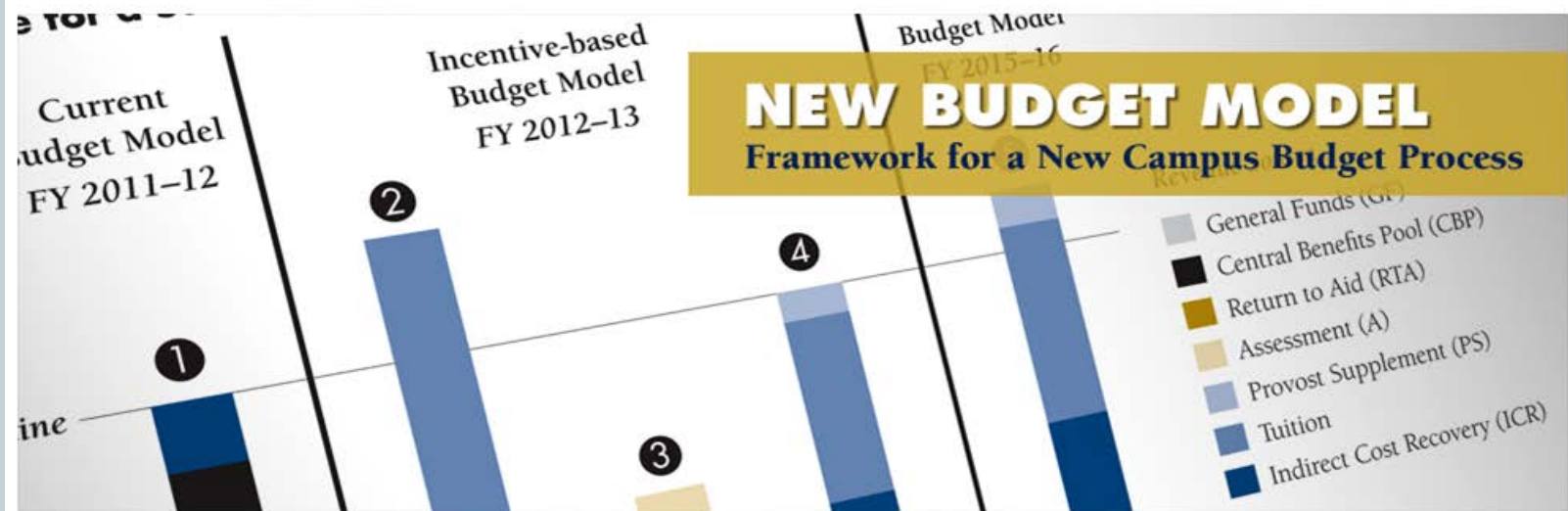


# Budget Concepts- A Campus Overview

1

## Budget & Institutional Analysis

About ▸ Analyses & Reports ▸ Budget Model Budget Planning ▸ Campus Data ▸ Tuition & Fees ▸  
Presentations Rates ▸ Resources ▸ Capital & Space



# Agenda

2

## Section 1:

- What is a budget
- Systemwide & Campus Perspective
- Budget Concepts
- Budget Policies

## Section 2:

- Establishing Budgets
- Reading Decision Support Reports
- Budget Maintenance

## Section 3:

- Conclusion



After today, the following will help you if you are able to ....

3

- Impress your friends by explaining:
  - UC systemwide budget trends
  - The UC Davis budget process
- Converse with your neighbors on budgetary concepts
- Understand the benefit of a unit budget process

# And you will be able to ...

4

- Run and read Decision Support budget reports
- Monitor and update current and base budgets



# Introductions

5

- Name
- Department
- Position
- Years experience with Campus budgeting

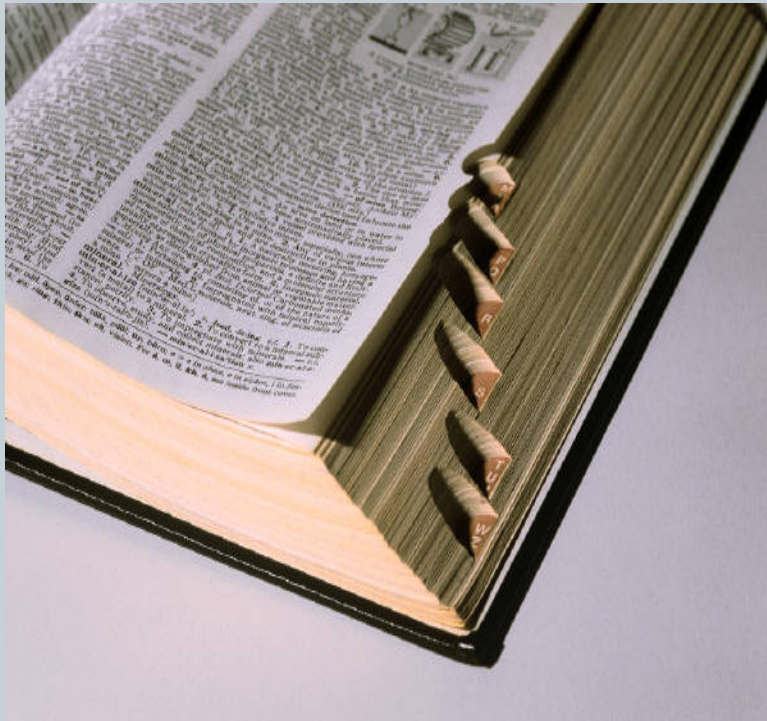


# Section 1

- What is a budget
- Systemwide & Campus Perspective
- Budget Concepts
- Budget Policies

# What is a budget?

7



## Webster's Dictionary

A plan for the coordination of resources and expenditures

# What is a budget?

8

## UC Davis

A plan for aligning sources (revenues) and uses (expenditures) to achieve programmatic goals.





# A Plan is.....

9

- Thoughtful and thorough
- Goal specific
- Time driven
- Involves data gathering
  - Past and current information
- Includes assumptions about the future

# The Nature of the Plan

10

- Involves many perspectives
  - Examples include: Campus, staff, student, faculty, general public and outside entities
- Is process driven
  - Documentation on how the plan was created and communicated
- Not Perfect
  - Best guesses based on historical data
- An ongoing process
- Always monitored for changes



# A budget is important for:

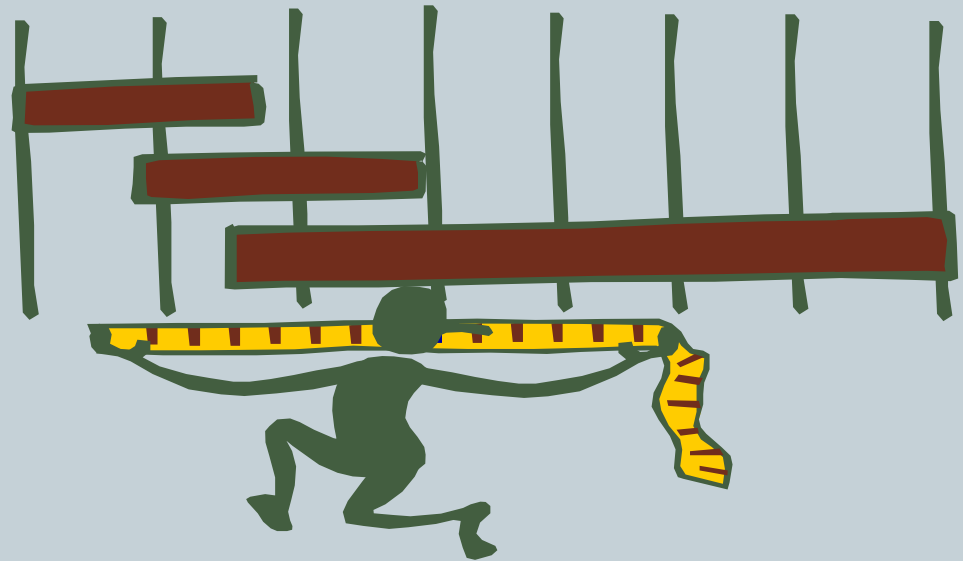
11

- Prioritizing
- Understanding resource requirements & availability
- Aligning resources with priorities
- Cost-effective spending

# A budget is essential to:

12

- Ensure accountability
- Measure effectiveness of resource management

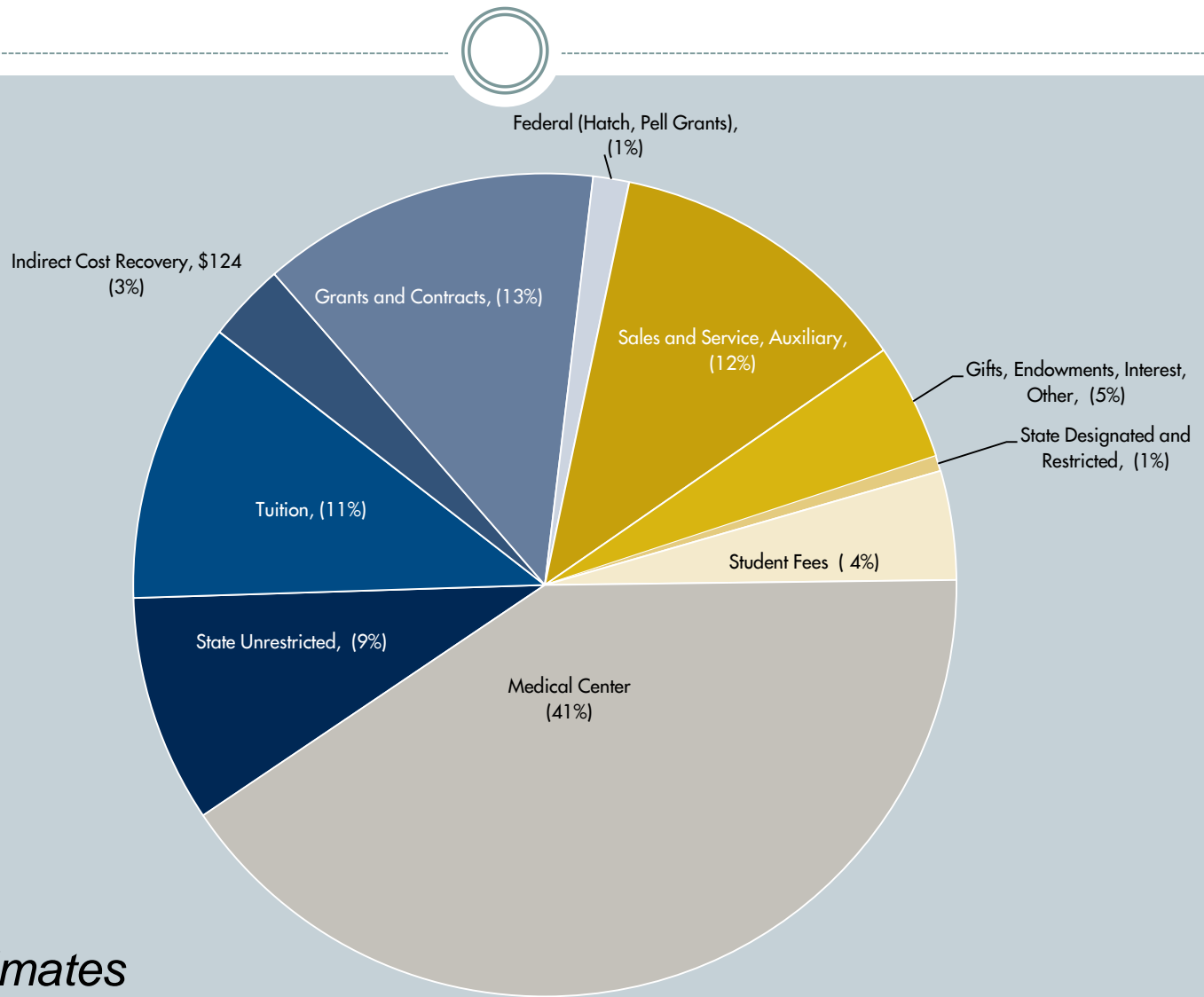


# Systemwide & Campus Perspective

13



# UC Davis Revenue: \$4.3 billion

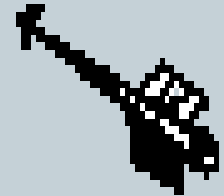


2015-16 Estimates

# Allocating Funds

15

How does the  
University get its  
State General  
Fund budget?



