

# Budgeting with Funds 101



*The rising STAR of Texas*

# Presentation Overview

## Part I- Fund Accounting Defined

- Definition of Funds
- Fund Groups
- Cost/Fund Center Structure
- Funded Programs
- Transferability

## Part II – Basic Budgeting with Fund Types

- Centrally Budgeted Accounts-Piece of the Pie
- Estimated Income Accounts
- RIB- Revenue Increasing Budget Accounts

## Part III – Year-end Process with Fund Types

- Accounts with Carry Forwards
- Accounts with Fund Balance and Available Reserves
- Multi-Year Accounts

# Fund Accounting 101

- An internal accounting system for financial resources according to their source, purpose, and restrictions placed upon their use.
- Restrictions and limitations can be placed upon the use of resources by the provider and regulatory authorities, such as donors, grantors, the TSUS Board of Regents, and the state legislature.
- Individual funds are set up to track the cash received and associated expenditures to allow for accountability to the provider of the resources and ensure funds are being spent according to any existing restrictions against those funds.
- Funds can be restricted (used for a particular purpose) or unrestricted (used for general purpose).

# What is my Account?

## FUND / FUND CENTER / FUNDED PROGRAM

*10-digit numbers*

- **Fund** - identifies the source of revenue for the account.
- **Fund Center (Cost Center)** - identifies the area of the university in which expenditures occur and the hierarchy of responsibility.
- **Funded Program** – identifies a particular project within an area of the university for which expenditures occur.

Note: Many accounts do not have funded programs, in which case the third number is NR, for not relevant.

*Example:*

2000011022 / 1318140000 / 9000000997

Designated Method Fund for Fiscal Year 2022

Family & Consumer Sciences

Professional Development Faculty Travel

# Fund Defined

A **fund** is a self-balancing set of accounts with:

- Its own revenue stream
- Its own particular limitations and restrictions
- Its own fund balance and available reserves calculated for each year.
- The fund determines how the account behaves with regards to budgeting.

# Fund Number Schema

- ❖ 1<sup>st</sup> digit designates the fund group
- ❖ 1<sup>st</sup> 6 digits are the fund #
- ❖ 7<sup>th</sup> & 8<sup>th</sup> digits designate the bank number, any number other than “10” represents funds held in the state treasury (funds that start with a 1\* generally)
- ❖ 9<sup>th</sup> & 10<sup>th</sup> digits designate the fiscal year, if applicable
  - Example – fiscal year based fund:
    - 2000011022
    - Designated Method for FY 2022
  - Example – multi-year based fund:
    - 4700011000
    - Restricted fund group used multiple years

# Fund Groups

Fund Range	Description
10000500XX - 14999900XX	E&G-General Appropriations
15000000XX - 15099900XX	E&G-HEAF
15100000XX - 18499900XX	E&G-Other Appropriations
18500000XX - 19999900XX	E&G-Benefits
20000010XX - 29999910XX	Designated
30000010XX - 39999910XX	Auxiliary
4000001000 – 4099991000 4200001000 – 4299991000	Restricted Gifts
4100001000 – 4199991000	Endowment Recipient Funds
4400001000 – 4599991000	Restricted - Federal, Non-Grant
4600001000 – 4699991000	Restricted - State, Non Grant
4700001000 – 4799991000	Restricted Scholarship Funds
4800001000 – 4899991000	Endowed Scholarship Funds
5000001000 – 5999999999	Loan Funds
6000001000 – 6999991000	Endowment & Similar Funds
7000001000 – 7999999999	Plant Funds
8000001000 – 8999999999	Grant Funds
9000000000 – 9999999999	Agency Funds

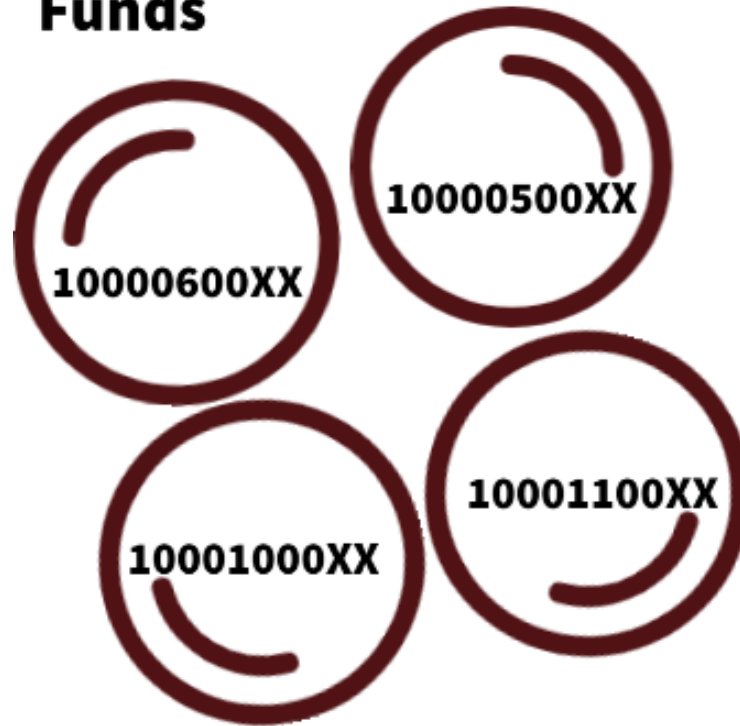
# The Primary Fund Group

- Source of funding is appropriations and tuition.
- Appropriations include Educational & General (E&G) Funds and other State funds (1XXXXXXXXXX).
  - Specifically, there are four funds included in this group:
    - 10000500XX Operations Support
    - 10000600XX Space Support
    - 10001000XX Round Rock Higher Education
    - 10001100XX Edwards Aquifer Research Center
- Tuition included is the designated tuition students pay and resides in the Designated Method fund 20000110XX.
- Does **not** include accounts that are funded by fees, income generated from sales, services, gifts, or grants.

Primary Fund Group is the primary focus of President's Cabinet and the Texas State University System Board of Regents. Decisions made for Primary Fund Group affect other funds and expenditures, including pay raises and benefits. Policy is more articulated for Primary Fund Group accounts than others.

# The Primary Fund Group

## Educational & General Funds



**Designated  
Method Fund**

# Fund Centers/Cost Centers

**Fund Center/Cost Center** - identifies the area of the university in which expenditures occur and the responsibility hierarchy.

10 digits = 5 identification pairs

First two digits = Division (eg, President, VP, or Institutional)

Remaining pairs break down the reporting hierarchy

Example:

1318141000

VP Academic Affairs, Provost

College of Applied Arts, Dean

Family & Consumer Sciences, Chair

Child Development Center, Director

Other fund centers under the Child Development Center

# Funded Programs and Internal Orders

- ❖ Provides a way to separately account for an activity managed by a member of a university department or university organizational unit.
- ❖ Internal orders can be created as a statistical order (5\*), funded program (9\* or 7\*), or grant (8\*).
- ❖ Grants (8\*) are internal orders whose master data is maintained by the Office of Research & Sponsored Programs.
- ❖ The distinction between the statistical orders and funded programs/grants is the level for budgetary control:
  - Funded Programs & Grants are budgeted at the internal order level.
  - Internal orders that begin with a 5 are statistical and not budget relevant. These are used for tracking purposes only and require a special report provided by the Financial Reporting & Analysis office to view.
- ❖ Funded programs usually have end dates, and generally only good for a year or two.
- ❖ Money is returned to funding source if not consumed in specified time frame.

