a "Next" button on the right. A blue dashed box highlights the drop-down menu, and a blue arrow points upwards from the text below to it. At the bottom right, there is a copyright notice: "© 2020 Ellucian Company L.P. and its affiliates. ellucian."

- A list of all reports can be found on the drop-down menu
  - Most reports are run monthly
- Click the PDF icon to see the most recent version of a report
- Click the Drill icon to see a list of all versions of a report
- Click the TEXT icon to download as text file which can be opened in excel

# Banner ePrint

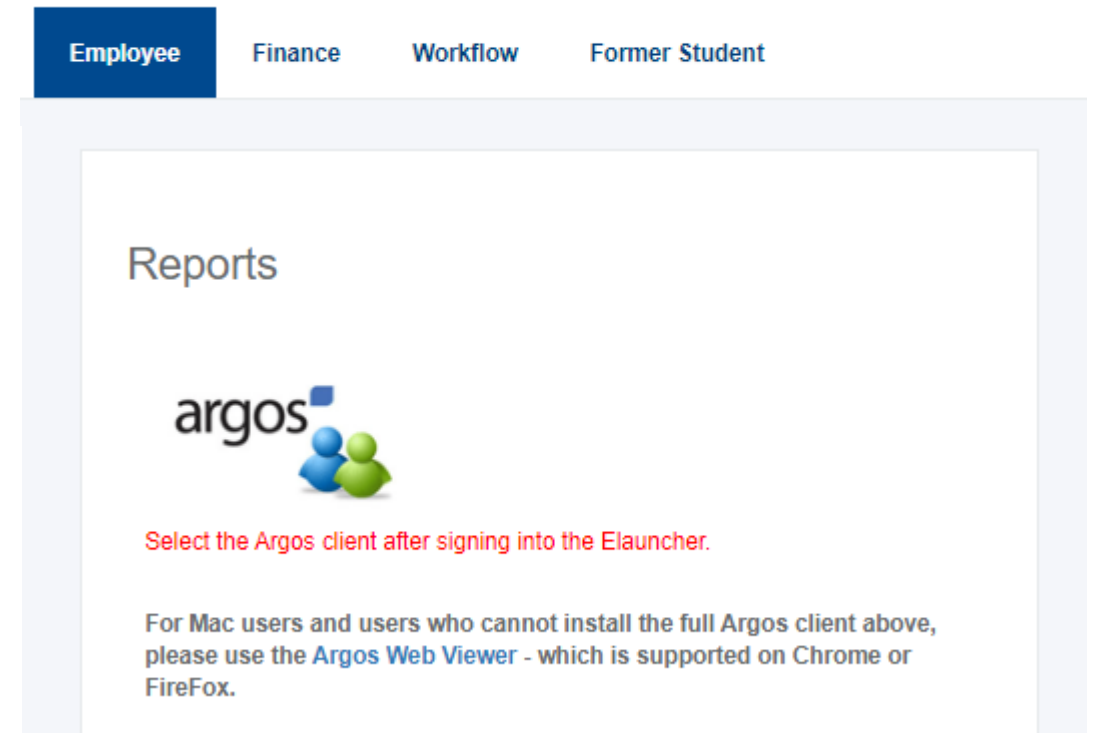
Some useful reports include:

Repository	Report Name	When to Use
<b>Banner Finance Repository</b>	FYBR001 – Revenue Budget Estimate/Worksheet by Organization FYBR005 – Budget by Organization Current Year and Base FYBR006 – Budget Status by Organization FYBR018 – Base Budget Transfer Listing FGRODTA – Transaction Detail Report FGROPNE – Open Encumbrance Report	When reviewing revenues  When reviewing expenses When reviewing revenues, expenses, and transfers To see changes made to the Base Budget To see a detailed list of all transaction types To see a list of open encumbrances
<b>Banner HR Repository</b>	NYBR002 – List of Positions by Org with FOAPAL NYBR005 – Comparison Annual Salary to Base Budget NYPR001 – Labor Distribution by FOAPAL by Payroll	To view all positions and their base budget (filled and unfilled) To identify variances between annual salaries and base budget To review details of a payroll distribution