# UC Budget Process

16





# How are funds allocated to the campus?

17

Governor / Legislative Approval



UC Office of the President



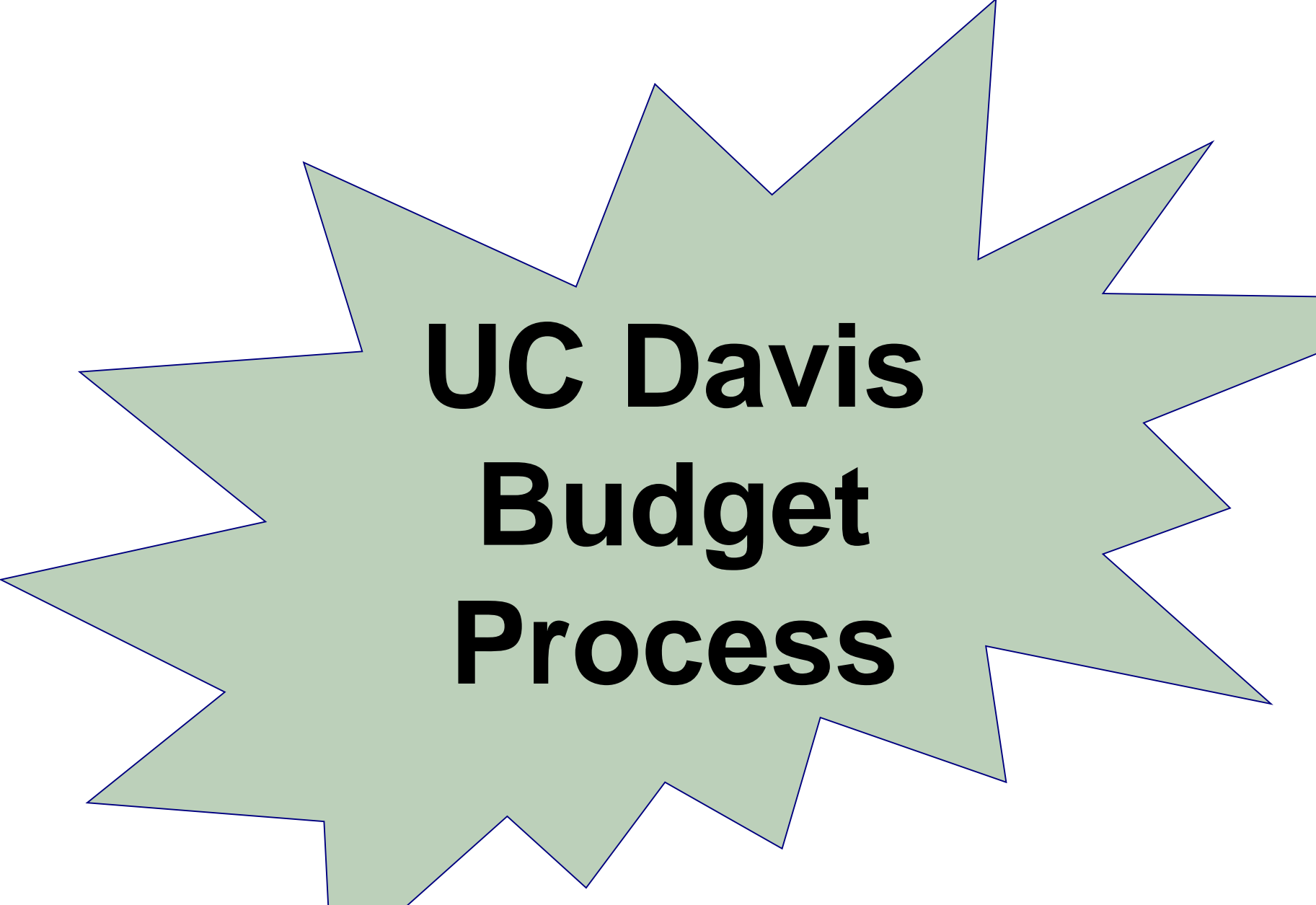
UC Davis (Budget Office Allocates)



Dean or Vice Chancellor Office



Department

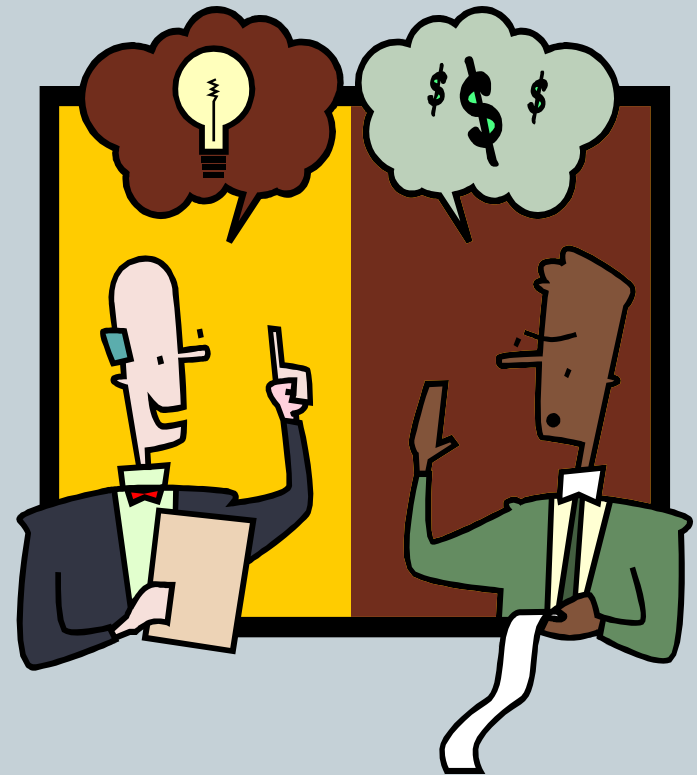


**UC Davis  
Budget  
Process**

# Budget Process Guiding Principles

19

- Open, understandable and fair
- Focus is on performance and priorities
- Balanced between centralization and decentralization to ensure decisions are made as close as possible to the programs



# Budget Process

20

- Annual process for budgeting General Fund, tuition and Indirect Cost Return.
- Provost/CFO provide Budget Framework letter around March that includes campus planning assumptions for following fiscal year.
- Deans/Vice Chancellors meet with Chancellor/Provost and BIA in Spring to discuss unit budgets: challenges, priorities, opportunities, initiatives.
- Final allocation letter released in July that includes information about Provost Allocation decisions and tuition revenue allocated through the Budget Model.

# You mentioned a Budget Model?

21



# Budget Model Principles

22

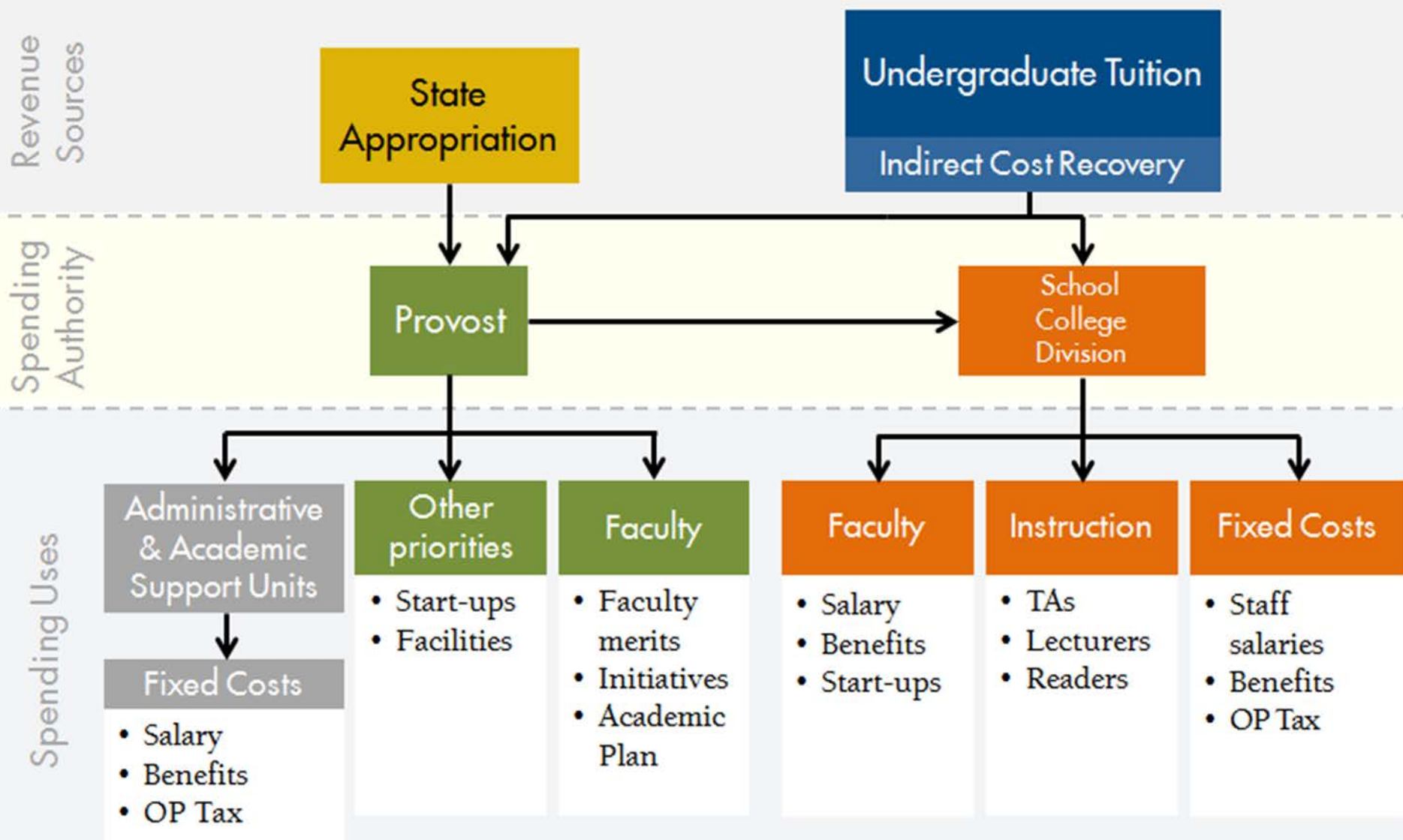
- Attribute revenue to generating unit
- Units more responsible for funding activities
- Create incentives
  - Improve student experience
  - Identify and pursue new revenue
  - Manage resources with eye to long-term returns

# Budget Model Principles

23

- Be sustainable
  - Create incentives that advance campus goals
  - Be transparent
  - Be as simple as possible to understand
  - Balance local autonomy with campuswide vision and values
- Include transition strategies

# Revenue Flow





# Why did we make this change?

25

- As state support for UC has declined, campus has become increasingly dependent on funds generated by campus
- New UCOP policy allows campus to keep the revenues that it generates.