# Funded Programs and Internal Orders

Attribute	Funded Program	Statistical Internal Order	Grant	Notes
Account numbers start with the indicated number	9* or 7*	5*	8*	8* grants are tied to 8* funds only. 5* Internal orders can be tied to any non-grant account. 7* funded programs are tied to 7* funds ( plant
An Account that consist of a third set of numbers in SAP linked to an existing fund and fund center	Y	Y	Y	Funded Programs, Stastical IO's, and grants are all linked to existing accounts within SAP but are considered a separate account in SAP.
Provides a way to separately account for activity managed by a member of the university department or university organization unit	Y	Y	Y	The account manager for this type of account is often a different person than the account manger for the fund/fund center combination it is linked to.
Budget control is provided by budgeting at the account level.	Y	N	Y	Funded Programs and Grants will have a unique budget. Statistical IO's are for expense tracking only and do not receive budget.
Funding is returned to the funding source if not expended during the life of the account.	Y	N	N	Statistical Orders do not have budget, so there is not an allocation to balance. Grants are subject to grant accounting principles. Refer to ORSP office for grant management principles.
Accounts are time-dependent and usually have end dates in SAP	Y	Y	Y	Grants are for the life of the grant. All other funded programs are created for specific projects or functions and are usually only valid from one to four years.
Examples by name include	REP Grants, Cost Share Accounts, Construction Projects and Startup Funding	Varies: depends on what the department is trying to track	Grants are named after the award they are receiving.	Funded Programs and Grants both have naming conventions that help to identify the activity around those accounts in terms of budget control, allowable expenses, and end of account processing.

# GL Codes and Budgetary Commitment Items

Texas State University uses common GL Codes subject to GASB regulations to account for all financial postings and internally identified Budgetary Commitment Items to budget for and report on all allowable revenues and expenses. Below is chart of the different attributes related to each with additional explanations:

Attribute	General Ledger Codes (GL)	Budgetary Commitment Item (CI)	Notes
Unique Identifier used by accounting for posting revenue and expenses and used in all financial statement reporting	Y	N	GL codes are used to identify revenue and expenses for accounting and must follow state and federal guidelines for categorization and reporting.
Unique identifier used by budget for posting and reporting budgetary control	N	Y	Budget is grouped into various control line items and helps budget for groups of GL's by category. Salary, operating, travel, etc....
Within SAP master data, each item is linked to a specific budgetary commitment item or roll up to help with reporting and budgetary control by various categories	Y	Y	All GL codes roll up to a budgetary commitment item. Budgetary commitment items can be unique or can also rollup to higher-level commitment item groups.
SAP is broken up into three modules: FM=budget, FI-accounting, GM=grants management.	FI/GM	FM/GM	GL codes will map to and be controlled by budget in both the FM modules and the GM modules.
Revenue numbering schema	4*=Revenue	64*=Revenue	4* GL's will roll up to a 64* budgetary commitment item.
Expense numbering schema	7*=Expenses	67*=Expenses	7* GL's will roll up to and check budget at a 67* budgetary commitment item.

# GL Codes and Budgetary Commitment Items

Below is a sample roll-up in the Budget-to-Actual (B2A) report in SAP:

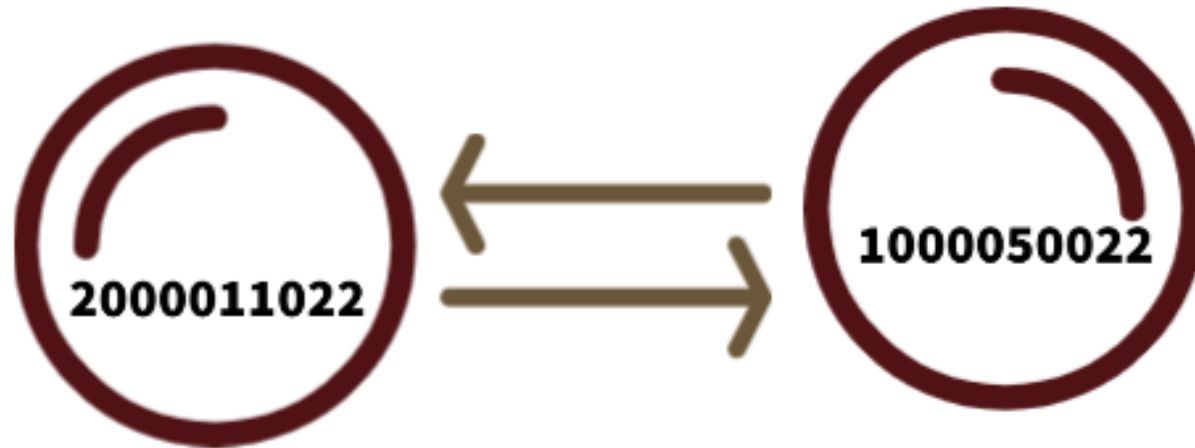
Commitment...	Commitment Ite...	Commitment Item Name	Total Budget	Current YTD Actuals	Encumbrances	Available Balance
02GRADUATE...	670081	Graduate Student Sal	1,550,815.29	0.00	0.00	1,550,815.29
	670094	TA/IA Group Item	684.58	0.00	0.00	684.58
	700801	Fac Salaries-Grad St	0.00	1,053,979.07	314,534.02	1,368,513.09-
	701002	Grad Rsrch Salaries	0.00	2,981.34	0.00	2,981.34-
	701504	Grad Asst Sal-non-ex	0.00	9,210.56	3,005.04	12,215.60-
02GRADUA...			<b>1,551,499.87</b>	<b>1,066,170.97</b>	<b>317,539.06</b>	<b>167,789.84</b>

# Transferability

- Funds are created based on their unique revenue stream. To keep those revenue streams tied to their individual funds we do not want to process any transactions that would effectively co-mingle funding. Therefore, the following rules apply:
- You may not move revenue postings between funds via either an FMBB or E-IDT.
- Budget (or spending authority) is transferable only between accounts in the same fund or a relevant fund group.
  - Primary Fund Group funds are an example of a relevant fund group.
    - Budget can be transferred between E&G funds (10000500XX and 10000600XX) and the Designated Method fund (20000110XX).
    - The Budget Office must process these transfers for the department.
    - This is usually done in cases to move between M&O and salary lines.
- You may move expenses (FI postings) between funds via an E-IDT (Accounting) or PCR (HR).
- Sponsorships are allowed in some cases and information is available on the General Accounting Office's website at this link: <http://www.txstate.edu/gao/reporting/forms.html>

# Transferability

- ❖ Primary Fund Group Transferability:
  - Budget can be transferred between E&G funds and Designated method fund.



- ❖ Budget office must process these transfers for the departments.
- ❖ Usually done to move between Maintenance & Operating (M&O) and Salary lines

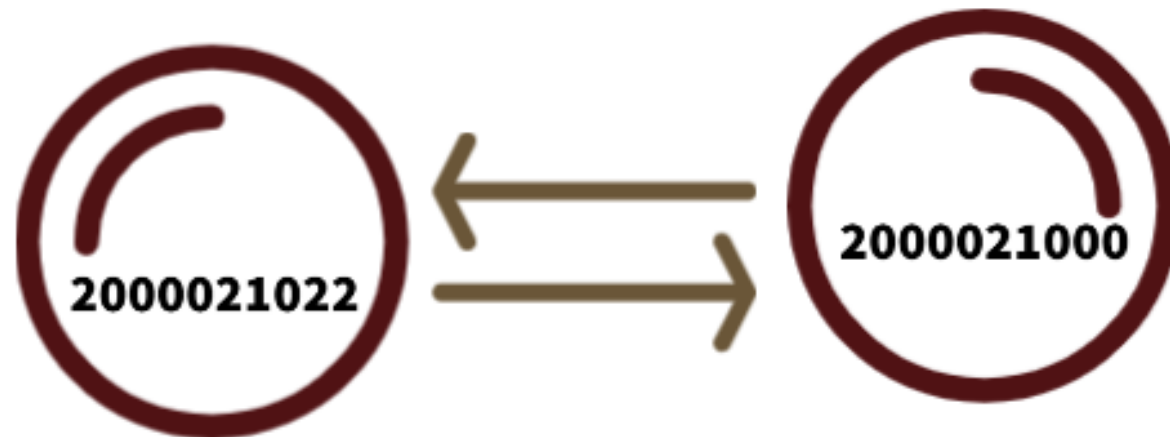
# Transferability

## Other Fund Groups Transferability:

Budget can be transferred between the fiscal year fund and the multi-year fund.