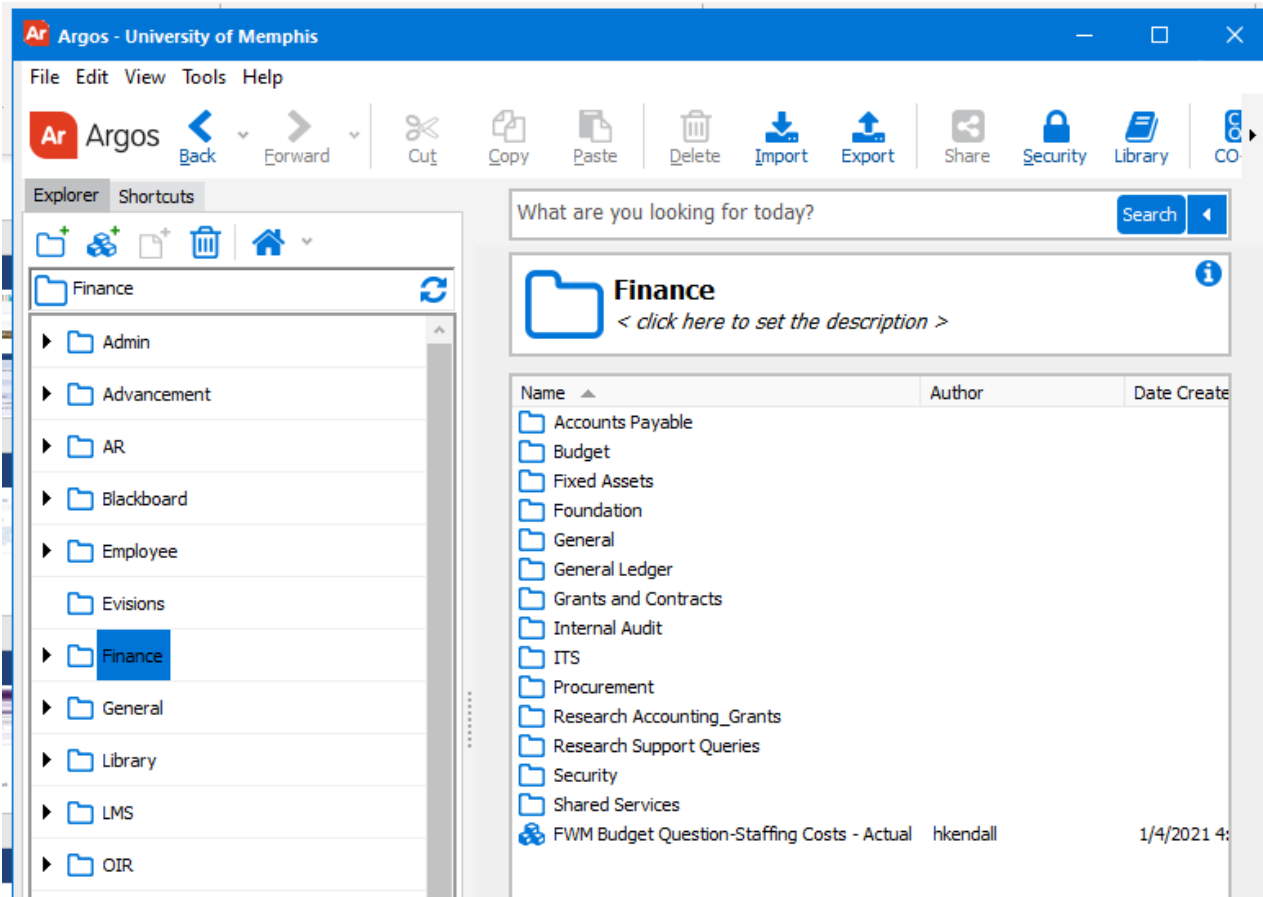
# Argos

Argos is a user-friendly tool that works by filling reporting requests through simple ad hoc queries and advanced dashboards