# Budget Model Implementation

26

- In July 2012, we implemented undergraduate tuition revenue and ICR budget models.
- In July 2014, we implemented Summer Session and graduate tuition revenue budget models.
- Continue to review and monitor as we go along.

# Where can I get more information?

27

## Budget and Institutional Analysis Website:

<http://budget.ucdavis.edu/budget-model>

- Updates and Status Reports
- Overview documents
- White Papers - Allocation Details
- Materials from other universities



**Provost and Executive Vice Chancellor  
Ralph J. Hexter**

# Departmental Budgeting

28

Now that we know the campus budget process...Let's look at how a department would develop a budget.

# Developing a Departmental Budget

29

You have been given the assignment to develop your department's budget process. What steps do you think should be included?



# Order Your Steps and Match the Actions

## My Departments Budget Process

### Possible Steps Order 1 - 6

Order	Steps
_____	Review
_____	Communication
_____	Approval
_____	Budget Requests
_____	Monitoring
_____	Develop Policy and Direction

### Possible Actions Match to Steps (Draw line to steps)

Reports generated for review

Finals presented to budget committee or department head

Clarification and expanded information request

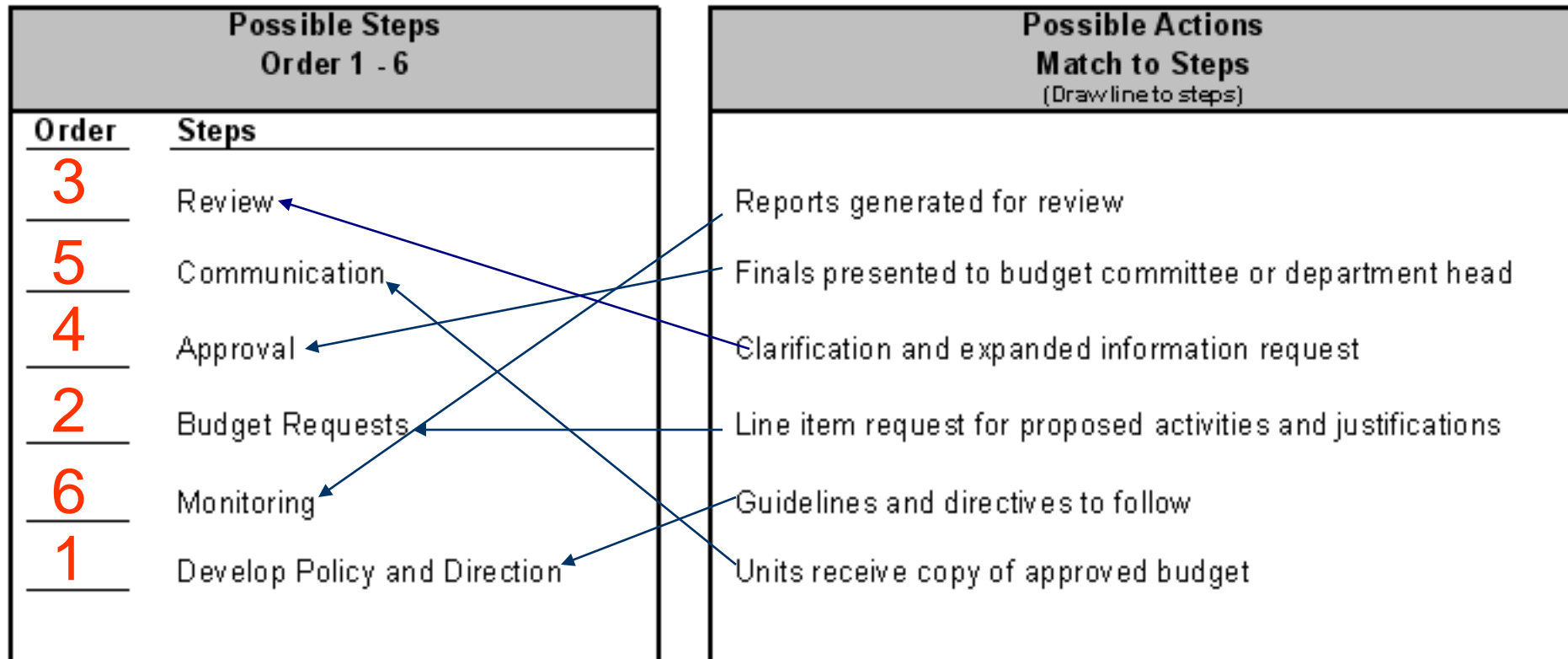
Line item request for proposed activities and justifications

Guidelines and directives to follow

Units receive copy of approved budget

# Order Your Steps and Match the Actions

My Departments Budget Process



# Share with the class

32



Based on what we just covered...

- What was a surprise?
- What was not a surprise?



# Budget Concepts

33



# Budget Concepts

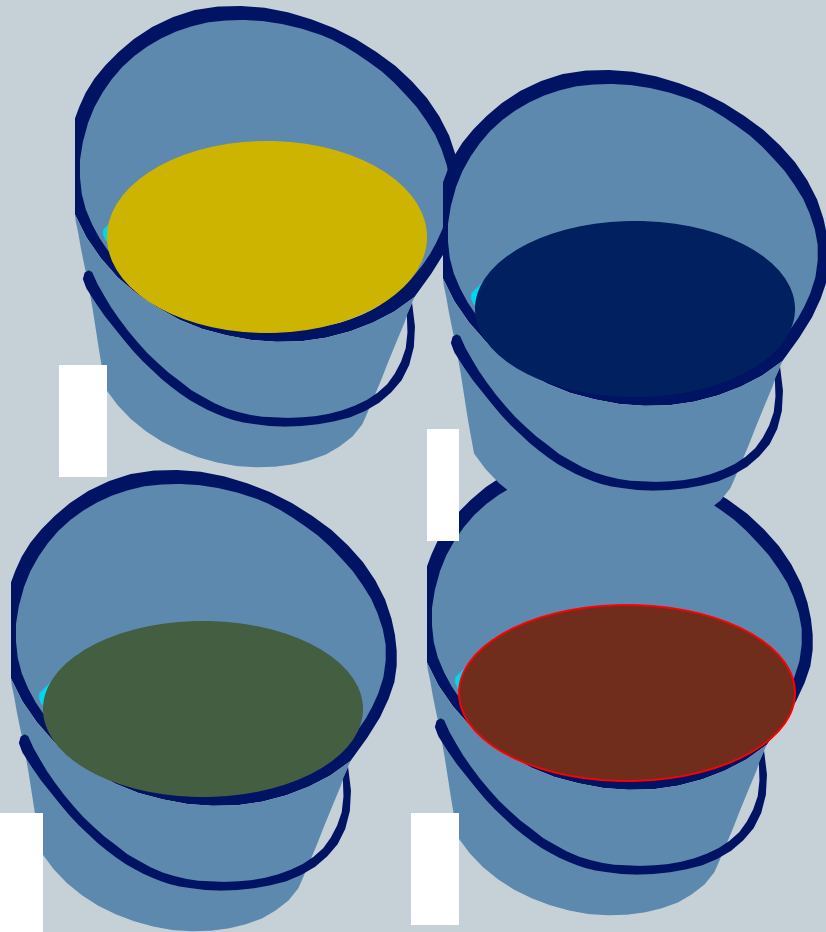
34

- 1) Fund accounting
- 2) Fund type
- 3) Higher Ed function codes
- 4) Object consolidation codes
- 5) Object codes
- 6) Appropriations
- 7) Encumbrances
- 8) Base budget vs. Current budget



# 1. Fund Accounting

35



Funds established to ensure accountability and to align expenditures for designated purposes.

*"Putting transactions into buckets"*

*Also referred to as "color of money"*

## 2. Fund Type

36

- Funds come with a distinct purpose.  
(must retain its color)
- Different fund types
  - Are accountable to different parties
  - Limit how much you spend
  - Limit how you spend it

# What are the Fund Types at UC Davis?

37



# Sub Fund Group Types

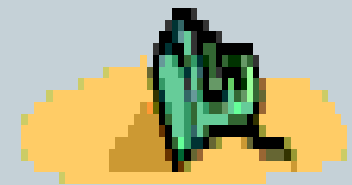
38

Sub Fund Group Type	Sub Fund Group Type Name
0	Retirement of Indebtedness
1	Agency Accounts
10	Retirement of Indebtedness
2	Loan Funds
3	General Fund Income
4	Sales and Service of Teaching Hospital
5	Reserves for Renewal and Replacement
6	Service Enterprises
7	Reserves
8	Bal Sheet/Balancing Accounts
8P	Balance Sheet/Balancing Accounts-Plant
9	Investment in Plant
A	Auxiliary
B	Federal Appropriations
C	Federal Contracts
D	State Appropriations (non C & G)
E	Endowment Funds Income
F	Federal Grants
G	General Funds (State Support)
H	State Appropriations - C & G
I	Intercampus (Recharge)
J	Private Contracts
K	Endowments Prin Opp Funds
L	Local Government
M	Self Supporting Activities(Other Sources
N	State Government FFT
O	Reserved for future use
P	Private Grants
R	Private Restricted Gifts
S	State Government
T	Student Fees
U	Private Unrestricted Gifts
V	Local Government FFT
W	Private Grants FFT
X	Private Contracts FFT
Y	Sales and Service Educational Activities
Z	Plant

# Notable Funds

39

- General Funds and Tuition
- Student Services Fee
- Campus Based Student Fees
- Endowments & Gifts



# Notable Funds

40

- Extramural activities (contracts & grants)
- Indirect Cost Recovery (ICR)
- Patent Funds
- Self-supporting activities





# General Funds and Tuition

41

- General Fund (OP Fund 19900)
  - State Appropriation
  - Tuition
- UC General Funds
  - Generated by the University
    - Non-resident tuition, application fees, portion of overhead
- Budget = authority to spend
- Funds should be expended or encumbered in same year

# Undergraduate Tuition Revenue in the Budget Model

42

- After Financial Aid (~30% of tuition) and a portion of nonresident supplemental tuition:
  - 70% to schools and colleges based on their share of:
    - Student Credit Hours (60%)
    - Majors (30%)
    - Degrees (10%)
  - 30% to Provost (redistribute back out to academic and administrative units).