Example: Indirect Cost Fund (20000210XX)

These types of transfers can only be processed by the Budget Office or the Office of Research & Sponsored Programs



# Transferability

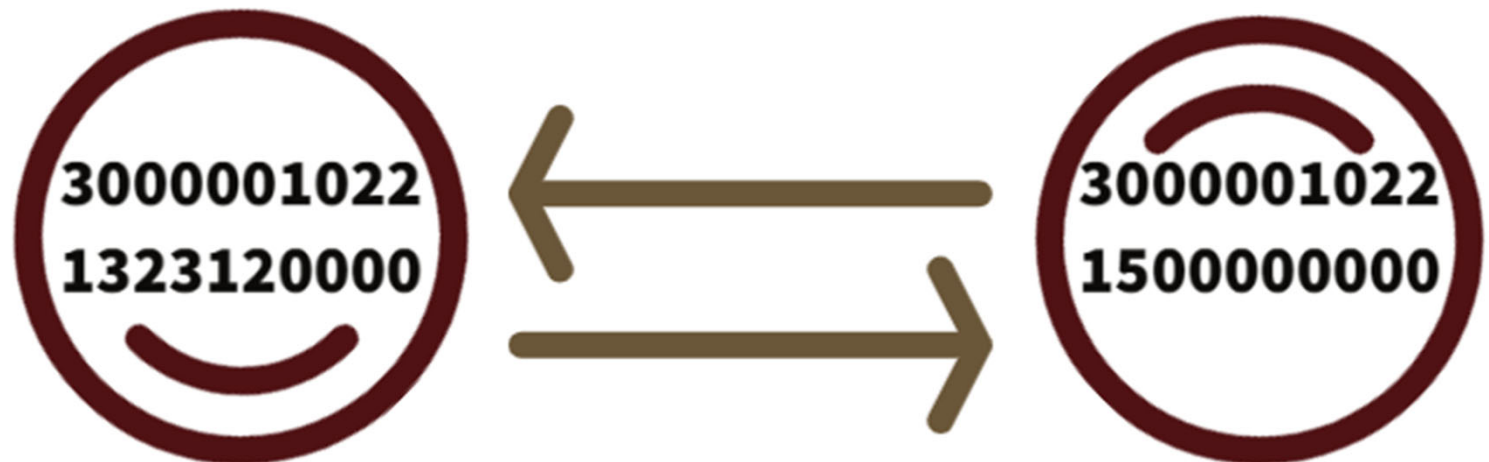
Transferability within funds:

- ❖ Is allowed between cost centers within the same fund.
  - You can move between cost centers within the same college:  
1323000000 > 1323120000
  - You can move between cost centers across colleges:  
1323000000 > 1321000000
  - You can move across divisions:  
1500000000 > 1323120000
- ❖ Account managers of both accounts should be aware of and approving these transfers.
- ❖ Budget office can assist with all transfers.

# Transferability

Transferability within Funds:

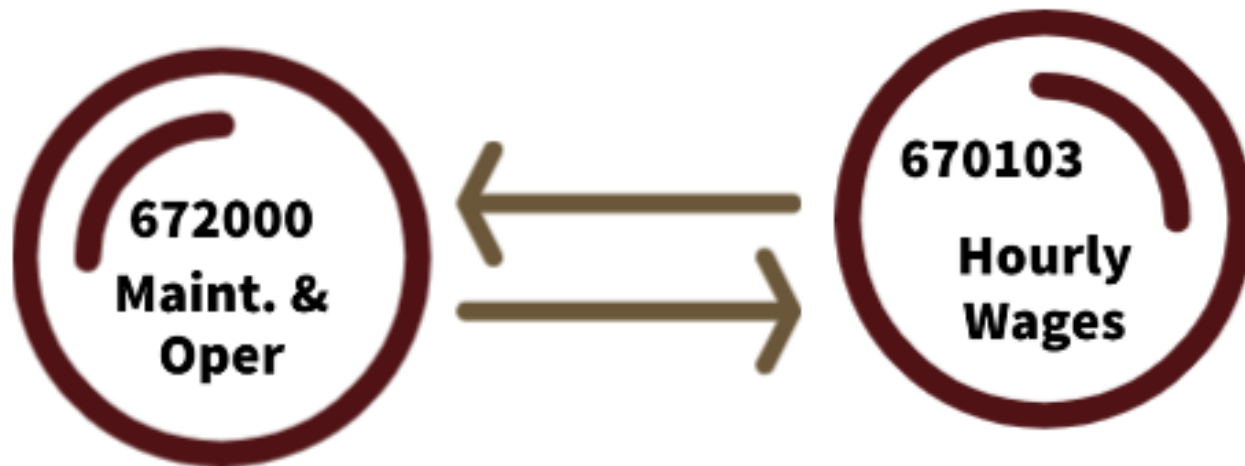
- Budget can be transferred within a fund between fund centers



# Transferability

Transferability within Accounts:

- Budget can be transferred within an account between commitment items (budget lines)
- 3000001022 / 1323120000



# Fund Manager vs. Account Manager

Task	Fund Manager	Account Manager	Notes
Responsible for revenue projections, budget distributions, and fund balances (deficits/profits)	Y	N	Fund managers are activity involved in revenue projections, budgeting, expenditures, and managing fund balances
Conceptually responsible for activities in all fund centers within the fund	Y	N	Although fund managers may not be the account manager for all accounts within a fund, they are ultimately responsible for all activities within the fund
Account manager of maybe one or more fund centers within a fund	Y	Y	Fund managers may be the account manager for all the accounts or maybe just a few, other account managers may have access to budget with a given fund.
Identity of who is response is available in SAP in master data	N	Y	Fund managers are conceptual, account managers are identified in SAP and are linked to the fund center.
Manager receives notifications from SAP for over budgets and approves PO's and other actions which expense the account.	N	Y	Approvals and notifications are linked to the fund center structure, therefore only account managers receive these notifications.

## Part II

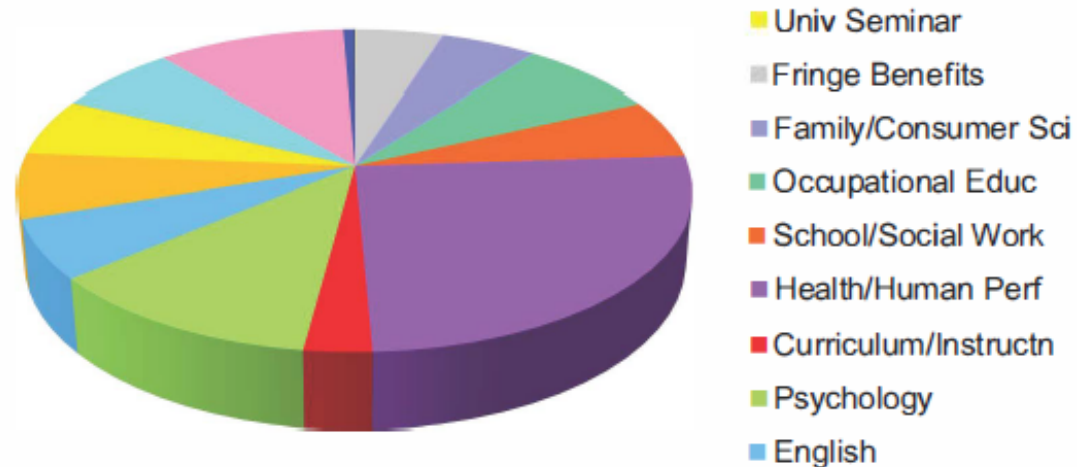
### Basic Budgeting with Fund Types

- Centrally Budgeted Accounts-Piece of the Pie
- Income Generating Accounts
- RIB- Revenue Increasing Budget Accounts

# Centrally Budgeted Accounts

- Centrally budgeted accounts reside in a fund that has a single revenue stream with a fund manager who then allocates the budget to the individual departments.
- A primary characteristic of these types of funds is that typically fringe benefits and salary related items (salary review, state longevity and ULP) are budgeted at a high-level cost center, which the fund manager controls.
- All other items are budgeted at the individual departmental cost centers and are the responsibility of the individual departmental account manager.
- Examples include Designated Method, Housing, Student Service Fee, and Athletics.

