



PLEASE JOIN US!

FOCUS ON FINANCE

KEY EVENTS & TIMELINE FOR SPRING BUDGET
TIPS FOR UNDERSTANDING REVENUE
SRI BUDGET MODEL UPDATE
PURCHASING PROCESS REVIEW
WHAT'S NEW / WHAT'S DUE

THURSDAY, JANUARY 15, 2015
UNIVERSITY CENTER ROOM 340 1:30 - 3:00 P.M.



FOCUS ON
FINANCE



Welcome to Focus on Finance!

Today's Agenda

- KEY EVENTS & TIMELINE FOR SPRING BUDGET
- TIPS FOR UNDERSTANDING REVENUE
- SRI BUDGET MODEL UPDATE
- PURCHASING PROCESS REVIEW
- WHAT'S NEW / WHAT'S DUE
- GENERAL ANNOUNCEMENTS AND QUESTIONS



Spring Budget

The Office of Financial Planning

901-678-2117

budget@memphis.edu



Key Dates - Spring Budget

- Revenue Projections ~ Due Friday, March 13, 2015
 - Email with instructions will be sent out Friday, February 27, 2015
 - Instructions for preparing revenue budget revisions can be found on the Financial Planning website under the Frequent Asked Questions tab
- Expenditure & Position Budget Revisions ~ Due Monday, April 6, 2015
- Capital/R&R/Facility Projects ~ Due Monday, April 6, 2015
- No functional changes after final budget is submitted



What are Functional Totals?

Budget & Expenditure totals in a specific range of program codes

Program Code	Function
2000-2499	Instruction
2500-2699	Research
3000-3499	Public Service
3500-3999	Academic Support
4000-4499	Student Services
4500-4799	Institutional Support
5000-5299	Physical Plant
5500-5699	Scholarships/Fellowships
6000-6999	Transfers
7000-7999	Auxiliary



Why are Functional Totals Frozen in April?

- The final current year budget is submitted as part of the Spring Budget
 - Realign budgets and anticipate purchases
- E&G control totals are compared against final year-end amounts
- Functional Expenditures exceed Estimated Budget
- [Tennessee Board of Regents Policy 4:01:00:00](#)

states that "once approved the institution may not exceed those functional control limits established by the Board without prior approval of the Chancellor"



Wireless Communication Device Allowance Budgets

- Updated policy effective August 2014
- Policy provides a maximum allowance of \$50 per eligible employee
- Cell phone budgets should be reviewed for the Spring budget to align with the updated policy changes
- Full policy can be found:
<http://umwa.memphis.edu/umpolicies/UM1688.htm>



<http://bf.memphis.edu/finance/budget/faq.php>

- Meet the Director
- University Budget
- Budget Guidelines
- Budget Process & Timeline
- Budget Revisions
- Budget Routing
- American Recovery & Reinvestment Act (ARRA)
- Resources
- Frequently Asked Questions
- Presentations & Trainings
- Links
- Forms
- Policies, Procedures & Guidelines



[Business & Finance](#) » [Finance](#) » [Financial Planning](#) » [Frequently Asked Questions](#)

Print

Frequently Asked Questions

General Budget

- [Whom should I contact about my budget accounts?](#)
- [What is my base budget?](#)
- [How do I know if I should make my budget revision to the current or the base budget?](#)
- [How do I know which budget revision form to use?](#)
- [Which budget revisions have to be on paper?](#)
- [How do I prepare revenue budget revisions?](#)
- [When do I submit a carryforward budget revision?](#)

Finance

- [I don't have access to Banner Finance. What do I need to do?](#)
- [I created several Banner Finance online budget revisions. How can I tell if the revisions have been approved?](#)
- [I'm trying to modify a budget revision, but the system will not allow me to make changes.](#)
- [What does the rule class code mean in Banner Finance?](#)
- [Can I transfer funds from a grant account to an E&G departmental account?](#)
- [Can I transfer funds from an auxiliary account to an E&G departmental account?](#)

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tigerText

QUICK LINKS

Tips for Understanding Revenue



Revenue Review

- Review for FY15/FY16 Spring budget cycle will begin in March
- Report FYBR001 - Revenue Budget Estimate/Worksheet by Org in Banner ePrint is used to review revenue
- Banner SSB Queries can be useful to verify revenue



Goal of Revenue Review

- Verify that year-to-date receipts in the current fiscal year are properly recorded
- Provide Financial Planning with a final estimate for current year revenue
- Compare the adjusted budget and base budget amounts with year-to-date receipts
- Should the current year or base budget be revised? Are year-to-date receipts correctly stated?