# Student Fees

43

- Student Fees (SFGT T)
  - Tuition
    - Financial Aid
    - 19900 - General Fund
  - Student Services Fees
    - Student Support Services that benefit students
  - Professional School Fees
    - Professional school operating budget support
    - Financial Aid support
  - Student Referendum
  - Chancellor or Regents
  - List available on BIA website:  
<http://budget.ucdavis.edu/studentfees/index.html>

# Student Fees

44

## 2015-16 Student Fees for Undergraduate California Residents

ASUCD Fee		\$	105.00
Memorial Union Fee		\$	85.50
Facilities and Campus Enhancements Fee		\$	412.18
Campus Expansion Initiative		\$	548.81
Student Services Maintenance Fee and Student		\$	343.86
Activities and Services Initiative Fee			
Student Facilities Safety Fee		\$	66.00
Student Services Health Fee		\$	132.00
Unitrans		\$	18.00
Student Services Fee		\$	1,020.00
Tuition		\$	11,220.00
<b>TOTAL, California Residents (excludes Health Insurance)</b>		\$	<b>13,951.35</b>
Health Insurance Fee [2]		\$	2,115.00

# Endowments and Gifts

45

- Endowment funds
  - Donor stipulates principal is to remain intact.
  - Only income from investment of the funds may be expended.
- Gifts are funds donated for unrestricted or designated purposes by non-university individuals or organizations.
- Both are typically restricted to specific uses; our responsibility to use those funds consistent with those restrictions.

# Extramural Funds

46

- Funds received under grants, donations, or contracts from sources outside the university, including federal, state, and local governments and private organizations.
- Authority to spend/commit third party funds based on terms of the contract or grant.
- Not regularly budgeted - **Current Budgets Only**

# Indirect Cost Recovery Funds

47

- Overhead recovery
  - Campus is reimbursed for some of the costs the campus has incurred to support that research
- Based upon the amount and type of research conducted on the campus
- Also referred to as Facility & Administration (F&A) Costs.

# Indirect Cost Recovery Funds Budget Model Formula

48

- After categorical set-asides
  - 37% to units
  - 63% to Provost
  - Portion to units based on administrative home
- Example of set-asides
  - Garamendi financed buildings
  - Research funded by the American Recovery and Reinvestment Act of 2009 (ARRA)



# Patent Funds

49

- Royalties earned for UC Davis-sponsored inventions.
- UC Davis receives net patent revenue (patent revenue after legal fees and inventor shares are deducted) and research share revenues from UCOP.
- BIA allocates 70% of net revenues to Deans and Departments based on who earned the revenues (70% of these revenues go to the departments, 30% to the Dean's Office).
- 15% of net revenues go to the Office of Research to support patent-related activities.
- 15% of net revenues goes to the Provost.

# Self Supporting

50

- Revenue generated supports the activities
- Budget is estimate; authority to spend based on actual revenue
- Rate approval required from campus or VC/Dean's Office.
- Base budget in KFS and Decision Support is same as Rate Proposal Budget

# *And how you spend it!!!*

51

- Different fund types are accountable to different parties.
- Example: General Funds cannot be used for:
  - Direct fund raising
  - Social club memberships
  - Alcohol and tobacco
  - **Capital renovations over \$100,000**

# General Funds...

52



Can I pay for this with General Funds?



# Now, You know the Fund Types

53

Let's Find Out How They Relate  
and Where to Find Them.....

# It All Starts with the Office of the President (OP)

54

- The UC Fund (also know as the OP fund) is a five-digit number representing the source of funding for an account.
- Each UC Fund Number has:
  - A title
  - A sub-fund group
- Both help to further describe the fund source.

# Where can I find the UC Fund?

55

- A list of all the valid fund numbers can be found in the UC Fund Number reference table in Decision Support (FIS 236).

Or

- Contact General Accounting

# Importance of UC Fund Numbers

56

- The Office of the President requires specific information to meet its public reporting needs.
- The **UC Fund** indicates both the funding source and the specific award.



# Where to find them on Existing Accounts

(57)



## Account Detail



DaFIS Decision Support >> Reference Table Sub-Queries >> Account Detail (FIS37) >> Results

Fiscal Period: October-2002  
Chart: 3  
Account: ADMGENL  
OP Account/Fund: 3-723 020-19900

IR INSTITUTIONAL SUPPORT  
GENERAL FUNDS

## Fund Information

Account Type: EX Expenditure (INCOME & EXPENSE ALLOWABLE)  
Organization: IRIT INFORMATION RESOURCES  
High. Ed. Func. Code: INSP INSTITUTIONAL SUPPORT

Fund Group: CF Current Funds  
Sub-Fund Group: GENFND GENERAL FUNDS  
Sub-Fund Type: G General Funds (State Support)

Effective Date: 27-May-97  
Continuation Account:  
Reports-To Account:

Expiration Date:  
Lapse Account:  
Control Account:

Manager: LATOWN TOWNSLEY, LAURA A  
Principal Investigator:

Reviewer:

Account Award #: GENFND  
Account Award Type:  
Account Award Year:

Account Award Amount: 0.00  
Account Award Dates:

Federal Agency Code:  
ICR:  
Plant Claim #:  
Income Authority:  
Federal Customer: N

ICR Account:  
Old Fund #:  
Income Type:  
Presence Control Code: N

Purpose: TO RECORD EXPENSES RELATED TO INFORMATION RESOURCES INSTITUTIONAL GENERAL FUNDS

# Other Attributes: Chart

58

- All accounts must have a chart associated with them.
- UC Davis' accounting system includes 4 charts:
  - Chart 3: main campus
  - Chart S: School of Medicine and School of Nursing
  - Chart H: Hospital
  - Chart L: UC Agriculture and Natural Resources

# 3. Other Attributes: Higher Ed Function Code (HEFC)

59

- A 4-digit code assigned to each account to define the overall purpose of the account.
  - First 2 digits are derived from UC account
- Standardized reporting classifications for higher education
  - Defined by the National Association of College and University Business Officials (NACUBO).

# 3. Higher Ed Function Code (HEFC)

60

## Examples:

- ACAD - Academic Support (43)
- INSP - Institutional Support (66, 72)
- INST - Instruction and Depart. Research (40)
- ORES - Organized Research (44)
- PBSV - Public Service (62)



Higher Education  
Function codes  
are not entered  
directly into  
DaFIS. They are  
derived from  
information,  
provided by A&FS  
staff, on the  
Account Options  
screens.

Categories are dictated by National Standards

# 3. Higher Ed Function Code (HEFC)

## Description of Functions

61

- **ACAD - Academic Support**
  - Activities organized and operated in connection with educational departments.
    - Libraries
    - Dean's Office
- **INSP - Institutional Support**
  - General administrative and service departments serving the University as a whole.
    - Budget Office
- **INST - Instruction and Depart. Research**
  - Instructional departments, including research done as a part of regular instructional programs
    - Geology
    - Mathematics

# 3. Higher Ed Function Code (HEFC)

## Description of Functions

62

- ORES - Organized Research
  - Organized research units including research institutes, centers, bureaus, laboratories and stations
    - Bodega Marine Laboratory
    - Crocker Nuclear Laboratory
- PBSV - Public Service
  - Activities intended to serve the general public
    - Mondavi Center
    - UCD Presents

# Existing Account



## Account Detail



[DaFIS Decision Support](#) >> [Reference Table Sub-Queries](#) >> [Account Detail \(FIS37\)](#) >> [Results](#)

**Fiscal Period:** October-2002

**Chart:** 3

**Account:** ADMGENL

**OP Account/Fund:** 3-723420-19900

IR INSTITUTIONAL SUPPORT

GENERAL FUNDS

**Account Type:** EX Expenditure (INCOME & EXPENSE ALLOWABLE)

**Organization:**

**High. Ed. Func. Code:** INSP INSTITUTIONAL SUPPORT

**Fund Group:** CF Current Funds

**Sub-Fund Group:** GENFND GENERAL FUNDS

**Sub-Fund Type:** G General Funds (State Support)

**Effective Date:** 27-May-97

**Continuation Account:**

**Reports-To Account:**

**Expiration Date:**

**Lapse Account:**

**Control Account:**

**Manager:** IAMMGR

**Principal Investigator:**

**Reviewer:**

**Account Award #:** GENFND

**Account Award Type:**

**Account Award Year:**

**Account Award Amount:** 0.00

**Account Award Dates:**

**Federal Agency Code:**

**ICR:**

**Plant Claim #:**

**Income Authority:**

**Federal Customer:** N

**ICR Account:**

**Old Fund #:**

**Income Type:**

**Presence Control Code:** N

**Purpose:** TO RECORD EXPENSES RELATED TO INFORMATION RESOURCES INSTITUTIONAL GENERAL FUNDS

# 4. Object Consolidation Codes

64



- Divides financial activity into categories
- Umbrella for object codes
- Useful for budget documents
- Helpful to summarize expenditures by category



# 4. Object Consolidation Codes

65

Object Consolidation	Object Consolidation Name
ACAD	ACADEMIC WAGES-BUDGETED
ACAX	ACADEMIC WAGES-UNIV EXTENSION
ACGA	ACADEMIC WAGES-GENERAL ASSISTANCE
BDGT	BUDGET
BLSH	BALANCE SHEET
COBL	COMMITTED OBLIGATION PRE ENCUMBRANCE
INCO	INCOME
INCF	C&G CARRY FORWARD INCOME
INDR	INDIRECT COSTS
KOBL	KNOWN OBLIGATION PRE ENCUMBRANCE
LIEN	LIEN OFFSETS
SB01	ACAD SAL REGULAR FACULTY
SB02	ACAD SAL TEACHING ASSISTANT
SB03	ACAD SAL OTHER TEACHING STAFF
SB04	ACAD SAL HOUSE STAFF
SB05	ACAD SAL ACADEMIC ADMIN
SB06	ACAD SAL OTHER ACADEMICS
SB07	ACAD SAL RESEARCH ASSISTANT
SB09	HATCH FUNDS
SB28	LEAVE ASSESSMENT & USAGE
SB67	LEAVE ASSESSMENT
SB73	SUBCONTRACTS
SB74	IMPROVEMENTS RESERVE
SB75	DEPRECIATION
SBMC	MULTICAMPUS
SCHL	SCHOLARSHIPS & FELLOWSHIPS
STFB	STAFF WAGES - BUDGETED
STFO	STAFF WAGES - OTHER
SUB0	ACADEMIC SALARIES
SUB3	SUPPLIES AND EXPENSE
SUB4	EQUIPMENT AND FACILITIES
SUB5	TRAVEL
SUB6	EMPLOYEE BENEFITS
SUB7	SPECIAL ITEMS
SUB8	UNALLOCATED
SUB9	RECHARGES
SUBG	GENERAL ASSISTANCE
SUBS	STAFF SALARIES
SUBX	OTHER SALARIES

# 5. Object Codes

66



- Object codes allow you to track expenditures by type of expense.
- Several object codes roll-up to one object consolidation code
- Required on financial transactions

## 6. Appropriations are....

67

- Authority to spend
- Budgeted as a *credit* by object consolidation codes.
- A.K.A. Allocations

# How Appropriations Show on the Ledger



## Balance Summary



DaFIS Decision Support >> General Ledger >> Balance Summary (FIS1) >> [Print](#)