## 2000011022-Designated Method Fund



# Centrally Budgeted Accounts-Piece of the Pie

- ❖ Distributions are usually done via Budget Development with permanent budget.
- ❖ Exceptions are multi-year funds which get temp adjustments throughout the year. (ex. 2000021000 IDC)
- ❖ Revenue stream controlled and budgeted by the fund manager.
- ❖ New revenue for the fund does not usually increase departmental budgets. Example Designated Method funds.
- ❖ Departmental account manager should not be depositing revenue into these type of funds. The revenue stream is specific and other revenue should not be comingled.
  - Ex: Student Service Fee – revenue is Student Service Fee paid by students. Departments should not deposit other revenues into their account.

# Centrally Budgeted Accounts-Piece of the Pie

How do I increase my budget?

- Permanent budget increases may occur through a variety of processes including:
  - Request through chain of command.
  - New appropriations for certain non-formula support items.
  - Permanent adjustments for primary fund group approved and allocated by President's Cabinet.
  - For Academic departments-DOE (Department Operating Expense) formula to address increases or decreases calculated by Institutional Research annually during budget development.
- Temporary increases may occur between departments, and/or via new allocations.
  - Example: Indirect Cost distribution allocates distributions monthly based on grant revenue.
  - Example: Deans may allocate out temporary budget for GRA's annually.

# Budget to Actual & My Fund

## How does my fund affect the way I use SAP?

Budget to Actual Report

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Financial Management Area

FM Area

---

Fiscal Year / Period

Fiscal Year

Period   to

---

FM Account Assignment

Fund	<input type="text"/>	to	<input type="text"/>	
Funds center	<input type="text"/>	to	<input type="text"/>	
Commitment Item	<input type="text"/>	to	<input type="text"/>	
Commitment Item Group	<input type="text" value="00BUDALL"/>			
Functional Area	<input type="text"/>	to	<input type="text"/>	
Funded Program	<input type="text"/>	to	<input type="text"/>	

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Variant

Layout

Choose the Commitment Item Group that works for your type of fund.

Generally are not concerned with pulling in revenue on these accounts



# Piece of the Pie

How to read your account balance:

Commitment Item Group	Commitment Item	Commitment Item	Total Budget	Current YTD Actual	Total Encumbrance	Available Balance
10STAFF SALARIES	670100	Staff Salaries	592,057.08	0.00	0.00	592,057.08
	701500	Classified Salaries	0.00	49,782.09	543,042.99	592,825.08-
10STAFF SALARIES			<b>592,057.08</b>	<b>49,782.09</b>	<b>543,042.99</b>	<b>768.00-</b>
10STAFF SALARIES HOURLY	701503	Class Salary-hourly	0.00	0.00	0.00	0.00
10STAFF SALARIES HOURLY			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
14COMPENSATORY-OVERTIME PAY	702100	Overtime Pay	0.00	0.00	0.00	0.00
14COMPENSATORY-OVERTIME PA			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL PERSONNEL COSTS-WO</b>			<b>592,057.08</b>	<b>49,782.09</b>	<b>543,042.99</b>	<b>768.00-</b>
22STUDENT WAGES			<b>34,412.55</b>	<b>4,327.50</b>	<b>0.00</b>	<b>30,085.05</b>
23TRAVEL			<b>3,102.75</b>	<b>449.91</b>	<b>3,299.03</b>	<b>646.19-</b>
24MAINTENANCE & OPERATING			<b>1,308,352.45</b>	<b>169,661.87</b>	<b>210,980.86</b>	<b>927,709.72</b>
26CAPITAL			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL OPERATING BUDGET &amp;</b>			<b>1,345,867....</b>	<b>174,439.28</b>	<b>214,279.89</b>	<b>957,148.58</b>
			<b>1,937,924...</b>	<b>224,221.37</b>	<b>757,322.88</b>	<b>956,380.5...</b>

# Estimated Income Accounts

- ❖ All Fiscal Year funds operate with an estimated income.
  - The large centrally budgeted funds are managed by the fund manager and budgets are allocated out to the departments (Piece of the Pie just discussed).
  - Many Estimated Income accounts are smaller in nature and managed by the account manager of the main cost center.
- ❖ Estimated budgets are used to set an income (revenue) and expense budget based on either a business model or past performance.
- ❖ Original budgets are set by the account/and or fund managers with approval from the budget office. These initial budgets are usually set as permanent. Revenue and Expense budgets must match and net to zero.
- ❖ Funds can have one cost center mapped to them or many.

# Estimated Income Accounts

- All Fiscal Year funds operate with an estimated income.
- Estimated budgets are used to set an income (revenue) and expense budget based on either a business model or past performance for each fund.
- Original budgets are set by the fund managers with approval from the budget office.
  - These initial budgets are usually set as permanent.
  - Revenue and Expense budgets must match and net to zero.
- Funds can have one cost center mapped to them or many.

Examples of Estimated Income accounts:

- Organized Activities
- Designated Fund Group (2\*)
  - Excludes 20000110xx and 20000210XX-Centrally Budgeted Accounts
- Auxiliary Fund Group (3\*)
  - Excludes Student Service Fee and others

# Estimated Income Accounts

## How do I increase my budget?

- ❖ Once permanent budget is set it will remain at that level each year unless permanent changes are made during the year or in budget development.
- ❖ Increasing estimated income mid-year:
  - Can be done either perm or temp with budget office approval.
- ❖ Temporary budget increases can be made by “recognizing revenue” when it exceeds the estimated revenue
- ❖ Or using reserves if available
- ❖ Budget office must process these types of increases.
  - Both must be approved by Asst. VP of OBFPA (Budget office)
  - Send request to [Budget@txstate.edu](mailto:Budget@txstate.edu)
  - Some divisions also want divisional VP approval to use reserves in your funds.

# Estimated Income Accounts

## Estimated Budget in B2A:

Name	Commitment Item Group	Σ	Original Budget	Σ Bud
28	REVENUE		905,000.00-	
			905,000.00-	
00	FACULTY SALARIES		0.00	
01	FACULTY SALARIES-ADJUNCT		253,577.77	
02	GRADUATE STUDENT SALARIES		0.00	
10	STAFF SALARIES		213,025.34	
10	STAFF SALARIES HOURLY		0.00	
10	STAFF SALARIES REVIEW		26,581.00	
20	STATE LONGEVITY		6,788.00	
21	FRINGE BENEFITS		80,000.00	
23	WORK STUDY		0.00	
			579,972.11	
22	STUDENT WAGES		17,250.00	
23	TRAVEL		18,000.00	
24	MAINTENANCE & OPERATING		289,777.89	
26	CAPITAL		0.00	
			325,027.89	
28	ADMINISTRATIVE OVERHEAD		0.00	
			0.00	
			0.00	

Revenue = 905,000

Expenses budgets:

Are in many expense lines  
but equal to a total of  
905,000.