Prior FY: 14
 Current FY: 15
 Next FY: 16

Fund: 110001 Undesignated E and G
 Organization: 206000 Foreign Languages
 Program: 1000 Revenue Transactions

Actv Code: NONE

Account Code	Account Title	Actual Prior Yr	Adjusted Budget Current FY	Receipts YTD Current FY	Final Estimate Current FY	Future/Base Next Yr	Proposed Budget Next Yr
51828	Credit By Exam Fees	1,120.00	1,100	1,500.00		1,100	
	Total	1,120.00	1,100	1,500.00		1,100	

Financial Manager

Date

↑
 Sign and date before submitting to Financial Planning

↑
 Verify revenue amount is correct. SSB will display detail

↑
 Write estimated revenue for current fiscal year

↑
 Write base adjustments here

Compare Actual Prior Year Revenue and Receipts YTD Current FY columns. Consider these amounts and your knowledge of the revenue for this department to estimate the final revenue amount for the fiscal year and revenue expectations for the upcoming fiscal year.

The Adjusted Budget Current FY column shows the current year budget amount. To adjust the budget for the current year only, a BD04 - Temporary Current Year Budget Revision will need to be submitted to Financial Planning.

The Future/Base Next Yr column shows the base budget. This is the budget that will be used in the upcoming fiscal year (FY16) and going forward. To change the base budget, a BD02 - Permanent Base/Future Year Budget Revision will need to be submitted to Financial Planning. If you are changing the base budget for the next fiscal year and do not want the change to impact the current fiscal year, a BD04 - Temporary Current Year Budget Revision will need to be prepared to reverse the change in the current year.

It is important that your current estimated and future projections be realistic and accurately reflect the activity you expect for the respective current and base budgets. Please do not be liberal or conservative in making your estimate.

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

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

Name:

Department:

Fiscal Year:

Date:

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	Tom the Tiger Instruction	110001	207000	51802	2110				3,000	
02	212000	Tom the Tiger Instruction	110001	207000	74000	2110	3,000				
03											
04											
		Net Change									
		0	(J-K)-(N-M)	TOTAL			3,000	-	-	3,000	
		Document Total					<i>Expense</i>		<i>Revenue</i>		
		6,000	(J+K) + (M+N)								

The Reason for requesting this revision is as follows:

To budget current year Material Fees Summer Term for Tom the Tiger study in the Mid-South
 Each year the summer term offers different themes and enrollment varies with each offering

Banner Description: TomTheTigerSummer Term Enrollment

Approved	<hr/>	Date	<hr/>
	Departmental Authority		VP Business and Finance
Approved	<hr/>	Date	<hr/>
	Dean/Director/AVP		President
Approved	<hr/>	Date	<hr/>
	Provost/Vice President		
Reviewed	<hr/>	Date	<hr/>
	Office of Financial Planning		Director of Financial Planning

Round revenue to the nearest 100. An increase or decrease in revenue must be matched with an increase or decrease in expenditure.

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

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

Name:

Department:

Fiscal Year:

Date:

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	212000	Tom the Tiger Instruction	110001	207000	51801	2110			3,000		
02	212000	Tom the Tiger Instruction	110001	207000	74000	2110		3,000			
03											
04											
		Net Change									
		0	(J-K)-(N-M)	Total			-	3,000	3,000	-	
		Document Total					Expense		Revenue		
		6,000	(J+K) + (M+N)								

The Reason for requesting this revision is as follows:

To reduce base budget for Material Fees regular term for Tom the Tiger study due to enrollment down

Banner Description: TomTheTiger Fall/Spring Enroll Down

Approved	<hr/>	Date	<hr/>	Date
	Departmental Authority		VP Business and Finance	
Approved	<hr/>	Date	<hr/>	Date
	Dean/Director/AVP		President	
Approved	<hr/>	Date	<hr/>	Date
	Provost/Vice President		Director of Financial Planning	
Reviewed	<hr/>	Date	<hr/>	Date
	Office of Financial Planning			

Round revenue to the nearest 100. An increase or decrease in revenue must be matched with an increase or decrease in expenditure.