Consolidation	Object Consol. Name	Approp	Expend	Encumb	Balance
					<a href="#">View Ledger</a>
SB03	ACAD SAL OTHER TEACHING STAFF	12,000.00CR	0.00	0.00	12,000.00CR
SB05	ACAD SAL ACADEMIC ADMIN	126,484.50CR	120,500.12	0.00	5,984.38CR
SB06	ACAD SAL OTHER ACADEMICS	5,424.00CR	5,424.00	0.00	0.00
SUBS	STAFF SALARIES	1,513,702.33CR	1,310,971.97	0.00	202,730.36CR
SUBG	GENERAL ASSISTANCE	134,002.44CR	42,050.39	0.00	91,952.05CR
SB28	LEAVE USAGE	74,713.76	74,713.76CR	0.00	0.00
SUB3	SUPPLIES AND EXPENSE	248,231.97CR	198,555.50	2,119.15	47,557.32CR
SUB4	EQUIPMENT AND FACILITIES	21,565.34CR	11,640.70	0.00	9,924.64CR
SUB5	TRAVEL	22,827.97CR	22,245.67	0.00	582.30CR
SUB6	EMPLOYEE BENEFITS	429,342.15CR	429,342.15	0.00	0.00
SUB8	UNALLOCATED	7,591.61CR	0.00	0.00	7,591.61CR
<b>- GS GENERAL FUNDS Totals:</b>		<b>2,446,458.55CR</b>	<b>2,066,016.74</b>	<b>2,119.15</b>	<b>378,322.66CR</b>

**Spending Authority**

## 7. Encumbrances are..

69



- Funds committed but not yet paid
- Not true financial transactions
- Also referred to as “Liens”
- Recorded as a *Debit* by object code
- Deducted from allocations when computing balance

# Types of Encumbrances

70

- **External Encumbrances:**
  - Official university commitments generated by:
    - A Purchase Order
    - Departmental Purchase Order
    - Departmental Repair Order
  
- **Internal Encumbrances:**
  - Unofficial liens, generated by:
    - Purchase Requisitions
  
- **Pre-Encumbrances:**
  - Unofficial liens generated by:
    - The Departmental Encumbrance document
    - Do not put a hold or lien on departmental funds. These encumbrances are for information and planning purposes only.
    - Includes Payroll liens. See here for additional info: [http://afs-test.ucdavis.edu/our\\_services/payroll-services/payroll-processes-e-procedures/pps-encumbrance-liens.html](http://afs-test.ucdavis.edu/our_services/payroll-services/payroll-processes-e-procedures/pps-encumbrance-liens.html)

# How Encumbrances Show on the Ledger



## Balance Summary



DaFIS Decision Support >> General Ledger >> Balance Summary (FIS1) >> Results



Consolidation	Object Consol. Name	Approp	Expend	Encumb	Balance
					<a href="#">View Ledger</a>
SB03	ACAD SAL OTHER TEACHING STAFF	12,000.00CR	0.00	0.00	12,000.00CR
SB05	ACAD SAL ACADEMIC ADMIN	126,484.50CR	120,500.12	0.00	5,984.38CR
SB06	ACAD SAL OTHER ACADEMICS	5,424.00CR	5,424.00	0.00	0.00
SUBS	STAFF SALARIES	1,513,702.33CR	1,310,971.97	0.00	202,730.36CR
SUBG	GENERAL ASSISTANCE	134,002.44CR	42,050.39	0.00	91,952.05CR
SB28	LEAVE USAGE	74,713.76	74,713.76CR	0.00	0.00
SUB3	SUPPLIES AND EXPENSE	248,231.97CR	198,555.50	2,119.15	47,557.32CR
SUB4	EQUIPMENT AND FACILITIES	21,565.34CR	11,640.70	0.00	9,924.64CR
SUB5	TRAVEL	22,827.97CR	22,245.67	0.00	582.30CR
SUB6	EMPLOYEE BENEFITS	429,342.15CR	429,342.15	0.00	0.00
SUB8	UNALLOCATED	7,591.61CR	0.00	0.00	7,591.61CR
<b>- GS GENERAL FUNDS Totals:</b>		<b>2,446,458.55CR</b>	<b>2,066,016.74</b>	<b>2,119.15</b>	<b>378,322.66CR</b>

# 8. Base vs. Current Budget

72

## Base Budget

- On-going funding.
- Establishes annual operating budget.
- Changes entered this year effect next year's current budget.

## Current Budget

- Shown on year-to-date general ledger reports.
- Total Funds available this year. Includes deficit or surplus from prior year.
- Changes entered this year effect current year budget.



# 8. Base vs. Current Budget

73

Internal Encumbrances:	Yes
C&G History:	Yes
BLSH Consolidation:	Yes
Income Consolidations:	Yes
Indirect Costs:	Yes
Payroll Liens:	Yes
Benefit Liens:	Yes
Default Project:	Yes
Zero Activity Lines:	No

Account	Account Name	Current Budget	Base Budget	FTE
3.		4,767.16CR	0.00	0.00
		4,362.60CR	40,150.00CR	0.00
		21,290.00CR	0.00	0.00
		84,710.00CR	0.00	0.00
		32,170.66CR	30,000.00CR	0.00
		79,268.21CR	84,725.00CR	0.00
		1,903,752.09CR	1,960,581.00CR	13.00CR
		183.00CR	0.00	0.00
3.		<b>2,130,503.72CR</b>	<b>2,115,456.00CR</b>	<b>13.00CR</b>
<b>Report Totals:</b>		<b>2,130,503.72CR</b>	<b>2,115,456.00CR</b>	<b>13.00CR</b>

Need help with Decision Support? Try our [help page](#).  
Additional resources are available on the [FIS web site](#).

# Base vs. Current Budget

74

## Base Budget

- KFS BB document
- Augmented to cover ongoing commitments (i.e., 12 months).
  - e.g., a merit effective 10/1/13 rec' 12 months base budget funding.
  - Provides starting budget for next fiscal year.

## Current Budget

- KFS CB document.
- Augmented to cover current year expenses only.
  - e.g., a merit effective 10/1/13 received 9 months of current budget funding.

# Example:

75

<b>July 1, 2012</b>	<b>129,500</b>	<b>129,500</b>
<b>Surplus from prior year</b>		<b>8,000</b>
<b>Merit- Base=12m, Current=9m</b>	<b>2,800</b>	<b>2,100</b>
<b>June 30, 2013</b>	<b>132,300</b>	<b>139,600</b>
<b>12-13 Expenses</b>		<b>-134,600</b>
<b>12-13 Balance</b>		<b>5,000</b>
	<b>Base</b>	<b>Current</b>
	<b><u>Budget</u></b>	<b><u>Budget</u></b>
<b>July 1, 2013</b>	<b>132,300</b>	<b>132,300</b>
<b>Surplus from 12-13</b>		<b>5,000</b>
<b>Adjusted July 1, 2013</b>		<b>137,300</b>

# Let's Test Your Knowledge!

76

Does a Base Budget prepared on December 1, 2014 affect fiscal year 2014-15?

**NO**

What year does it affect?

**2015-16**

# Would you change your BB for....?

77

One time start-up funding?

No, one-time funding affects current budgets.

Funding for permanent employee?

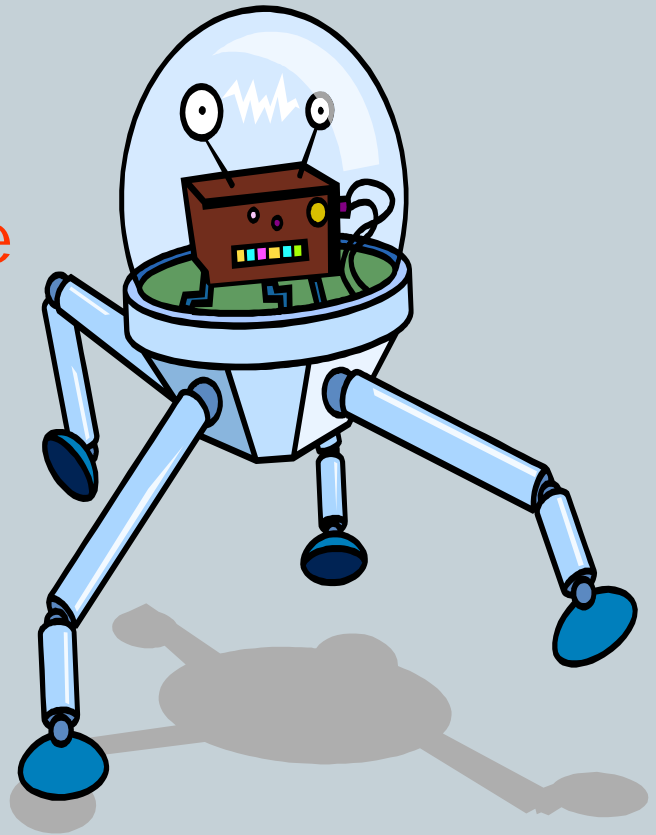
Yes, permanent SUBS employees are reflected in base budgets.

# Would you change your BB for....?

78

- Unusual equipment purchased in current year (SUB4), funded from salary savings?

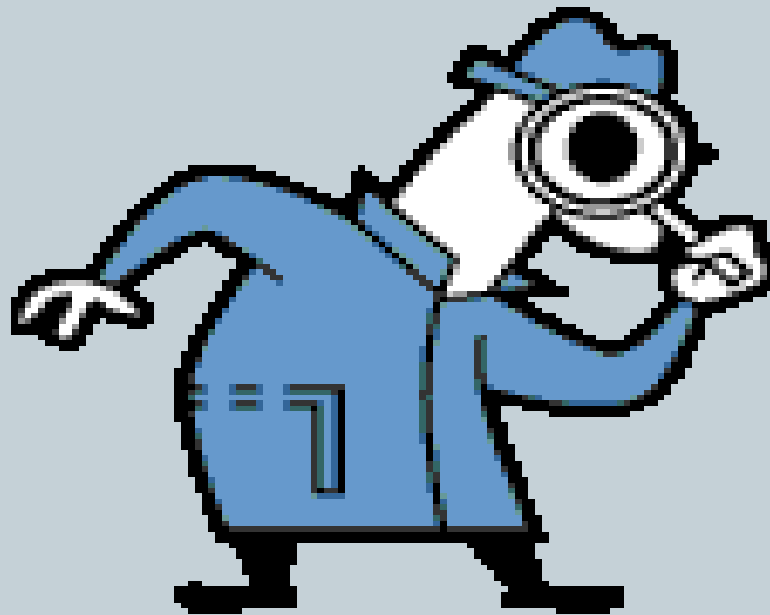
No, the base budget should not be changed to reflect one-time, unusual fluctuations.



# Case Study

79

- Let's look at a scenario and see what we should do.....



# What would you do?

80

- Your staff is swamped with work and are ready to walk out
- You've been given authority to hire additional staff
- There are current year funds available (mostly from salary savings)
- Your base budget is fully subscribed



# What can you do?

81

**Q:** Could you hire a career employee with an indefinite end date?

**A:** No.

When a career employee is hired, the campus is making an indefinite commitment. Current year salary savings will run out, and there will not be base funds to pay the career salary.

**BUT...**you could build salary savings into budget and free up base funding.

## Scene 2:

82

**Q:** What would be some options to relieve workload?

**A:**

- Use current year funds to hire a person from the Temporary Employment Services.
- Hire a person with an appointment end-date (e.g., one year appointment).