Overall balance at bottom is  
zero.

-905,000.00

905,000.00

-0-

Expense budgets can also be  
spread across fund centers.

# Estimated Income Accounts

How do I read my budget in B2A?

**Budget to Actual Report**

Financial Management Area

FM Area: 754

Fiscal Year / Period

Fiscal Year: 2016  
Period: 01

FM Account Assignment

Fund: 2027491016  
Funds center: 1318131600  
Commitment Item:   
**Commitment Item Group: 00BUDALL**  
Functional Area:   
Funded Program:

Choose the Commitment Item Group that works for your type of fund.

## Funds Crosswalk

LEGEND:  
■ = Paid from Central Account  
■ = Paid from Individual Account

Fund		Salary Review	University Longevity	State Longevity pay	Fringe Benefits	Work-study Waching	Commitment Item Group
10000500XX	Operations Support						00BUDWEXCP
10000600XX	Space Support						00BUDWEXCP
10000800XX	Geography Education						00BUDXFRWO
10000900XX	Semiconductor Initiative						00BUDXFRWO
10001000XX	Multi-Institutional Teaching						00BUDWEXCP
10001100XX	Edwards Aquifer						00BUDWEXCP
10001200XX	Long-Term Health Care						00BUDWEXCP
10001800XX	Research Development						00BUDXFRWO
10002000XX	School Safety Center						00BUDXFRWO
10002200XX	Performance Incentive						00BUDWEXCP
10070000XX	Organized Activity - Child Development Center						00BUDXFRWO
10070100XX	Organized Activity - Freeman Ranch						00BUDXFRWO
10070200XX	Organized Activity - Speech, Hearing, & Language Clinic						00BUDXFRWO
10070300XX	Organized Activity - Polysomnography Sleep Lab						00BUDXFRWO
10070400XX	Organized Activity - Respiratory Care Outreach						00BUDXFRWO
14000000XX	Advanced Research						00BUDXFRWO
14000100XX	Advanced Technology						00BUDXFRWO
15100000XX	Technology Workforce Development						00BUDXFRWO
20000110XX	Designated Method						00BUDWEXCP
2000021000	Indirect Cost - Research Enhancement Programs (9 <sup>th</sup> )						00BUDXFRWO
2000021000	Indirect Cost - Recovered Indirect Cost						00BUDALL
20000210XX	Indirect Cost						00BUDWEXCP
20200110XX	Advising Fee						00BUDWEXCP
20210010XX	Computer Service Fee						00BUDWEXCP
20220010XX	Library Fee						00BUDWEXCP
20240210XX	Computer Repair & Installation						00BUDALL
20240310XX	Telecommunication Services						00BUDWEXCP
20240510XX	Duplicating						00BUDALL
20240610XX	Facilities Warehouse						00BUDALL
20240710XX	Maintenance Non-E&G						00BUDALL
20240810XX	Transportation Services						00BUDALL
20240910XX	University Print Shop						00BUDALL
20241010XX	Utilities						00BUDWEXCP
20241210XX	University Marketing - Digital Imaging						00BUDALL
20241310XX	Biology Vehicle Operations						00BUDALL
20241410XX	Instructional Technology Service Center						00BUDALL
20241510XX	Classroom Technology Service Center						00BUDALL
20241610XX	Reprographic System						00BUDALL
20241710XX	Access Services Warehouse						00BUDALL
20241810XX	UPD Keyshop Warehouse						00BUDALL
20241910XX	Keyshop Overtime						00BUDALL
20270310XX	Undergraduate Admissions Evaluation Fee						00BUDALL
20270410XX	Undergraduate Application Fee						00BUDALL
20270510XX	Alcohol Education Seminars						00BUDALL

Budget Office | Texas State University-San Marcos  
 601 University Drive | JCK 820 | San Marcos, TX 78666  
 512-245-2376 | budget@txstate.edu

# Estimated Income Accounts

Reading Revenue in B2A:  
Use Commitment Item  
Group 28 Revenue

Budget to Actual Report			
Financial Management Area			
FM Area	754		
Fiscal Year / Period			
Fiscal Year	2016		
Period	01	to	14
FM Account Assignment			
Fund	2027491016	to	
Funds center	1318131600	to	
Commitment Item		to	
Commitment Item Group	28REVENUE		
Functional Area		to	

## Texas State - FM Budget & Actuals Report

Commit	Commi	Commitment Item Na	Original Budget	Budget Adjustments	Total Budget	Current YTD Actuals	Available Balance
28REVEN	417000	Student Non Reg Fees	0.00	0.00	0.00	0.00	0.00
	417001	Adm-Application Fees	0.00	0.00	0.00	1,877,490.00-	1,877,490.00
	417002	Adm-Int'l Eval Fees	0.00	0.00	0.00	18,390.00-	18,390.00
	640000	Revenue	1,400,000.00-	700,000.00-	2,100,000.00-	0.00	2,100,000.00-
28REV			1,400,000.00-	700,000.00-	2,100,000.00-	1,895,880.00-	204,120.00-
28REVENUE			1,400,000.00-	700,000.00-	2,100,000.00-	1,895,880.00-	204,120.00-
			1,400,000.00-	700,000.00-	2,100,000.00-	1,895,880.00-	204,120.00-

# Estimated Income Accounts

## Reading Expenses in B2A:

- Use appropriate Commitment Item group
- You have spending authority before bringing in the revenue

Fund Name	Fund Center Name	Co...	Com...	Σ Revised Budget	Σ Reserved	Σ Current YTD Actuals	Σ Encumbrances	Σ Available Balance
Commitment Item Grou 21	FRINGE BENEFITS			20.00	0.00	11.80	0.00	8.20
TOTAL PERSONNEL COSTS				20.00	0.00	11.80	0.00	8.20
Commitment Item Grou 22	STUDENT WAGES			0.00	0.00	2,495.76	0.00	2,495.76
Commitment Item Grou 23	TRAVEL			0.00	0.00	0.00	0.00	0.00
Commitment Item Grou 24	MAINTENANCE & OI			4,805.00	0.00	1,239.84	700.00	2,865.16
TOTAL OPERATING BUDGET &				4,805.00	0.00	3,735.60	700.00	369.40
Commitment Item Grou 28	ADMINISTRATIVE O			175.00	0.00	32.19	0.00	142.81
28ADMINISTRATIVE OVERHEA				175.00	0.00	32.19	0.00	142.81
				5,000.00	0.00	3,779.59	700.00	520.41

# Estimated Income Accounts

Budget vs. Actuals- what's important to know.