- Discuss with your supervisor to determine if access to Argos is needed
- Visit the following website to learn more:  
[https://www.memphis.edu/umtech/service\\_catalog/software/argos.php](https://www.memphis.edu/umtech/service_catalog/software/argos.php)



# Argos



Some useful reports include:

- Budget Status by Organization
  - Finance → General Ledger
  - This report shows a breakdown of Budget, Actuals and Available Balance by Fund/Org/Program/Account
- Note: some reports in Argos have user restrictions



# OnBase

OnBase (formerly known as Matrix) is the official document management system used by the University. It allows the scanning, storage, and retrieval of paper and electronic documents as well as reports from other systems.

- Discuss with your supervisor to determine if access to OnBase is needed
- Visit the following website to learn more:  
[https://www.memphis.edu/umtech/service\\_catalog/software/matrix.php](https://www.memphis.edu/umtech/service_catalog/software/matrix.php)

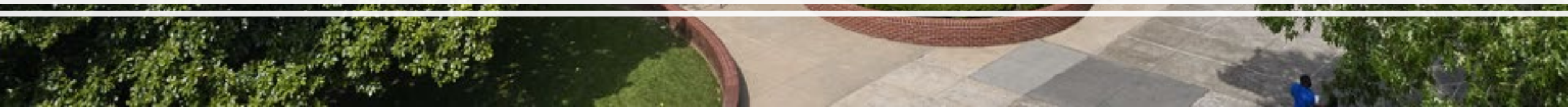


Hyland Unity Client [PROD]  
App





# Budget Transactions and Review Processes





# Budget Transactions

## Budget Revisions

- Budget adjustments made throughout the year to adjust the Base or Current Year budgets based on new information
- Can be made online through Banner Self Service or by submitting PDF revisions to the Financial Planning office
  - See the Financial Planning FAQ website for questions on Budget Revisions: <https://www.memphis.edu/budget/faq.php>

## Carryforward Budget

- Carryforward budget is determined at the end of each fiscal year
- The amount of Carryforward is calculated based on the remaining Available Balance for departments at the end of the fiscal year

# Budget Revisions

## Why do I need a budget revision?

- Budget Revisions are necessary to maintain an accurate budget based on up-to-date information
- Examples of necessary budget revisions:
  - Travel expenditures were lower than planned (budgeted), but operating expenditures were higher than budgeted. Budget can be moved from travel to operating to cover these expenditures
  - Increase in enrollment caused an increase in course fee revenue, so a budget revision is needed to bring budgeted revenue in line with actual revenue collected

# Budget Revisions

## What is the process for creating budget revisions?

Receive information that affects revenues and/or expenditures

Run a Budget Query in Banner Self Service to determine what entry needs to be made

Get the appropriate approvals/signatures

Determine if a Budget Revision is necessary

Prepare the Budget Revision

Submit to the Financial Planning office (PDF)

Typically, budget revisions will need to be signed by a Designee or Financial Manager, a Dean/Director/AVP, and finally the Provost/Vice President depending on the Organization structure

Academic Units should email PDF budget revisions to [provostfinance@memphis.edu](mailto:provostfinance@memphis.edu) for approval at the Provost level. The Provost Office will then submit the completed form to the Financial Planning office.

Whenever entering a budget revision, you must first make sure you have the appropriate budget in that Index or FOAPAL

- If you are reducing revenues, where are you also reducing expenditures?
- If you are increasing revenues, where should the increase in expenditures be booked?