Budget Revisions

- Instructions and the newest versions of Form BD04 and BD02 can be found on Financial Planning's website under Budget Revisions tab
- Link for the website:
<http://bf.memphis.edu/finance/budget/revisions.php>
- Forms and instructions will be sent with the Revenue Review email in February



Revenue Budget Adjustments

TBR Budget Reporting Requires Explanations for ALL Revenue Changes

- Who/What caused the revenue to change?
- Why is there a revenue change?

Please make sure to put an explanation on all budget revisions.



How to Correct Revenue Mistakes in YTD Receipts

- Identify the index and account where the revenue needs to be moved
- Identify the index and account where the revenue need to be taken from
- Prepare and Accounting Transfer Voucher form <http://bf.memphis.edu/forms/acct/acct08.htm>
- Submit completed form to the Accounting Office



Questions?





SRI Initiative: Focus on Finance Update

January 15, 2015



The university's goal is to develop a model that is:

- Responsive to changes in enrollment, state appropriations, and student demand for academic offerings
- Transparent and easily understood
- A link between academic decision making and financial implications



Expected Model Development Outcomes

The SRI Model is intended to...

- Inform decision making
- Engender responsiveness
- Provide transparency
- Foster a culture of accountability
- Incentivize responsible growth
- Create equity

The SRI Model will NOT...

- Create dollars
- Achieve strategic goals
- Drive academic priorities

...on its own without the response of stakeholders to incentives



Initiative Recap

Over the past three months, Huron has supported the SRI Initiative by providing project management, model development support, and stakeholder engagement.

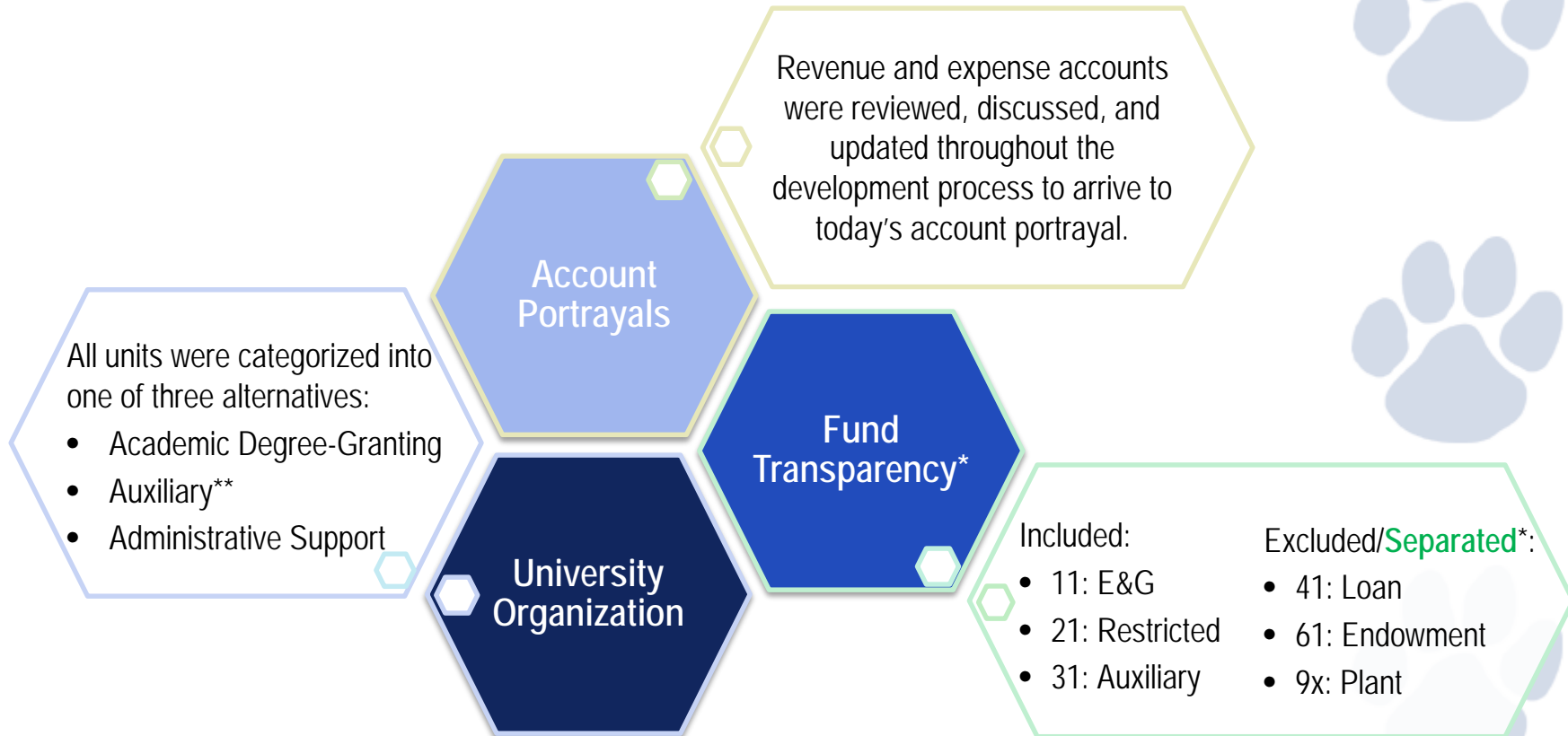
Task Highlights:

- Facilitated over 60 hours of scheduled meetings with colleges and schools
- Facilitated seven discussions with the SRI Steering Committee Group (ranging from 2-3 hours each)
- Directly engaged over 100 unique stakeholders
- Facilitated Budget Panel Discussion on 12/2, attracting over 165 participants
- Closely worked with budget and finance office to build an initial model



Model Framework Review

The SRI model discussed today is built upon three main elements:

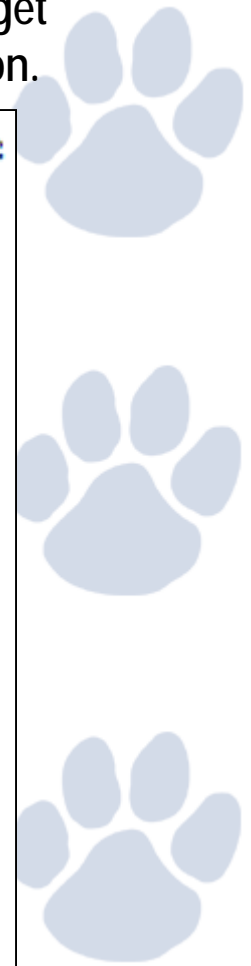
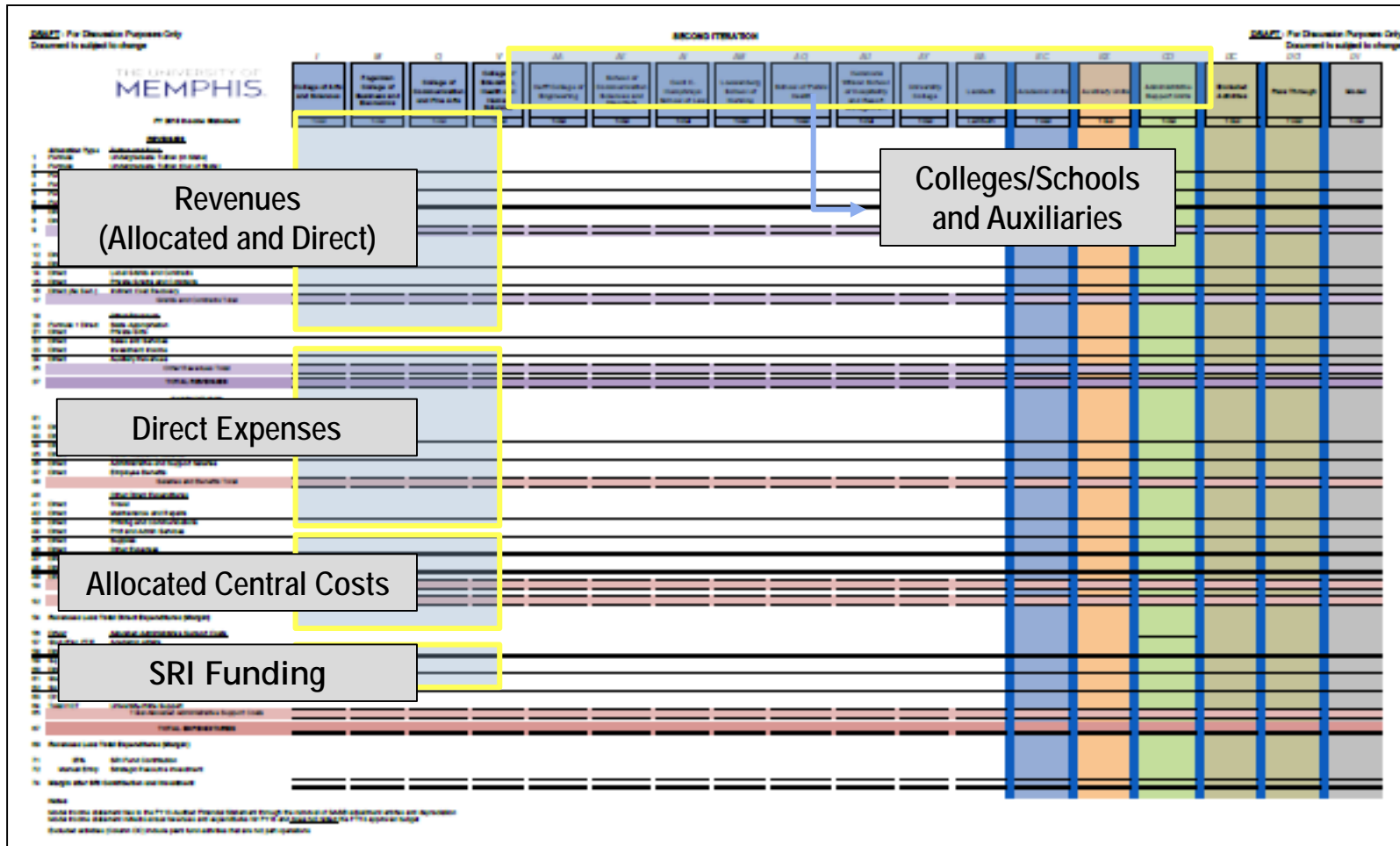