Commitment item group: OOBUDREVEX

- Revenue vs. Expense

Fund Name	Fund Center Name	Commitment Item	Co...	Σ Revised Budg...	Σ Reserved	Σ Current YTD Actuals	Σ Encumbrances	Σ Available Balance					
Commitment Item Grou 28REVENUE				■	5,000.00-	■	0.00	■	3,943.20-	■	0.00	■	1,056.80-
TOTAL REVENUE				■	5,000.00-	■	0.00	■	3,943.20-	■	0.00	■	1,056.80-
Commitment Item Grou 21FRINGE BENEFITS				■	20.00	■	0.00	■	11.80	■	0.00	■	8.20
TOTAL PERSONNEL COSTS				■	20.00	■	0.00	■	11.80	■	0.00	■	8.20
Commitment Item Grou 22STUDENT WAGES				■	0.00	■	0.00	■	2,495.76	■	0.00	■	2,495.76-
Commitment Item Grou 23TRAVEL				■	0.00	■	0.00	■	0.00	■	0.00	■	0.00
Commitment Item Grou 24MAINTENANCE & OPERATING				■	4,805.00	■	0.00	■	1,239.84	■	700.00	■	2,865.16
TOTAL OPERATING BUDGET &				■	4,805.00	■	0.00	■	3,735.60	■	700.00	■	369.40
Commitment Item Grou 28ADMINISTRATIVE OVERHEAD				■	175.00	■	0.00	■	32.19	■	0.00	■	142.81
28ADMINISTRATIVE OVERHEA				■	175.00	■	0.00	■	32.19	■	0.00	■	142.81
				■	0.00	■	0.00	■	163.61-	■	700.00	■	536.39-

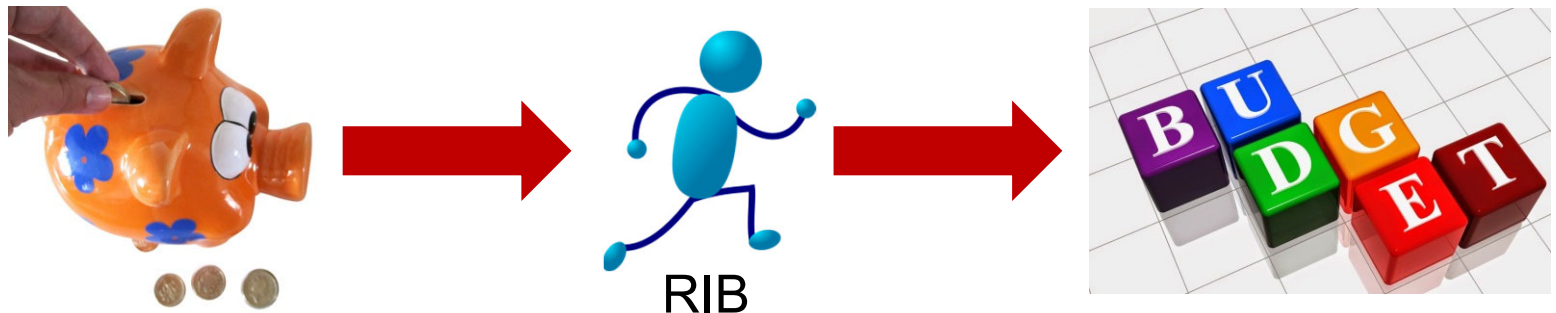
# Estimated Income Accounts

Points to take away on Budget vs. Actuals:

- ❖ The actuals column, revenue/expense net is the real picture of how my fund is performing.
- ❖ Learning how to judge my revenue estimate vs my actual revenue and how that effects how I spend my budget is important.
- ❖ An account manger can spend within budget and still end up with a deficit if the account doesn't bring in enough revenue.

# RIB Accounts

- ❖ Revenue and expense budget are increased after deposits are made.
- ❖ This is done through a process called RIB (Revenue Increasing Budget).
  - RIB runs daily and will “pick up” any deposits in the account and create both the revenue and the expense budget.
  - Expense budget is always put to M&O 672000.
- ❖ RIB can be run on demand, if necessary, but usually revenue will be picked up within 24 hours via normal process.



# RIB Accounts

How do I read my budget in B2A?

**Budget to Actual Report**

Financial Management Area

FM Area: 754

Fiscal Year / Period

Fiscal Year: 2016  
Period: 1

FM Account Assignment

Fund: 2028291000  
Funds center: 1318190000  
Commitment Item:  
Commitment Item Group: 00BUDALL  
Functional Area:  
Funded Program:

Variant

Layout: /00MULTIYR

Choose the multi-year layout for RIB funds

Choose the Commitment Item Group that works for your type of fund.

Funds Crosswalk

LEGEND:  
■ = Paid from Central Account  
■ = Paid from Individual Account

Fund		Salary Review	University Longevity	State Longevity Pay	Fringe Benefits	Work-Study Match/Ingrate	Commitment Item Group
10000500XX	Operations Support						00BUDWEXCP
10000600XX	Space Support						00BUDWEXCP
10000800XX	Geography Education						00BUDXFRWO
10000900XX	Semiconductor Initiative						00BUDXFRWO
10010000XX	Multi-Institutional Teaching						00BUDWEXCP
10011000XX	Edwards Aquifer						00BUDWEXCP
10012000XX	Long-Term Health Care						00BUDWEXCP
10018000XX	Research Development						00BUDXFRWO
10020000XX	School Safety Center						00BUDXFRWO
10022000XX	Performance Incentive						00BUDWEXCP
10070000XX	Organized Activity - Child Development Center						00BUDXFRWO
10070100XX	Organized Activity - Freeman Ranch						00BUDXFRWO
10070200XX	Organized Activity - Speech, Hearing, & Language Clinic						00BUDXFRWO
10070300XX	Organized Activity - Polysomnography Sleep Lab						00BUDXFRWO
10070400XX	Organized Activity - Respiratory Care Outreach						00BUDXFRWO
14000000XX	Advanced Research						00BUDXFRWO
14000100XX	Advanced Technology						00BUDXFRWO
15100000XX	Technology Workforce Development						00BUDXFRWO
20000110XX	Designated Method						00BUDWEXCP
2000021000	Indirect Cost - Research Enhancement Programs (9*)						00BUDXFRWO
2000021000	Indirect Cost - Recovered Indirect Cost						00BUDALL
20000210XX	Indirect Cost						00BUDWEXCP
20200110XX	Advising Fee						00BUDWEXCP
20210010XX	Computer Service Fee						00BUDWEXCP
20220010XX	Library Fee						00BUDWEXCP
20240210XX	Computer Repair & Installation						00BUDALL
20240310XX	Telecommunication Services						00BUDWEXCP
20240510XX	Duplicating						00BUDALL
20240610XX	Facilities Warehouse						00BUDALL
20240710XX	Maintenance Non-E&G						00BUDALL
20240810XX	Transportation Services						00BUDALL
20240910XX	University Print Shop						00BUDALL
20241010XX	Utilities						00BUDWEXCP
20241210XX	University Marketing - Digital Imaging						00BUDALL
20241310XX	Biology Vehicle Operations						00BUDALL
20241410XX	Instructional Technology Service Center						00BUDALL
20241510XX	Classroom Technology Service Center						00BUDALL
20241610XX	Reprographic System						00BUDALL
20241710XX	Access Services Warehouse						00BUDALL
20241810XX	UPD Keyshop Warehouse						00BUDALL
20241910XX	Keyshop Overtime						00BUDALL
20270310XX	Undergraduate Admissions Evaluation Fee						00BUDALL
20270410XX	Undergraduate Application Fee						00BUDALL
20270510XX	Alcohol Education Seminars						00BUDALL

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The rising STAR of Texas

# RIB Accounts

How to read Revenue:

- Use 28REVENUE commitment item group-revenue only
- Or use 00BUDREVEX-shows revenue and expenses

Fund = 2028491000								
Commitment Item G...	Commit...	Commitment Item Name	Original Budg...	APY Budget	Budget Adju...	Total Budget	Current YTD Actuals	Available Balance
28REVENUE	417010	Non Student Fees	0.00	0.00	0.00	0.00	767.00-	767.00
	417080	Sales Revenue	0.00	0.00	0.00	0.00	185.00-	257.00
	417110	Camps/Conf/Workshops	0.00	0.00	0.00	0.00	17,462.00-	18,312.00
	417300	Intrafund Transfer I	0.00	0.00	0.00	0.00	0.00	61,464.08
	641701	Non Student Fees	0.00	0.00	767.00-	767.00-	0.00	767.00-
	641708	Sales Revenue	0.00	72.00-	185.00-	257.00-	0.00	257.00-
	641711	Camps/Conf/Workshops	0.00	850.00-	17,462.00-	18,312.00-	0.00	18,312.00-
	641730	Intrafund Trnsfr In	0.00	61,464.08-	0.00	61,464.08-	0.00	61,464.08-
28REVENUE			0.00	62,386.08-	18,414.00-	80,800.08-	18,414.00-	0.00
<b>TOTAL REVENUE</b>			0.00	62,386.08-	18,414.00-	80,800.08-	18,414.00-	0.00