# Budget Revisions

## What type of budget revision do I need to submit?

- A temporary or one-time charge should be reflected in the Adjusted/Current Year Budget through a **Temporary** budget revision (BD04 Form or BD4 online)
- A permanent change that will be recurring yearly or monthly should be reflected in the Base/Future Budget through a **Permanent** budget revision (BD02 Form)

# Budget Revisions

## Do I need to submit an online form or PDF form?

### Budget Revision Forms

	Forms	When to Use?	Submitted via Paper (PDF) or Online
Finance	<b>Permanent Budget Adjustment BD02 (Base)</b>	Permanent changes or charges that will be recurring yearly or monthly	Paper (PDF)
	<b>Temporary Budget Adjustment BD04 (Current Year)</b>	Temporary changes or charges that are a one-time charge	Banner SSB (Online) UNLESS revenue, carryforward, or transfers between funds
Positions	<b>NBAPBUD Permanent Position Budget Adjustment BD02 (Base)</b>	Base position changes	Paper (PDF)
	<b>Temporary Position Budget Adjustment BD04 (Current Year)</b>	Current year position changes	Banner SSB (Online) UNLESS regular positions (account codes: 61110, 61210, 61310, 61312, 61610, 61630, 61635)

- Forms BD02 and BD04 will need to be submitted in PDF format after all departmental signatures, to [FPRevisions@memphis.edu](mailto:FPRevisions@memphis.edu)
- Form BD4 is submitted via Banner Self Service (SSB) and follows the approval que in Banner

# Budget Revisions

## Where can I access the budget revision forms?

The BD04 and BD02 forms can be accessed through the following link:

<https://www.memphis.edu/bf/forms/index.php#budget>

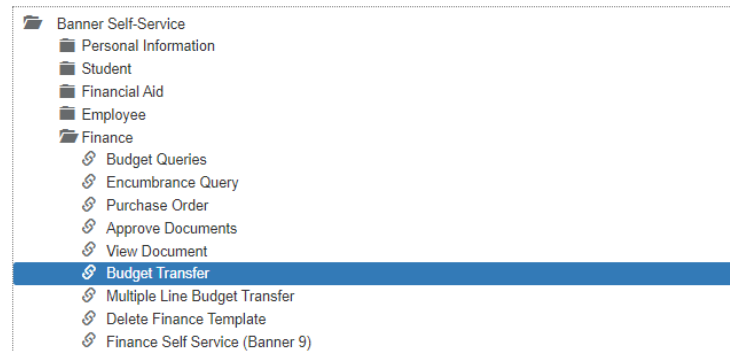
### Financial Planning

#### Finance Forms

- **Temporary Budget Adjustment BD04 (Current): Web | Excel**
- **Permanent Budget Adjustment BD02 (Base): Web | Excel**

The BD4 is submitted via Banner Self Service (Budget Transfer or Multiple Line Budget Transfer)

#### Banner Self Service



# Budget Revision | Expense Example

**The University of Memphis  
Permanent Base/Future Year Budget Revision (BD02)**

Submit completed form to Financial Planning Office, Administration Bldg., Room 151

<b>Name:</b>	<b>Fiscal Year:</b>	<b>Date:</b>
First and Last Name	<b>2022</b>	September 1, 2021

<b>Department:</b>
Department

**Permanent Base Budget/ Future Year  
Request for BD02 Base Budget Revision**

	Index	Org Title or Index Title	Fund	Org	Account Code	Program	Activity	Expense Budget Amount (+)	Expense Budget Amount (-)	Revenue Budget Amount (-)	Revenue Budget Amount (+)
01	245100	Dean Art Sciences	110001	201000	73000	3800			5,000		
02	245100	Dean Art Sciences	110001	201000	74000	3800	5,000				
03											
04											
		Net Change									
		<b>0</b>	(J-K)-(N-M)				<b>5,000</b>	<b>5,000</b>		<b>-</b>	<b>-</b>
		Document Total									
		<b>10,000</b>	(J+K) - (M+N)				<b>Expense</b>			<b>Revenue</b>	

The Reason for requesting this revision is as follows:  
Recurring Conference cancelled indefinitely, funds moved to operating

1. Input Name, Department, Fiscal Year, and Date
2. Input Index and FOAPAL information
3. Fill in the Budget Amounts
  1. Be sure to put expenses/revenues in the appropriate columns (based on account codes)
4. Include the reason for the budget revision