* Transfers involving excluded funds that impact included funds (e.g., Transfer from a Plant Fund to E&G) will be represented in the included fund type within the model

** Model Auxiliary Units include Copier Vending, Food Services, Food Vending, Intercollegiate Athletics (an E&G unit), Parking, Rental Properties, Residence Life, and University Service Court

Memphis FY13 Model Income

The graphic below is a condensed screenshot of the Memphis incentive-based budget model, intended to illustrate its foundational structure to facilitate today's discussion.



Infrastructure Development

Following the current academic engagement effort, the development of infrastructure is the next step in the pursuit of implementing a new allocation model.

Administrative Infrastructure

- Governance and Process Development
- Engagement of Auxiliary and Administrative Unit Stakeholders
- Budget Office and College Business Officer Model Training and Orientation

Reporting and Planning Infrastructure

- Model Refinements and Customizations
- Model Development and Training (FY14 actuals and FY14 budget)
- Scenario and Forecasting Tool Development
- Administrative Unit Business Case Development Support
- College Budget Development Support



Recommended Implementation Timeline

Huron recommends an 18 month transition timeline to leverage current momentum while providing time for additional campus engagement, infrastructure development, and training.

Period	FY15				FY16				FY17				FY18			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Partnership Year				Parallel Process				"Live" Model (Year 1)				"Live" Model (Year 2)			

Activities	
Partnership Year	<ul style="list-style-type: none"> Continued Academic Engagement Administrative and Auxiliary Unit Engagement Infrastructure Development (Governance, Tools/Reporting, Training) Model Build Out (layering of FY2014 actuals and FY2014 budget) Tweaks to allocation methods may be incorporated if any egregious issues arise
Parallel Process	<ul style="list-style-type: none"> Budgets Reflect Current Model Back-end Reporting Conducted to Illustrate Impact Under New Model Formalized Model Training Created and Provided Units Develop Action Plans for FY17 Tweaks to allocation methods may be incorporated if any egregious issues arise
"Live" Model	<ul style="list-style-type: none"> New Model Takes Effect