# Budgets - Now we know the difference!

83

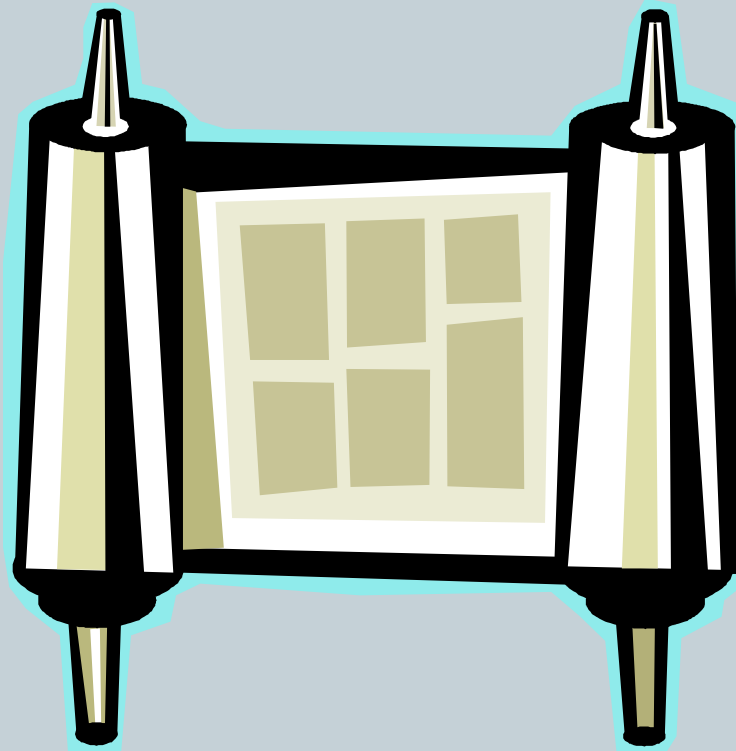


Is the base budget magic?

- What base and current budget situations / allocations do you find unclear?

# Important Budget Policies

84



# Current budget transfers

85

- A budget transaction **cannot** cross funding sources.
- Chart L **cannot** cross with any other chart (3, S & H).
- You can cross between charts 3, H, & S as long as the account is within the same fund.
- Transfers from Location 3 (Davis) to Location L (Office of the President) must be processed on an interlocation transfer.



# Base Budget Transfers

86



- Same as current budget transfers except:
- To/From accounts must have the same higher education function code.
  - ✦ Applies to accounts with general funds or student fee funds.
  - ✦ Contact your Dean or Vice Chancellor if needed.
- Contract and grant accounts are not allowed in this document.

# Base and current budgets

87

## Only Self-Supporting funds should:

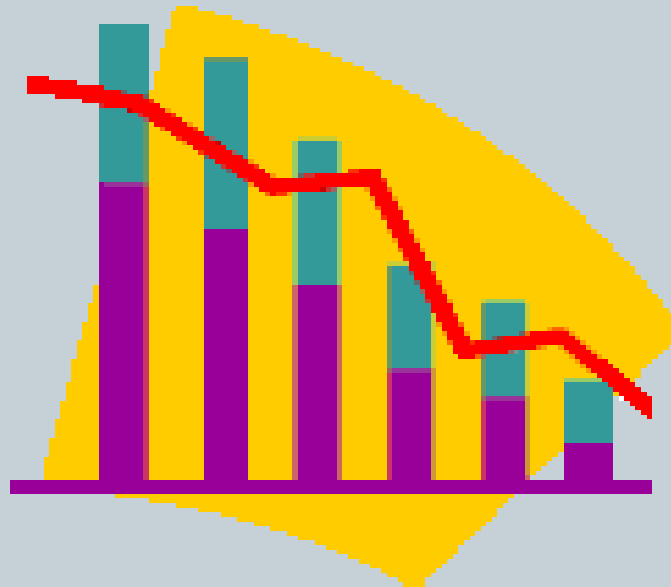
- Budget income (INCO) or Recharge (SUB9)



# No deficit spending!

88

- All fund types
- Responsibility of financial managers

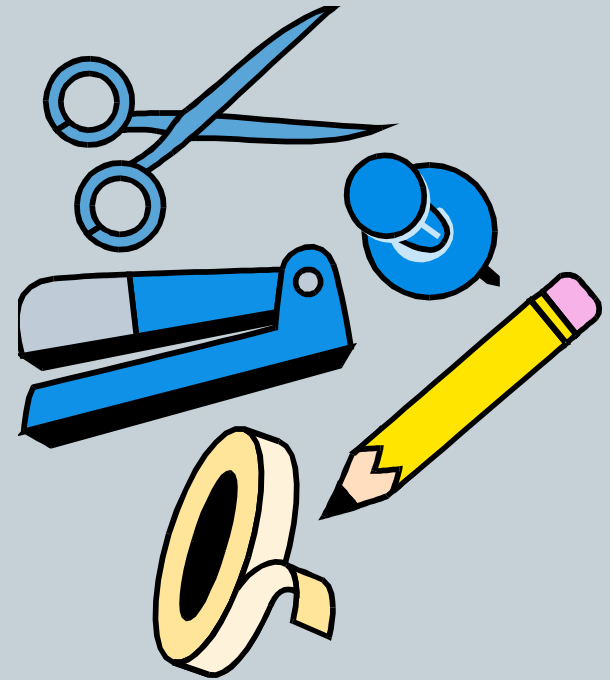




# Costs most departments cover

89

- Salaries and Benefits
- Supplies - OE&E
- Telecommunications
- General Liability (GAEL)
- Equipment replacement



# OE&E Budgets

90

A few words about  
Operating Expense &  
Equipment (OE&E)  
Budgets



# More about OE & E budgets...

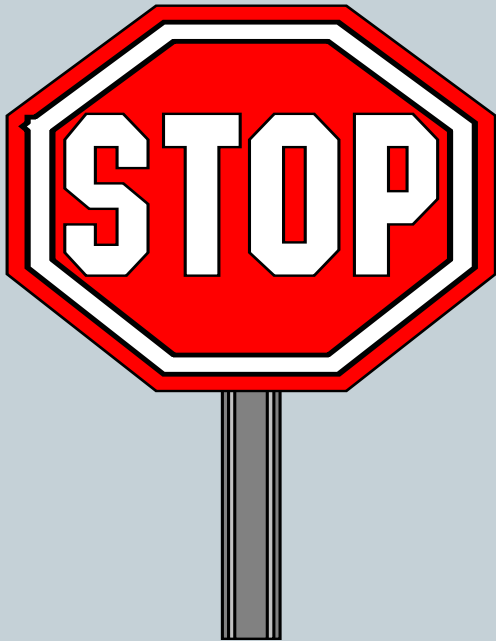
91



- OE & E Budget should cover:
  - Technology costs
  - Job related equipment/Supplies
  - Office supplies
  - Training
  - Copier costs
  - Maintenance/Licensing agreements
- Your Dean/Vice Chancellor Office may have a benchmark.

# Contracts/Grants Stop here

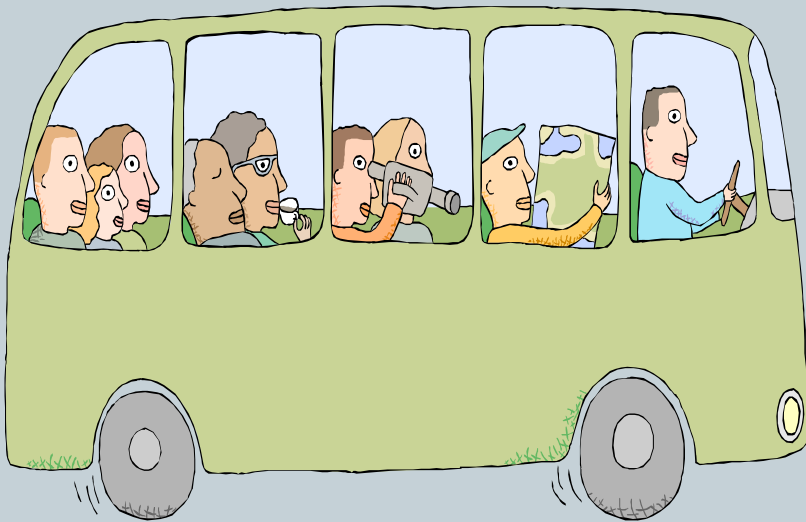
92



- Extramural Accounting will prepare current budget in KFS based upon Grant documents.
- *Proposal Budgeting Basics* Staff development class.

# What have we seen??

93



- UCD budget process
- Budget Concepts
- Budget Policies

# Let's Test your knowledge with a Matching Game

94



Find a friend  
and match the phrases

# Budget Term Match

95

## The Budget Term Match!

A	Base Budget Document	1	Authority to spend
B	Appropriation	2	Divides financial activity into categories
C	Chocolate/Diet Coke	3	On-going funding
D	Object Consolidation Codes	4	The other breakfast of champions
E	UC Fund	5	Defines overall function of an account
F	Another word for Lien	6	Identifies fund source for an account
G	Color of Money	7	Funds come with a distinct purpose
H	Higher Ed Function Code	8	Encumbrance
I	OE&E Budget	9	Computers, Office Supplies

# Budget Term Match - Answers

96

## The Budget Term Match!

A	Base Budget Document	1	Authority to spend
B	Appropriation	2	Divides financial activity into categories
C	Chocolate/Diet Coke	3	On-going funding
D	Object Consolidation Codes	4	The other breakfast of champions
E	UC Fund	5	Defines overall function of an account
F	Another word for Lien	6	Identifies fund source for an account
G	Color of Money	7	Funds come with a distinct purpose
H	Higher Ed Function Code	8	Encumbrance
I	OE&E Budget	9	Computers, Office Supplies



# Budget and Reporting

97

# Section 2

- Establishing Budgets
- Reading Decision Support Reports
- Budget Maintenance

# Why is it important to establish a budget?

98

## General Funds and Tuition

- Authority to spend
- Operating plan
- Management tool
- Basis for some allocations
- Systemwide reporting

## Self-Supporting Funds

- Basis for rates -  
Estimate of earnings
- Operating plan
- Management tool
- Systemwide Reporting

# Budget Format

99

## General Funds and Tuition

- All appropriations are a credit to expense object consolidation codes.

## Self Supporting

- Income/Recharge appropriations are a debit (from).
- Expense appropriations are a credit (to).

# Budget Specific Report Listing

Support >> General Ledger >> Budget Reports  
on Anissa [Logout]

Query Jump :

! : March, 2015 is Open  
February, 2015 is Closed

▶ My Saved Queries	▶ My Scheduled Queries
▶ My Query List	
▶ User Options	
(239) Base Budget Transaction Log ?	(60) Budget Transaction Detail ?
(58) Budget Summary by Account ?	(269) Gift Aging ?
(59) Budget Summary by Consolidation ?	(275) Gift Aging Detail ?
(196) Budget Summary by Project ?	(266) Gift Processing Detail ?
(197) Budget Summary by Project Consolidation ?	(262) UCOP Endowment ?

Need help with FIS Decision Support? Try our [help page](#).  
Additional resources are available on the [FIS web site](#).