# Budget Revision | Example Continued...

The Reason for requesting this revision is as follows:					
Recurring Conference cancelled indefinitely, funds moved to operating					
Approved	Departmental Authority	Date	Chief Financial Officer	Date	
Approved	Dean/Director/AVP	Date	President	Date	
Approved	Provost/Vice President	Date			
Reviewed	Office of Financial Planning	Date	Director of Financial Planning	Date	
For Financial Planning Use Only					
BR Number:	Fiscal Year:	Entered by:	Date Entered:	Banner JV Number:	

Departmental Signatures

For Financial Planning use, do not complete this section

1. If authorized, sign and date the Departmental Authority line. If not, forward along to the appropriate approver
2. After signing, send to the next level for review and approval

**Reminder – signatures by org can be found on the Finance Program Guide**

# Budget Revision | How to Review

**The University of Memphis**  
**Permanent Base/Future Year Budget Revision (BD02)**

Submit completed form to Financial Planning Office, Administration Bldg., Room 151

<b>Name:</b>		<b>Fiscal Year:</b>		<b>Date:</b>	
First and Last Name		2022		September 1, 2021	
<b>Department:</b>		<b>Permanent Base Budget/ Future Year Request for BD02 Base Budget Revision</b>			
Department					

Index	Org Title or Index Title	Fund	Org	Account Code	Program	Activity	Expense Budget Amount (+)	Expense Budget Amount (-)	Revenue Budget Amount (-)	Revenue Budget Amount (+)	
01	245100	Dean Art Sciences	110001	201000	73000	3800		5,000			
02	245100	Dean Art Sciences	110001	201000	74000	3800	5,000				
03											
04											
Net Change											
0											
Document Total											
10,000											
<b>Total</b>							5,000	5,000	-	-	
							<i>Expense</i>		<i>Revenue</i>		

The Reason for requesting this revision is as follows:

Recurring Conference cancelled indefinitely, funds moved to operating

1. Is a BD02 the appropriate budget revision form?  
Refer to previous slides.
  - In this case, this involves an indefinitely cancelled conference which would affect all fiscal years to come, which would mean a BD02 must be submitted in PDF format
2. Be sure the Index and FOAPAL information is correct
  - Are conference expenses budgeted for in this Index and Account?
3. Run a Budget Query in Banner Self Service to be sure the Index/FOAPAL can support these entries
  - Does account 73000 have \$5,000 in base budget?
4. Does the Net Change equal zero?
5. Does the description provide enough information?



# Budget Revision | Revenue Example

## The University of Memphis Temporary Current Year Budget Revision (BD04)

Submit completed form to Financial Planning Office, Administration Bldg., Room 151

**Name:**  **Fiscal Year:**  **Date:**

**First and Last Name**

**Department:**

**Department**

### Temporary Current Year/This Fiscal Year Request for BD04 Budget Revision

Index	Org Title or Index Title	Fund	Org	Account Code	Program	Activity	Expense Budget Amount (+)	Expense Budget Amount (-)	Revenue Budget Amount (-)	Revenue Budget Amount (+)
01	410103	Chemistry Materials	110001	204000	51801	2110				1,000
02	410103	Chemistry Materials	110001	204000	74000	2110	1,000			
03										
04										
	Net Change									
	<b>0</b>	(J-K)-(N-M)			<b>TOTAL</b>		<b>1,000</b>	<b>-</b>	<b>-</b>	<b>1,000</b>
	Document Total						<b>Expense</b>		<b>Revenue</b>	
	<b>2,000</b>	(J+K)+(M+N)								

**The Reason for requesting this revision is as follows:**  
Chemistry Material Fees up for Fall and Spring. Trend not expected to continue.