PURCHASING PROCESS REVIEW



Accurate coding is important

- Essential for reliable financial information
- Provides objective information for decision makers
- Needed to make good judgments on use of funds and operations
- Needed for meaningful budgeting
- Gains confidence of oversight agencies
- Needed for benchmarking with other universities
- Helps prevent problems within procurement and payment process.
- Information used by many stakeholders including grantors, donors, federal and state agencies, TBR, citizens
- Inaccuracies trigger internal control concerns about irregularities



ACCOUNT CODES

Wendi Scott
Manager, Financial Reporting



Account Code Listing

<http://bf.memphis.edu/spectrum/codes.php>

THE UNIVERSITY OF
MEMPHIS

Finance
Program Guide

FOAPALS

SIGNATURES

EQUIPMENT REPS

CODES

CODES

account code list

rule code list

location code search

program code list

data standards manual



Account Code Listing

Five Digit Account Code - Not Budget Pool



Banner Finance Account Code Lists

-
-
-

- + 10000
- + 20000
- + 30000
- + 40000
- + 50000
- + 60000
- 70000

CODE	TITLE	AP	ATC	AP	DE	NB	CA
730	Travel		71		N	D	
7300	Travel Budget	730	71		N	D	
73000	Travel Budget Pool	7300	71		B	D	
7310	Individual Instate Travel	730	71		N	D	
73100	Individual Instate Travel	7310	71	73000	Y	D	
7320	Individual Out of State Travel	730	71		N	D	
73200	Individual Out of State Travel	7320	71	73000	Y	D	
73250	Individual Out of Country Travel	7320	71	73000	Y	D	
7330	Teams or Groups Instate Travel	730	71		N	D	
73300	Teams or Groups Instate Travel	7330	71	73000	Y	D	



Account Codes - Operating

74XXX - Operating Expenses (day-to-day expense such as travel, utilities, supplies)

741XX - Printing Duplicating and Film Proc

742XX - Communications and Shipping Costs

743XX - Maintenance Repairs

744XX - Professional and Admin Services

745XX - Supplies

746XX - Rental and Insurance

747XX - Awards and Indemnities

748XX - Grants and Subsidies

749XX - Other



Account Codes - Capital

78XXX - Capital Expenses (acquire or upgrade physical assets)

Equipment (over \$5,000)

Land

Buildings

Improvements and Infrastructure

Library Books

Software



Equipment Account Codes

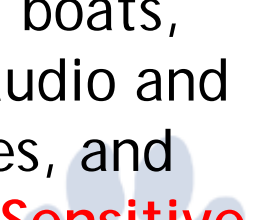
- 74500 Supplies

- 74504 Controlled Equipment under \$1,500
- 74511 Computers (\$1,500 - \$4,999)
- 74510 Sensitive Equipment (\$1,500-\$4,999)

- 78110 Office Equipment
- 78111 Furniture and Fixtures
- 78120 Operational Equipment
- 78130 Instructional Equipment
- 78190 Other Equipment
- 78195 Works of Art



Equipment Definitions



- “Capital Equipment” is a single item costing five thousand dollars (\$5,000) or more. **(781XX)**
- “Sensitive Minor Equipment” is particularly vulnerable to theft and has a cost between \$1,500.00 and \$4,999.99. Examples of items that may be viewed as sensitive minor equipment include: boats, boat motors, boat trailers, cameras, canoes, computers, audio and video equipment, microscopes, oscilloscopes, vector scopes, and other scientific equipment. **(74511 - Computers; 74510- Sensitive Equipment)**

Equipment Definitions - Con't



- “Controlled Equipment” - is equipment not required by policy to be inventoried; however the department would like for this item to be inventoried. (74504)
- “Supplies and Materials” includes equipment items of a movable nature which have a cost less than \$5,000 and are not listed in the definition of sensitive minor equipment. (74500)

REMINDERS

- Use correct account code. When in doubt contact financial reporting
- Review accounts on a monthly basis



Where to go for help?