# RIB Accounts

How to read Budget & Expenses:

- Use commitment item group 00BUDALL
- Use Multi-year layout, pulls in All Prior Year (APY) activity

Commitment Item Group	Commi...	Commitment Item Name	APY Budget	Budget Adju...	Total Budget	APY Actual	Current YTD A...	Total Encum...	Available Balance
02GRADUATE STUDENT SALARIES			0.00	1,460.00	1,460.00	0.00	1,460.00	0.00	0.00
21FRINGE BENEFITS			0.00	85.84	85.84	0.00	89.52	0.00	3.68-
<b>TOTAL PERSONNEL COSTS</b>			<b>0.00</b>	<b>1,545.84</b>	<b>1,545.84</b>	<b>0.00</b>	<b>1,549.52</b>	<b>0.00</b>	<b>3.68-</b>
22STUDENT WAGES	701400	Student Wages	0.00	0.00	0.00	0.00	5,170.00	0.00	5,170.00-
22STUDENT WAGES			0.00	0.00	0.00	0.00	5,170.00	0.00	5,170.00-
24MAINTENANCE & OPERATING	672000	M&O	60,235.08	16,868.16	77,103.24	0.00	0.00	0.00	77,103.24
	720100	Membership Dues	0.00	0.00	0.00	0.00	825.00	0.00	825.00-
	721000	Fees - Other Charges	0.00	0.00	0.00	0.00	30.00	0.00	30.00-
	721002	MC/Visa Fees	0.00	0.00	0.00	0.00	23.10	0.00	23.10-
	727300	Reprod and Printing	0.00	0.00	0.00	0.00	1,682.29	0.00	1,682.29-
	729100	Postal Services	0.00	0.00	0.00	0.00	79.13	0.00	79.13-
	729900	Purch Contracted Ser	0.00	0.00	0.00	0.00	300.00	0.00	300.00-
	730000	Consumable Supplies	0.00	0.00	0.00	0.00	1,794.35	0.00	1,794.35-
	736700	Pers Prop Maint/Rep	0.00	0.00	0.00	0.00	111.60	0.00	111.60-
	747000	Rental of Space	0.00	0.00	0.00	0.00	8.00	0.00	8.00-
	767900	Scholarships	0.00	0.00	0.00	0.00	1,470.00	0.00	1,470.00-
	798701	Intrafund Transfer O	0.00	0.00	0.00	251.23	0.00	0.00	251.23-
24MAINTENANCE & OPERATING			<b>60,235.08</b>	<b>16,868.16</b>	<b>77,103.24</b>	<b>251.23</b>	<b>6,323.47</b>	<b>0.00</b>	<b>70,528.54</b>
<b>TOTAL OPERATING BUDGET &amp;</b>			<b>60,235.08</b>	<b>16,868.16</b>	<b>77,103.24</b>	<b>251.23</b>	<b>11,493.47</b>	<b>0.00</b>	<b>65,358.54</b>
28ADMINISTRATIVE OVERHEAD	672100	Admin Overhead	2,151.00	0.00	2,151.00	0.00	0.00	0.00	2,151.00
	721001	Overhead Charges	0.00	0.00	0.00	3.44	166.64	0.00	170.08-
28ADMINISTRATIVE OVERHEAD			<b>2,151.00</b>	<b>0.00</b>	<b>2,151.00</b>	<b>3.44</b>	<b>166.64</b>	<b>0.00</b>	<b>1,980.92</b>
<b>28ADMINISTRATIVE OVERHEA</b>			<b>2,151.00</b>	<b>0.00</b>	<b>2,151.00</b>	<b>3.44</b>	<b>166.64</b>	<b>0.00</b>	<b>1,980.92</b>
			<b>62,386.08</b>	<b>18,414.16</b>	<b>80,800.24</b>	<b>254.67</b>	<b>13,209.63</b>	<b>0.00</b>	<b>67,335.78</b>

# Part III

## Year End Processes by Fund Type

- High-level concept: What is a Fund Balance?
- Accounts with Carryforwards
- Accounts with Fund Balance and Available Reserves
- Multi-year accounts

# What is Fund Balance?

- ❖ Fund balance is the accumulation of net income over the years. Some funds may have deficits which ultimately would have to be recovered or paid back in some manner.
- ❖ All funds are revenue generating and we calculate fund balance for all funds.
  - Calculation is done in Financial Reporting & Analysis office.
  - Fund manager is responsible for deficits.
  - Fund balance can be seen in special layout of Budget to Actual.
- ❖ Multi-year funds – the budget balance is equal to the fund balance so you can see this in your normal Budget to Actual.

# What is Fund Balance?

The difference to the cost center level account manager for how this is handled at the end of the year is dependent on what type of fund you have:

- ❖ Most Centrally Budgeted accounts have a fund balance for the fund manager but at the departmental level you will see carryforwards processed.
  - Example Designated Method, Student Service Fee
- ❖ Estimated income accounts have a calculated fund balance and available reserves. No carryforwards at any level.
  - Example: Athletics, Orchestra IG, and Medical Service Fee
- ❖ Multi-year accounts don't get either since fund balance is = to budget balance.
  - Exception is IDC accounts which are slice of the pie accounts in MY funds.

# Carry Forwards or Reserve balances?

Primary Fund Group Accounts  
with Non-Personnel Budgets  
(Operating Budget)

→ Most are carried forward routinely.

Non-Primary Fund  
Group Accounts

→ Multi-years funds are not carried forward.

→ Fiscal-year funds are not typically carried forward. Surplus revenue collapses to available reserves.

The screenshot shows a software interface for budget management. At the top is a menu bar with various icons. Below it is a title bar 'Budget to Actual Report'. The main content area is divided into several sections:

- Financial Management Area:** A field for 'FM Area' with the value '754'.
- Fiscal Year / Period:** Fields for 'Fiscal Year' (2019) and 'Period' (01) to (14).
- FM Account Assignment:** A table with fields for Fund, Funds center, Commitment Item, Commitment Item Group, Functional Area, and Funded Program. Each field has a value and a 'to' field, with a small icon to the right of each 'to' field.
- Variant:** A field for 'Layout' with the value '/RESERVES'.

# Carry Forwards

## Primary Fund Group Carry Forward Process:

- ❖ Purpose is to move budgets between the different FY funds and allow the account manager to keep unspent funding from a prior year.
  
  - Example:
    - 2000011021 1323120000 / 672000 / \$500.00 >>>
    - 2000011022 / 1323120000 / 673100 / \$500.00.
- Note: Carry forward amounts are always taken to carry forward GL 673100

## Operating budgets:

- ❖ 100% carry forward of operating budgets for most accounts.

## Timing:

- ❖ End of year carry forward is processed in September/October of following fiscal year.
- ❖ Carry forwards are continually processed weekly throughout the year to catch any released encumbrances that may occur.

# Carry Forwards

## Funded Programs:

- ❖ Funded programs are unique in that they are usually project based and only valid for a year or two.
- ❖ Examples:
  - REP Grants, SURF grants, Start-up Funds, Diversity Initiatives.
- ❖ Carry forward rules are dictated by funding manager and the fund the funded programs are in.
- ❖ In general, most will get 100% of all items as long as the account is still valid.
- ❖ Once account has ended, unspent funds are returned to the funding manager.
- ❖ Timing:

These typically get the main carry forward in September/October and then may get additional carry forwards throughout the year if encumbrances are released.