/menu.cfm (\$Revision: 1.24 \$Date: 2014/12/17 00:29:22 \$)  
-15 12:43 PM

DS Release 7.6

# General Fund Example

## Base Budget Decision Support Report #59

101

Consolidation	Object Consol. Name	Base Budget	FTE
<b>GENFND - GENERAL FUNDS</b>			
	DC		<a href="#">View Ledger</a>
SB01	ACAD SAL REGULAR FACULTY	1,871,186.00CR	19.23CR
SUBS	STAFF SALARIES	0.00	0.00
SUBG	GENERAL ASSISTANCE	129,734.00CR	0.80
SUB3	SUPPLIES AND EXPENSE	209,105.00CR	0.00
SUB6	EMPLOYEE BENEFITS	0.00	0.00
SUB8	UNALLOCATED	1,235,189.00CR	0.00
<b>3-9919900 - ENGR: PROV. RCRT &amp; CORR TR ALLOC Totals:</b>		<b>3,445,214.00CR</b>	<b>18.43CR</b>
<b>19900 - GENERAL FUNDS Totals:</b>		<b>3,445,214.00CR</b>	<b>18.43CR</b>
<b>GENFND - GENERAL FUNDS Totals:</b>		<b>3,445,214.00CR</b>	<b>18.43CR</b>
<b>Report Totals:</b>		<b>3,445,214.00CR</b>	<b>18.43CR</b>

**Spending Authority**

Need help with Decision Support? Try our [help page](#).  
Additional resources are available on the [FIS web site](#).

# Self Supporting Fund-Example Base Budget

DaFIS Decision Support >> Budget Reports >> Budget Summary by Consolidation (FIS59) >> Results

Through Fiscal Period:

Next Month

Chart(s):

Organization:

OP Fund:

Account:

Type(s) of Budget: Base Budget

Sub Fund Group	OP Fund	Account	Object Consol	Object Consolidation Name	Base Budget	FTE	
SERENT	SERVICE ENTERPRISES	66					
			INC0	INCOME	Income Estimate	12,000.00	0.00
			SUBS	STAFF SALARIES		111,599.00CR	2.60CR
			SUBG	GENERAL ASSISTANCE		45,000.00CR	0.00
			SUB3	SUPPLIES AND EXPENSE		99,195.00CR	0.00
			SUB6	EMPLOYEE BENEFITS		11,273.00CR	0.00
			SB75	DEPRECIATION		2,933.00CR	0.00
			SUB9	RECHARGES	Recharge Estimate	258,000.00	0.00
		Total Account:				0.00	2.60CR

Base Budget Total is Zero

# Budgets and KFS

103



We can...

- Revise budgets easily
- Budget at various detail levels
- Review reports to
  - Compare CB to actual
  - Track activity CB & BB

# Reading Decision Support Reports for Monitoring

104

Can someone help me read these reports?





# Decision Support Report Listing

## Look at All These Options!

General Ledger Review ?

▶ Budget Reports

▶ Object Reports

▶ Encumbrance Reports

▶ Project Reports

▶ Fund Source Summary Reports

▶ Self-Supporting Unit Reports

▶ Managerial Reports

▶ Sub Account Reports

▶ Object Group Reports

▶ Transaction Listing Reports

(1) Balance Summary ?

(20) Summary of Object Balances by Org ?

(273) Expense by Principal Investigator ?

(157) Summary of Object Expenditures by Org ?

(265) Extramural Overdrafts ?

(268) Summary of PI Expenditures by Org. ?

(256) Object Expenditures by Fiscal Year ?

(234) Summary of Sub-Object Expenditures ?

(95) Plant Control Account Summary ?

(2) Transaction Listing ?

(296) Recharge Unit Federal Billing ?

(278) YTD Balance Summary ?

# Remember when reviewing Decision Support reports

106

## General Funds and Tuition

- Expenditures are limited by budgets.
- GL reports are analyzed left to right .  
(budget vs. expense)

## Self Supporting Funds

- Expenditures are limited by earned revenue.
- GL reports are analyzed downwards (revenue vs. expense).

# General Funds and Tuition Account - Left to Right

Consolidation	Object Consol. Name	Approp	Expend	Encumb	Balance
					<a href="#">View Ledger</a>
<a href="#">SB03</a>	ACAD SAL OTHER TEACHING STAFF	12,000.00CR	0.00	0.00	12,000.00CR
<a href="#">SB05</a>	ACAD SAL ACADEMIC ADMIN	126,484.50CR	120,500.12	0.00	5,984.38CR
<a href="#">SB06</a>	ACAD SAL OTHER ACADEMICS	5,424.00CR	5,424.00	0.00	0.00
<a href="#">SUBS</a>	STAFF SALARIES	1,513,702.33CR	1,310,971.97	0.00	202,730.36CR
<a href="#">SUBG</a>	GENERAL ASSISTANCE	134,002.44CR	42,050.39	0.00	91,952.05CR
<a href="#">SB28</a>	LEAVE USAGE	74,713.76	74,713.76CR	0.00	0.00
<a href="#">SUB3</a>	SUPPLIES AND EXPENSE	248,231.97CR	198,555.50	2,119.15	47,557.32CR
<a href="#">SUB4</a>	EQUIPMENT AND FACILITIES	21,565.34CR	11,640.70	0.00	9,924.64CR
<a href="#">SUB5</a>	TRAVEL	22,827.97CR	22,245.67	0.00	582.30CR
<a href="#">SUB6</a>	EMPLOYEE BENEFITS	429,342.15CR	429,342.15	0.00	0.00
<a href="#">SUB8</a>	UNALLOCATED	7,591.61CR	0.00	0.00	7,591.61CR
<b>GENERAL FUNDS Totals:</b>		<b>2,446,458.55CR</b>	<b>2,066,016.74</b>	<b>2,119.15</b>	<b>378,322.66CR</b>

# Self-Supporting - Top to Bottom and Left to Right

Consolidation	Object Consol. Name	Approp	Expend	Encumb	Balance
					<a href="#">View Ledger</a>
INCO	INCOME	12,000.00	23,536.88CR	0.00	11,536.88CR
SUBS	STAFF SALARIES	110,936.51CR	106,372.70	0.00	4,563.81CR
SUBG	GENERAL ASSISTANCE	3,905.29CR	5,000.00	0.00	1,094.71OD
SB28	LEAVE USAGE	9,109.88	9,109.88CR	0.00	0.00
SUB3	SUPPLIES AND EXPENSE	197,825.07CR	236,382.52	1,837.94	40,395.39OD
SUB5	TRAVEL	0.00	4,285.20	0.00	4,285.20OD
SUB6	EMPLOYEE BENEFITS	33,547.08CR	38,563.72	0.00	5,016.64OD
SUB9	RECHARGES	309,625.00	351,442.46CR	0.00	41,817.46CR
<b>RECHARGE ACCOUNT Totals:</b>		<b>15,479.07CR</b>	<b>6,514.92</b>	<b>1,837.94</b>	<b>7,126.21CR</b>
			<b>Year to Date Balance</b>		<b>Balance including Approp and Encum</b>

# Managerial Reports - How Can They Help?



## Managerial Reports

[What's New?](#)

FIS Decision Support >> General Ledger >> Managerial Reports

Good Afternoon Anissa [\[Logout\]](#)

Query Jump :

Current Fiscal Period : March, 2015 is Open

Prior Fiscal Period : February, 2015 is Closed

▶ My Saved Queries	▶ My Scheduled Queries
▶ My Query List	
▶ User Options	
(210) Annual Summary by Object Group ?	(190) Organization Expenditure Summary ?
(349) Summary Sources and Uses of Funds ?	

Need help with FIS Decision Support? Try our [help page](#).  
Additional resources are available on the [FIS web site](#).

Template: /DecisionSupport/menu.cfm (\$Revision: 1.24 \$\$Date: 2014/12/17 00:29:22 \$)  
Page Generated At: 24-Mar-15 04:12 PM

DS Release 7.6

# Managerial Reports

110

- **FIS 190 - Organizational Expenditure Summary**
  - Summary by function code and organization
  - One-line total for each account
  - Totals at organization and function code levels
  - Summaries are provided by sub-fund group
- **FIS 210 - Annual Summary by Object Group**
  - Percent Available or Spent
  - Projections to Year End
    - Based on prior year or avg.-to-date
- **FIS 349 - Summary Sources and Uses of Fund**
  - By SFGT, shows sources and uses of funds.
  - Sources broken down by carryforward, base budget, current year adjustments, income and recharge.

# Annual Summary by Object Group (FIS 210)

111



FIS Decision Support >> Managerial Reports >> Annual Summary by Object Group >> Report Output

Fiscal Year: 2014-2015

Chart(s): 2

Organization:

Object Grouping:

Projection Type: Project Using Prior Year  
*Italics = Figures based on Projections*

Balance Category	Total Budget	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Proj Mar	Proj Apr	Proj May	Proj June	Proj Total	Proj Balance
RECHARGES	178CR	0	0	0	0	0	0	0	0	0	0	0	715	715	5380D
<b>Totals:</b>	<b>178CR</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>715</b>	<b>715</b>	<b>5380D</b>
STAFF SALARIES	2,368,870CR	146,810	142,199	138,770	141,817	137,738	109,957	151,886	145,250	168,412	164,634	164,684	187,360	1,799,518	569,352CR
GENERAL ASSISTANCE	1,009,977	21,817	24,225	39,534	28,462	28,462	36,196	40,423	39,286	20,155	20,807	20,831	20,419	340,618	1,350,5950D
LEAVE ASSESSMENT & USAGE	19,555	1,037CR	4,683CR	5,954CR	4,161	5,238	9,089	1,771CR	6,846	5,452	4,988	2,199	3,204	27,731	47,2860D
SUPPLIES & EXPENSE	162,387CR	95,529	15,740	15,678	16,756	6,737	25,008	9,592	8,366	8,947	7,960	72,005	34,678	316,996	154,6090D
EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TRAVEL	295CR	891	1,018	1,165	4,798	0	4,362	0	415	93	497	0	119	13,358	13,0630D
EMPLOYEE BENEFITS	532,594CR	78,238	74,219	74,300	79,709	78,164	75,237	90,347	90,914	85,488	83,543	80,964	92,450	983,573	450,9790D
UNALLOCATED	1,783,725CR	0	0	0	0	0	0	0	0	0	0	0	0	0	1,783,725CR
<b>Totals:</b>	<b>3,818,339CR</b>	<b>342,249</b>	<b>252,720</b>	<b>263,494</b>	<b>275,703</b>	<b>256,339</b>	<b>259,849</b>	<b>290,477</b>	<b>291,078</b>	<b>288,546</b>	<b>282,428</b>	<b>340,683</b>	<b>338,230</b>	<b>3,481,794</b>	<b>336,545CR</b>
<b>Report Total:</b>	<b>3,818,517CR</b>	<b>342,249</b>	<b>252,720</b>	<b>263,494</b>	<b>275,703</b>	<b>256,339</b>	<b>259,849</b>	<b>290,477</b>	<b>291,078</b>	<b>288,546</b>	<b>282,428</b>	<b>340,683</b>	<b>338,945</b>	<b>3,482,509</b>	<b>336,007CR</b>

Need help with Decision Support? Try our [help page](#).  
 Additional resources are available on the [FIS web site](#).