- Account Codes - Financial Reporting

678-2271

accounting@memphis.edu

- Purchasing - Procurement & Contract Services

678-2265

purchasing@memphis.edu



- Payment - General Accounting

678-2271

accounting@memphis.edu



Procurement and Contract Services Reminders

Presented by
Ed Antoniak



Tigerbuy Ordering Reminders



- Comply with University Policies and Procedures
- Question what is being ordered; ensure understanding before it is approved
- Purchases are approved as a justifiable business need



Tigerbuy Ordering Reminders

- Ensure specifications are sufficient and/or practical for departmental need
- Dollar Limits
- Account codes
- Funds are available



Tigerbuy Ordering Reminders

- Monitor compliance, expiration and payment of contracts
- Receivers/Receipts are authorization for payment
- Monthly review of expenditures through E-print



Tigerbuy Training

- Two in-class sessions per month
- Procurement Website
- Policies and Procedures
- Help? Call 678-2265



Amazon Tax Exemption



Charles Fennell



Procurement and Contract Services



Amazon Tax Exemption

In order for Amazon.com purchases to qualify for tax exemption, each cardholder must perform a one-time upload of the University's Tax Exemption Certificate using the following step-by-step instructions:

- To enroll in the program, the cardholder should create an Amazon.com profile exclusively for University business purchases, using the cardholder's University email address. The account name should be in the format of "University of Memphis c/o {insert your name}." Then, create your account password. The University's tax exempt status does not apply to purchases made with personal funds, even if the purchases are for valid business purposes.



Amazon Tax Exemption

- If the cardholder already has an account for University business purchases, sign in and confirm or change the name of the account as follows:
 - Go to "Your Account"
 - Go to "Settings" area of the page
 - Click on "Change Account Settings"
 - Click the Edit button next to Name
 - Change the account name to "University of Memphis c/o {insert your name}"
 - Click "Done"



Amazon Tax Exemption

- To upload the University's Tax Exemption Certificate on the cardholder's account:
 - Contact the Accounting or Procurement Office for a copy of the University's Tax Exemption Certificate
 - Scan, save it, and then log on to "Your account" on Amazon.com
 - Go to "Settings" area of the page
 - Click on "Amazon Tax Exempt Program"
 - Click "Browse" and select the University Tax Exempt Certificate saved to the computer earlier
 - Click the box to indicate reading and acceptance of Amazon's terms and conditions and click on "Upload"
 - If the upload was successful, a dialogue box will open with a successful upload message



Amazon Tax Exemption

- It may take 3 - 5 days for Amazon to validate the tax exempt account. To check the exemption status, log on to this page in Amazon.com
- If purchases are made through Amazon.com for another supplier, cardholder must provide that supplier with a copy of the University Tax Exemption Certificate. In such cases, reach out to the supplier directly before proceeding with your order. Sales tax may still be charged on items ordered from other sellers that list products for sale on Amazon.com. Exception: Some states outside of Tennessee will not accept a TN sales tax exemption
- If the cardholder continues to see sales tax on orders from Amazon.com, contact them at: auto-exempt@amazon.com
- The Amazon exemption status will remain active until the expiration of the University's Tax Exempt Certificate.



What's Due? - Accounting Office



<i>Activity</i>	<i>Deadline</i>
W-2 and 1099-MISC Availability/Mailing	Friday, January 30, 2015
Fall Effort Report	Friday, January 30, 2015
Inventory Confirmation Mailout	Early March

What's Due? - Bursar's Office

<i>Activity</i>	<i>Due Dates</i>
PC191 Fee Waiver Spring Registration Begins	Monday, December 22, 2014
Law School Departmental Fee Waiver Deadline	Friday, January 02, 2015
Law School Spring Fee Payment Deadline	Tuesday, January 06, 2015
Departmental Fee Waiver Deadline	Wednesday, January 07, 2015
UG/GR Spring Fee Payment Deadline	Friday, January 16, 2015



Who Knew? - Training

<i>Workshops</i>	<i>Date</i>
Budget Basics UC - Senate Chamber Room 261	Tuesday, January 20, 2015 9:30 - 11:00 AM
Accounting Basics UC - Senate Chamber Room 261	Wednesday, January 21, 2015 9:30 - 11:00 AM
Budget and Accounting Basics "Live" will be offered quarterly. We are working on completing an "On-Demand" version with availability in Spring 2015.	



Next Focus on Finance February 19, 2015

Comments or suggestions?
Email: bffin@memphis.edu

Focus on Finance website:
<http://bf.memphis.edu/finance/focus>