# Carry Forwards

Carry Forward Calculations, two step process:

1. Returns – determine how much budget needs to be “returned” to zero out the control line.
  - All control lines get a return in all accounts.
2. Supplements- are the amount carried forward into the new fiscal year account.

# Carry Forwards

## Step 1 Returns:

- ❖ All fiscal year funds get returns even if they collapse to fund balance. We must zero out all budgets at the end of the fiscal year.
- ❖ Returns determine how much budget to return to zero out the prior year's budget.
- ❖ Returns are done by commitment item. For High level operating the return will be to 670000. For all other commitment items the return will be done in the regular commitment item.
- ❖ Returns are calculated as follows:
  - Total budget – actuals - encumbrances = available balance.
  - The return is the opposite amount.
  - $100 - 20 - 20 = 60$ . The return is  $-60.00$ . So  $60.00 - 60.00 = 0$

# Carry Forwards

## Step 2 Supplements:

- ❖ Supplements are the carry forward into the next fiscal year.
- ❖ You may not see everything that was returned in the prior year in your supplements.
- ❖ Supplements are based on the carry forward rules, and therefore only those items allowed to be carried forward will be.
- ❖ All carry forwards go into one commitment item called YEBB (673100) which is part of your operating budget.
  - Exception is Awards (670101) which carries forward to same GL (670101).

# Carry Forwards

## How do I see my Carry Forwards?

B2A: the carry forward will be in the CI YEBB 673100 in your operating section of your budget.

Commitment Item Group	Commitment	Commitment Item Name	Budget Adjust	Total Budget
10STAFF SALARIES			16,422.36	556,706.52
11STAFF AWARDS			4,708.00	4,708.00
<b>TOTAL PERSONNEL COSTS-WO</b>			<b>21,130.36</b>	<b>561,414.52</b>
23TRAVEL			0.00	0.00
24MAINTENANCE & OPERATING	672000	M&O	0.00	5,578.60
	673100	YEBB Carryforward	7,644.67	7,644.67
	703100	Wireless Allowance	0.00	0.00
	720100	Membership Dues	0.00	0.00
	720200	Tuition Emp Training	0.00	0.00
	721000	Fees - Other Charges	0.00	0.00
	726700	Maint/Rep Comp Equi	0.00	0.00

# Carry Forwards

How do I see my Carry Forwards?

FMEDDW: query in FMEDDW on YEBB Doc Type for your account and see both your returns and your carry forwards if you want to see both sides.

Fiscal Yr	Fund	Cmmt ite...	Σ	Amount LC	Entry Document Header Text
2019	2000011019	670400		49,332.37	RETURN OF BUDGET/FY CARRYFORWARD
	2000011019	670220		1,697.04	RETURN OF BUDGET/FY CARRYFORWARD
	2000011019	670101		58,028.13-	RETURN OF BUDGET/FY CARRYFORWARD
	2000011019	670000		1,220.04-	RETURN OF BUDGET/FY CARRYFORWARD
	2000011019	670103		967.50	RETURN OF BUDGET/FY CARRYFORWARD
2019				<b>7,251.26-</b>	
2020	2000011020	670101		58,028.13	PRIOR YEAR BAL>STAFF AWARDS
	2000011020	673100		1,220.04	PRIOR YEAR BUDGET BALANCE
	2000011020	673100		967.50-	PRIOR YEAR BUDGET BALANCE
2020				<b>58,280.67</b>	
				<b>51,029.41</b>	

# Reserve Balances

What are Fund Balances and Reserves and how are they Calculated?

- Fund balance and available reserves are calculated by the Financial Reporting & Analysis Office each year.
- This calculation typically takes place at end of September / beginning of October and is a “snapshot” of your account on the day of the calculation.
- Fund Balance is the net cumulative amount of all prior year activity from revenue and expenses.
- Available Reserves is your fund balance minus any encumbrances on the books at the time the “snapshot” was taken.
  - This is usually different from your fund balance but sometimes can be the same number.
  - Reserves are built up to help in lean years, fund special projects/purchases.

# Reserve Balances

What are reserves and how are they calculated?

- ❖ Fund Balance Calculation is:

Current Year Beginning Fund Balance=  
Prior-year Ending Fund Balance+ Revenues-expenses-transfers

- ❖ Available Reserves Calculation is:

Current Year Available Reserves=  
Prior-year Ending Fund Balance+ Revenues-expenses-transfers-*encumbrances*

- ❖ Snapshot of B2 Schedule Report from Financial Reporting & Analysis:

Fund	FUND BALANCES	SALES AND SERV	SALARIES AND W	OTHER EXPENSES	TRANSFERS AND	FUND BALANCES	Encumbrance s	Available Rese
*** Paren	45,272.14	61,114.00		34,358.55-		72,027.59	3,594.00	68,433.59

# Reserve Balances

## How to look at my reserves:

- Need security for fund center 1040999999
- Not all users will be given access, usually fund manager and admin/budget specialist will have access.
- Special B2A layout (directions on Budget Office website, How to & Reference Docs)

The screenshot displays a web-based interface for a 'Budget to Actual Report'. At the top, there is a navigation bar with a 'Menu' dropdown, a green checkmark icon, a search box, and several utility icons (back, save, refresh, home, close, print, etc.). Below this, the main content area is titled 'Budget to Actual Report' and is divided into several sections:

- Financial Management Area:** A field for 'FM Area' is set to '754'.
- Fiscal Year / Period:** 'Fiscal Year' is set to '2019' and 'Period' is set to '01', with a 'to' field set to '14'.
- FM Account Assignment:** A table of filters with the following values:

Fund	2028431019	to		[icon]
Funds center	1040999999	to		[icon]
Commitment Item	390100	to		[icon]
Commitment Item Group				
Functional Area		to		[icon]
Funded Program		to		[icon]
- Variant:** A field for 'Layout' is set to '/RESERVES'.

# Reserve Balances

How to look at my reserves

Execute report and you get this:

<b>Fiscal year</b>	= 2016
<b>Period</b>	= 001 to 016

Fund	Fund Name	Σ Current YTD Actuals	Σ Available Balance
2028431016	CLSD Parent/Fam Rel	37,687.59-	37,687.59
		▪ 37,687.59- ▪	37,687.59

Drill down and you can see detail:

Fiscal Year	P	Value ty...	Prd	FM posting date	Σ	Pymt Bdgt	Funds Center	Cmmt It...	Commitment item name	Text
2016		Invoices	1	09/30/2015		68,433.59-	1040999999	390100	Fund Balance Reserve	Parent & Family Relations Account
2016		Invoices	4	12/14/2015		30,746.00	1040999999	390100	Fund Balance Reserve	1700011171 Use Parent & Family Relations
						▪ 37,687.59-				

# Multi-Year Accounts

## Year end Process

- ❖ RIB Multi-year accounts do not get carry forwards or go through the fund balance/available reserves calculation process.
- ❖ Because the revenue is real time via RIB (Revenue Increasing Budget) and expenses are real time, the fund balance equals the budget balance.
- ❖ RIB Multi-year accounts are accounts that start with 4\*, 5\*, 6\*, and 9\*.
- ❖ There are some designated funds (2\*\*\*\*1000) that are multi-year RIB accounts.

# Important Take-Aways!

- ❖ A fund is a self-balancing set of accounts with a fund balance.
  
- ❖ The type of fund dictates all processes:
  - Restrictions and limitations on spending
  - How budget is set up in the account
  - How the account is read in various reports
  - What happens to the budgeted balances at the end of the year