1. Input Name, Department, Fiscal Year, and Date
2. Input Index and FOAPAL information
3. Fill in the Budget Amounts
  1. Be sure to put expenses/revenues in the appropriate columns (based on account codes)
4. Include the reason for the budget revision

# Budget Revision | Example Continued...

The Reason for requesting this revision is as follows:		Chemistry Material Fees up for Fall and Spring. Trend not expected to continue.			
	Departmental Authority	Date		Chief Financial Officer	Date
	Dean/Director/AVP	Date		President	Date
	Provost/Vice President	Date		Director of Financial Planning	Date
	Office of Financial Planning	Date			
For Financial Planning Use Only					
BR Number:	Fiscal Year:	Entered by:	Date Entered:	Banner JV Number:	

Departmental Signatures

For Financial Planning use, do not complete this section

1. If authorized, sign and date the Departmental Authority line. If not, forward along to the appropriate approver
2. After signing, send to the next level for review and approval

**Reminder – signatures by org can be found on the Finance Program Guide**

# Budget Revision | How to Review

The University of Memphis Temporary Current Year Budget Revision (BD04)											
<small>Submit completed form to Financial Planning Office, Administration Bldg., Room 151</small>											
<b>Name:</b>			<b>Fiscal Year:</b>			<b>Date:</b>					
First and Last Name			2022			June 28, 2021					
<b>Department:</b>									<b>Temporary Current Year/This Fiscal Year Request for BD04 Budget Revision</b>		
Department											
Index	Org Title or Index Title	Fund	Org	Account Code	Program	Activity	Expense Budget Amount (+)	Expense Budget Amount (-)	Revenue Budget Amount (-)	Revenue Budget Amount (+)	
01	410103	Chemistry Materials	110001	204000	51801	2110					1,000
02	410103	Chemistry Materials	110001	204000	74000	2110	1,000				
03											
04											
	Net Change										
	0		(J-K)-(N-M)			TOTAL	1,000	-	-	1,000	
	Document Total						<i>Expense</i>		<i>Revenue</i>		
	2,000		(J+K) + (M+N)								
<b>The Reason for requesting this revision is as follows:</b>											
Chemistry Material Fees up for Fall and Spring. Trend not expected to continue.											

- Is a BD04 the appropriate budget revision form? Refer to previous slides.
  - In this case, this involves a change that is only expected for this fiscal year, and it involves a revenue account which would mean a BD04 must be submitted in PDF format
- Be sure the Index and FOAPAL information is correct
  - Are material fees budgeted for in this Index and Account?
- Run a Budget Query in Banner Self Service to be sure the Index/FOAPAL can support these entries
- Does the Net Change equal zero?
- Does the description provide enough information?

# Budget Revision | Between E&G Funds

## The University of Memphis Temporary Current Year Budget Revision (BD04)

Submit completed form to Financial Planning Office, Administration Bldg., Room 151

<b>Name:</b> Mary Blue	<b>Fiscal Year:</b> 2020	<b>Date:</b> September 5, 2019
<b>Department:</b> Tom the Tiger Museum		

### Temporary Current Year/This Fiscal Year Request for BD04 Budget Revision

Index	Org Title or Index Title	Fund	Org	Account Code	Program	Activity	Expense Budget Amount (+)	Expense Budget Amount (-)	Revenue Budget Amount (-)	Revenue Budget Amount (+)	
01	Startup Mark King	110001	261345	74000	2630		40,219				
02	Startup Mark King	110001	261345	82610	2630			40,219			
03	Tom The Tiger Museum	123456	234560	74000	3570			40,219			
04	Tom The Tiger Museum	123456	234560	82610	3570		40,219				
Net Change											
0							(J-K)-(M-N)	<b>TOTAL</b>			
Document Total											
160,876							(J+K) + (M+N)	<b>Expense</b>		<b>Revenue</b>	
							80,438	80,438	-	-	

The Reason for requesting this revision is as follows:

To fund Tom the Tiger Startup for Mark King

1. Input Name, Department, Fiscal Year, and Date
2. Input Index and FOAPAL information
3. Fill in the Budget Amounts
  1. Be sure to put expenses/revenues in the appropriate columns (based on account codes)
4. Include the reason for the budget revision

# Budget Revision | How to Review

## The University of Memphis Temporary Current Year Budget Revision (BD04)

Submit completed form to Financial Planning Office, Administration Bldg., Room 151