# Sources and Uses Summary (FIS 349)

Self-Supporting Funds (SFGT: 4,6,A,M,Y)			
Carryforward		3,136,701.61	
July 1 Base Budget		2,904,173.00	CR
Current Year Adjustments		1,544,473.79	CR
Actual Revenue			
	<a href="#">Income ( INCO )</a>	12,024,843.09	CR
	<a href="#">Recharge ( SUB9 )</a>	53,379,789.86	CR
	<b>Total Revenue</b>	<b>65,404,632.95</b>	<b>CR</b>
	<b>Total Sources</b>	<b>66,716,578.13</b>	<b>CR</b>
Expenditures			
	<a href="#">Staff Salaries ( SUBS,STFO,STFB )</a>	21,415,799.04	
	<a href="#">Leave ( SB28 )</a>	112,104.65	
	<a href="#">General Assistance ( SUBG )</a>	4,235,738.65	
	<a href="#">Supplies &amp; Services ( SUB3 )</a>	21,725,843.83	
	<a href="#">Equipment ( SUB4 )</a>	1,605,873.34	
	<a href="#">Travel &amp; Entertainment ( SUB5 )</a>	475,727.58	
	<a href="#">Benefits ( SUB6 )</a>	12,469,027.49	
	<a href="#">Improvements Reserve ( SB74 )</a>	3,858,418.60	
	<a href="#">Depreciation ( SB75 )</a>	1,480,984.98	
	<b>Total Expenditures</b>	<b>67,379,518.16</b>	
SELF-SUPPORTING FUNDS: Total Funds Available			
		662,940.03	OD



# Do you have the whole picture?

113

Gasp! Is that an overdraft, or am I out of focus?



- Check your SUB8!
- Did you have any carry-forwards?
  - Surpluses
  - Overdrafts / Deficits
- Check your unexpended balance account! (self-supporting units)
- Reappropriate from unexpended balance to operational accounts

# Unexpended What???

114

For Self-Supporting accounts review your unexpended balance accounts



# What are Unexpended Balance Accounts?

115

- Only for Self Supporting Activities
- Net Revenue (sum of all revenues, recharges and expenses) by OP fund that is closed in to a single balance sheet account.
  - Your OP Fund number + "00" .
- Reappropriation
  - Net revenue is reappropriated to a Provision account
    - PR+fund account
  - New fiscal year move to operating account(s) using a CB document

# Budget Maintenance

116



# Tips for Analyzing Financial Reports

117

1. Compare actual expenses for the current period to the budgeted figures for the same period.
2. Compare actual expenses for the current period to actual expenses for the same period in the prior year.

# Tips for Analyzing Financial Reports

118

- Look at comparisons to:
  - Identify problem areas
  - Identify trends
  - Set new goals or revise old goals
  - Assign corrective actions
- Don't forget to update your budgets!

# Possible Corrective Actions

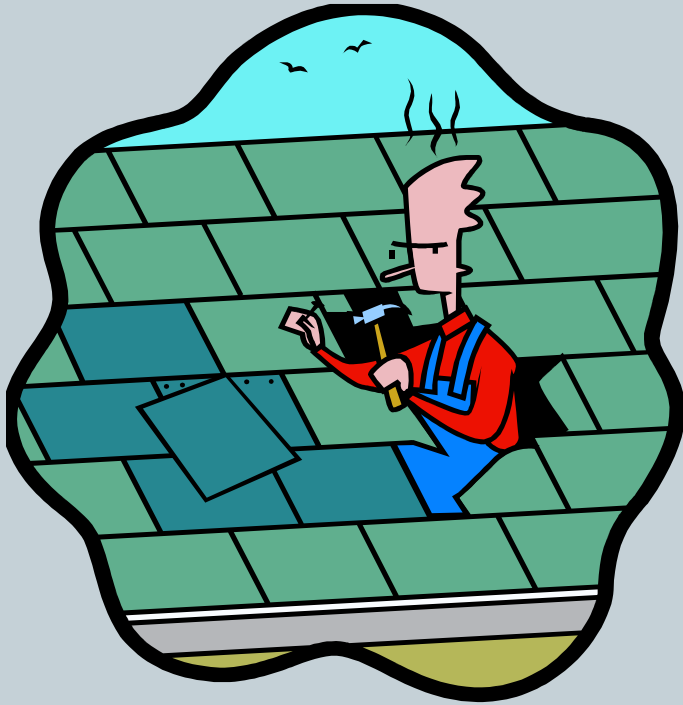
119



- **Determine if spending should be curtailed.**
- **Determine if you want to rebudget between object consolidation codes.**
- **Others?**

# Current Budget Maintenance

120



- Compare actual and projected financial activity
  - Mid-year review
  - Fiscal close
- Adjust Current budget to reflect (projected) activity
  - During year
  - At year end
  - Consider past year actual balances



# Example Report - How would you Analyze?

121

## Summary of Consolidation Balances



DaFIS Decision Support >> General Ledger >> Summary of Consolidation Balances (FIS44) >> Results

Through Fiscal Period:

Previous Month

Next Month

Chart(s):

Account:

Organization:

Account	Sub Account	Object Consol	Object Consolidation Name	Approp	Expend	Encumb	Balance
	----	SUBS	STAFF SALARIES	2,583,433.00 CR	1,219,708.44	1,263,853.90	99,870.66 CR
	----	SUBG	GENERAL ASSISTANCE	7,996.31 CR	13,081.14	12,540.00	17,624.83 OD
	----	SB28	LEAVE USAGE	89,914.93	89,914.93 CR	0.00	0.00
	----	SUB3	SUPPLIES AND EXPENSE	338,494.84 CR	63,698.01	86.97	274,709.86 CR
	----	SUB4	EQUIPMENT AND FACILITIES	6,289.36 CR	0.00	0.00	6,289.36 CR
	----	SUB5	TRAVEL	6,752.05 CR	15,815.94	0.00	9,063.89 OD
	----	SUB6	EMPLOYEE BENEFITS	303,753.96 CR	303,753.96	0.00	0.00
				<b>3,156,804.59 CR</b>	<b>1,526,142.56</b>	<b>1,276,480.87</b>	<b>354,181.16 CR</b>
<b>Total:</b>				<b>3,156,804.59 CR</b>	<b>1,526,142.56</b>	<b>1,276,480.87</b>	<b>354,181.16 CR</b>

# What questions should we ask?

122

- Check to see why travel (SUB5) and general assistance (SUBG) costs are in overdraft?
- Can expenses be curtailed in these areas?
- Check to see why budget is high for supplies and expenses.
- Can resources be shifted?
- Other ideas?

# Projections for the Next Fiscal Year

123

- **Sources:**
  - Recharge / income revenue: varies by unit.
  - General Fund: base budget plus projected carry forward plus projected increases (fixed costs, initiatives).
  - Other: varies by revenue source.
- **Uses:**
  - Largest expense is typically salaries and benefits.
  - Salaries: Determine current payroll with FIS report 339. Add any open positions with projected start dates for new hires. Multiply by projected salary increases (by bargaining unit).
  - Benefits: Salaries x composite benefit rate.
  - Supplies, Equipment, Travel: Project based on prior year plus adjustments for large changes.
  - Other: OP Tax (1.55%), GAEL, Leave, etc.

# Conclusion

124

# Section 3

# Conclusion

125

- **Budgeting should be:**
  - Dynamic
  - Collaborative
  - Creative
  - Effective
  - Valuable

# Conclusion

126

- **Effective Budgeting**
  - Is a Process
  - Allows departments to use their resources better to meet their goals
  - Helps you fulfill your departments mission
  - Gives you the ability to identify financial needs and make organizational changes

# Conclusion

127

- **Finally:**
  - Your budget should emphasize and enhance your departments strengths.
  - Your budget should be used throughout the year and modified when necessary.
  - Your budget should be accurate and based on actual data when possible.



# Final Review: TOP 5 UC DAVIS BUDGET QUESTIONS

128

I should have  
thought of that!!





Q: How do I budget for a Self-Supporting Activity?

A: Budget your estimated income as a debit to object consolidation INCO. Credit your offsets to your other Consolidations (SUBS, SUB3 etc.)

INCO	INCOME	Income Estimate	12,000.00
SUBS	STAFF SALARIES		111,599.00CR
SUBG	GENERAL ASSISTANCE		45,000.00CR
SUB3	SUPPLIES AND EXPENSE		99,195.00CR
SUB6	EMPLOYEE BENEFITS		11,273.00CR
S875	DEPRECIATION		2,933.00CR
SUB9	RECHARGES	Recharge Estimate	258,000.00
Total Account:			0.00

You should always do a mid-year review to see if you need to make any adjustments to your current budget.

Q: I just did a KFS Base Budget transaction for the current year and it shows up in Decision Support under the Base Budget.

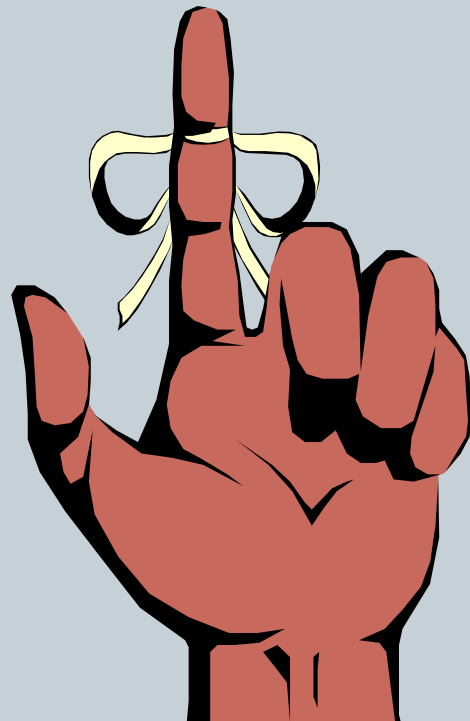
But, when I look under Current Budgets it doesn't show up. Why?

A: KFS BB Documents only adjust your Base Budget.

Current Budget should be adjusted, you need to also prepare a KFS CB Document.

Q: How do I budget for Benefits?

A: Multiply the salary rate by the composite benefit rate.\*



More information is located:  
[http://afs.ucdavis.edu/our\\_services/costing-policy-e-analysis/composite-benefit-rates/links-composite-benefit-rate.html](http://afs.ucdavis.edu/our_services/costing-policy-e-analysis/composite-benefit-rates/links-composite-benefit-rate.html)

Q: I need to make a permanent reduction over two years. I did a Current Budget for \$1000 in year one and a Current Budget for \$1000 in year 2. Now you are asking for a BB of \$2000. Why?

A: Current budgets are not permanent. Base Budget documents permanently reduce your budget.

Q: If I have a SUB8 balance, how do I spend it?

A: Ideal Option:

Rebudget into object consolidation codes at the beginning of the new fiscal year.

Other Option:

Allow amount to remain in SUB8 until use of the funds are identified.

# Tools to take back

134



- Top Budget Questions  
*(Dave's got nothing on us!)*
- Reference List

# Conclusion

135

**ONE MORE THING!!!!**



# Conclusion

136

- Good budgeting is not always easy, but it is worth the extra effort!





The End!



Questions???