Name:

Mary Blue

Fiscal Year:

2020

Date:

September 5, 2019

Department:

Tom the Tiger Museum

### Temporary Current Year/This Fiscal Year Request for BD04 Budget Revision

Index	Org Title or Index Title	Fund	Org	Account Code	Program	Activity	Expense Budget Amount (+)	Expense Budget Amount (-)	Revenue Budget Amount (-)	Revenue Budget Amount (+)
01	212000 Startup Mark King	110001	261345	74000	2630		40,219			
02	212000 Startup Mark King	110001	261345	82610	2630			40,219		
03	412345 Tom The Tiger Museum	123456	234560	74000	3570			40,219		
04	412345 Tom The Tiger Museum	123456	234560	82610	3570		40,219			
Net Change										
0 (H)-(M)										
Document Total										
160,876 (L)+(N)										
<b>TOTAL</b>							<b>80,438</b>	<b>80,438</b>	-	-
							<i>Expense</i>		<i>Revenue</i>	

The Reason for requesting this revision is as follows:

To fund Tom the Tiger Startup for Mark King

- Is a BD04 the appropriate budget revision form? Refer to previous slides.
  - In this case, this involves funding that is only expected for this fiscal year, and it involves moving money between funds which would mean a BD04 must be submitted in PDF format
- Be sure the Index and FOAPAL information is correct
  - Has an Index been created already for the Startup?
- Run a Budget Query in Banner Self Service to be sure the Index/FOAPAL can support these entries
  - Does Index 412345 have \$40,219 in account 74000?
- Does the Net Change equal zero?
- Does the description provide enough information?

# Carryforward Process

## Background

- At the end of each fiscal year, departmental accounts may have positive budget balances, or negative budget balances within certain limits. These balances are the net of revenue, salary, travel, operating, and equipment account codes.
- The final carryforward amount is dependent upon final review by executives

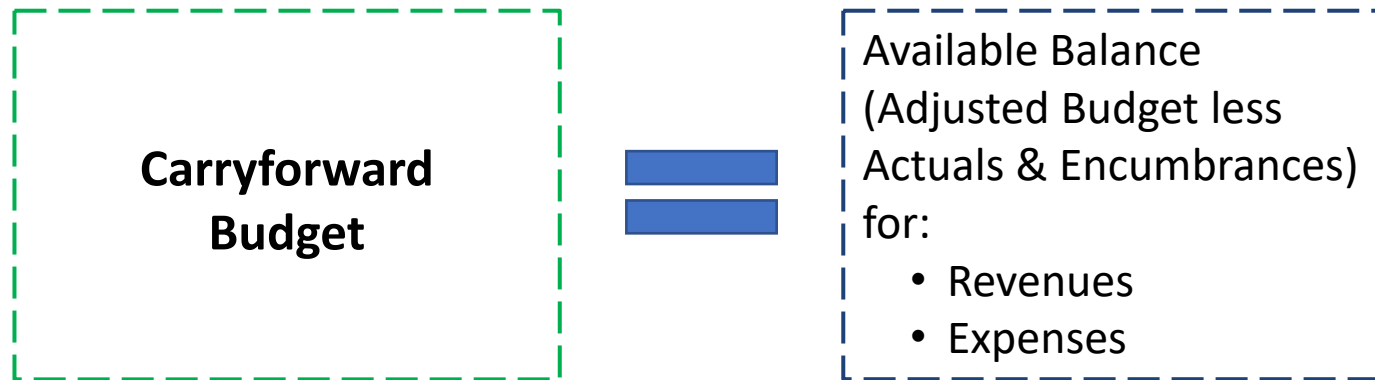
## Responsibility

- The Office of Financial Planning is responsible for the calculation, reporting, and transfer of carryforward funds between fiscal years
- It is the responsibility of each budget unit to direct funds to cover negative account balances
- Self-supporting activities are responsible for initiating budget revisions to re-budget prior year balances



# Carryforward Process

## Calculation of Carryforward Budget



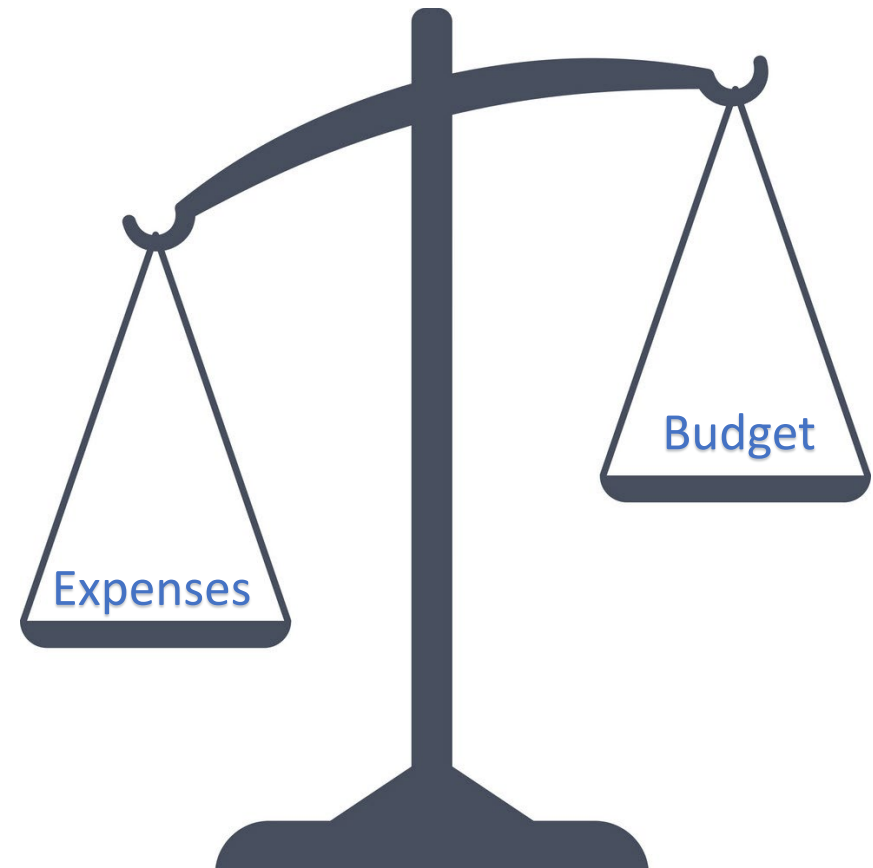
## Negative Balances

- Each budget unit will be required to offset excess negatives with positive balances in other accounts or departments within the budget unit
- The budget unit should identify the positive balances that will be used to offset any excess deficits and coordinate with the Financial Planning office to process the necessary budget adjustment.

# Budget Review Processes

## Overexpended Budgets

- Monthly process which runs October through June
- Overexpenditure notice is sent out to Financial Managers and Designees if an account is overexpended (expense accounts only)
  - This means there is a negative Available Balance (Adjusted Budget less Actuals & Encumbrances)
  - The overexpended balance should be investigated and corrected by the Designee or Financial Manager within 30 days of the notice
- This report can also be accessed via the Finance Program Guide under Utilities & Reports



# Budget Review Processes

## Revenue Budget Reviews

- Semi-Annual process which runs each budget cycle (Fall & Spring)
- A Revenue Budget Review Notice is sent out to Designees and Financial Managers for all revenue accounts
  - Adjustments should be made using the most up-to-date information available
  - Adjusted/Current Year Budget should be aligned with Actuals
  - Base/Future Budget should be aligned with projections for the current and proceeding fiscal years
  - It is important that your current estimates and future projections are realistic and accurately reflect the activity you expect for the respective current and base budgets.
- This report can also be accessed via the Finance Program Guide under Utilities & Reports



# Budget Basics | Additional Resources

For additional information or training on Budget concepts please view the Training Resources, Presentations, and FAQs on the Financial Planning webpage

<https://www.memphis.edu/budget/>