

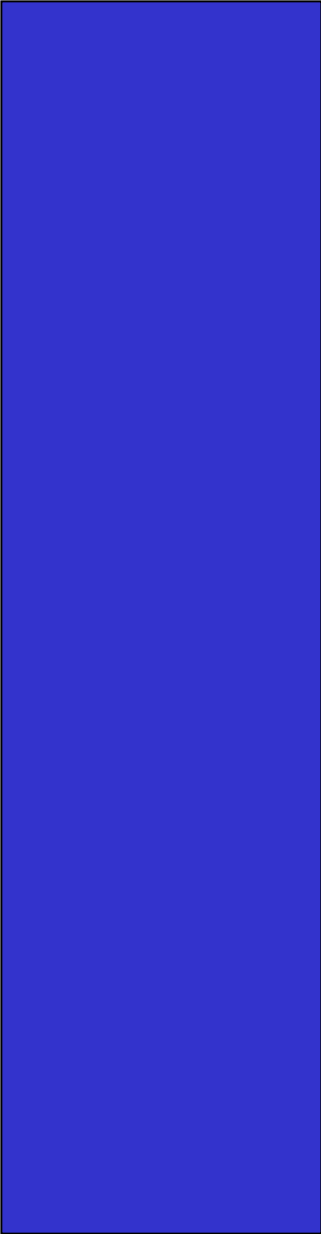


New Transfer Procedure Presentation

UNM Fiscal Agent Meeting

August 2, 2006

Presented by: The Office of Planning,
Budget, and Analysis

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- Currently, departments are not allowed to enter journal vouchers that hit transfer account codes 11* through 12*. The department must submit a transfer request form to the appropriate budget office.
 - Beginning September 1, 2006, departments will be able to enter budget and actual transfer entries and these entries will be approved by the appropriate budget office or central accounting office via Banner approvals.

Who will have access to do transfer entries?

- Those with the *Department_Transferor* security role.
- Fiscal agent approval is needed before the security role will be granted by FSM.
- Beforehand, the Fiscal Agent needs to make sure the person requesting the security role understands:
 1. Basic accounting concepts,
 2. Basic budgeting concepts, and
 3. How to do Transfer entries properly.



What is a Transfer?

A transfer moves sources of funds
between banner program codes or
between campuses

How will transfer entries work?

- Budgeted Transfers--use BDT rule class code. BDT should only be used for budgeted transfer entries. In order to keep the budgeted transfer entry balanced, key your offsetting account codes to BDT as well.
- Actual Transfers use JET rule class code. JET should only be used for actual transfer entries.
- Use BD4 and JE2 for all other entries that do not hit transfer account codes except as noted above.
- JET will only accept transfer account codes 11* and 12*. You must post a budgeted transfer entry before doing the actuals or include the budgeted transfer entry with your actual transfer entry. If doing the latter, keep the entries within the same Journal Voucher number.

Transfer Do's and Don'ts

- Do refer to General Accounting Website for more detailed information related to Adjustments, Transfers, and Allocations.
<http://www.unm.edu/~gacctng/resources/transfr.doc>
- Do make sure you have sufficient funds (actuals) to do the transfer.
- Do not transfer I&G funds to non-I&G funds.

Exceptions:

1. OK if **From** an I&G Self Supporting Program code. Self Supporting program codes end in "2".
 2. Entry has **Executive VP approval**. These are rare occurrences.
 3. Mandatory and Non-mandatory Transfers. These are always initiated by Main, HSC or Branch Budget Offices.
 4. OK if **To** a Plant Fund.
- Do not transfer funds to or from **Restricted Funds and Programs**. Main and HSC Financial Services will continue to process these entries.
 - Do not submit compound transfer entries. Always do simple entries.
 - Do enter the detailed reason or explanation for the entry in FOATEXT.
 - Do enter the correct description in the Journal Voucher Description Field.
 - If the transfer is being used to fund salaries in a department's non-I&G index or Self Supporting I&G index, include the fringe cost in the transfer. Fringe costs should be calculated as 27% of the salary cost. If transferring to I&G indices that participate in the pooled fringe account, you must transfer the fringe cost to the I&G fringe index instead of the department's index. These types of transfers are **VERY RARE**.

Important Dates:

- After March 31, 2007, no BDT budgeted transfer entries will be approved for FY07. Exception: entries initiated by Main, HSC or Branch Budget Offices in order to balance to the FY 07 HED Revised Budget Report.
- After March 31, 2007, no JET actual transfer entries will be approved unless it has been budgeted for in FY07.

***Review, analyze, project, and **UPDATE** your FY 07 Budgets by 3/31/07. Plan, Plan, Plan,Projections, Projections, Projections.....

Reason for the deadline: The Budget Offices must submit the **FINAL** FY 07 Revised Budget including transfers to the Regents and HED no later than May 1, 2007.

I. Budgeting Basics

- f* Fund
 - represents both the Income Statement (SL) and the Balance Sheet (GL)
- f* Program
 - designates the functional classifications for the state mandated report (Exhibits for Higher Education Department Reports)
- f* Account Codes
 - used to classify and record revenues, expenses, assets, liabilities, and Net Assets.

Budget Entry Checklist

- Budgets must balance within each index. Revenues must equal expenses.
- Allocations must zero-out by account code within the program code (refer to allocation or transfer decision tree)
- Transfers must zero-out
- Budgeted allocations & transfers must be followed-up with actuals.
- Negative expense budgets should be avoided. NSF issue.

*80E0 account code is not the equivalent of 9400 subcode previously used in FRS

- Account code restrictions

1640 – used only in I&G for pooled allocation ORIG BUD only

0610 – used only with Program code P181

1601/1661 – used only in Program code P161

02Z1 – used only for MANDATORY student fees



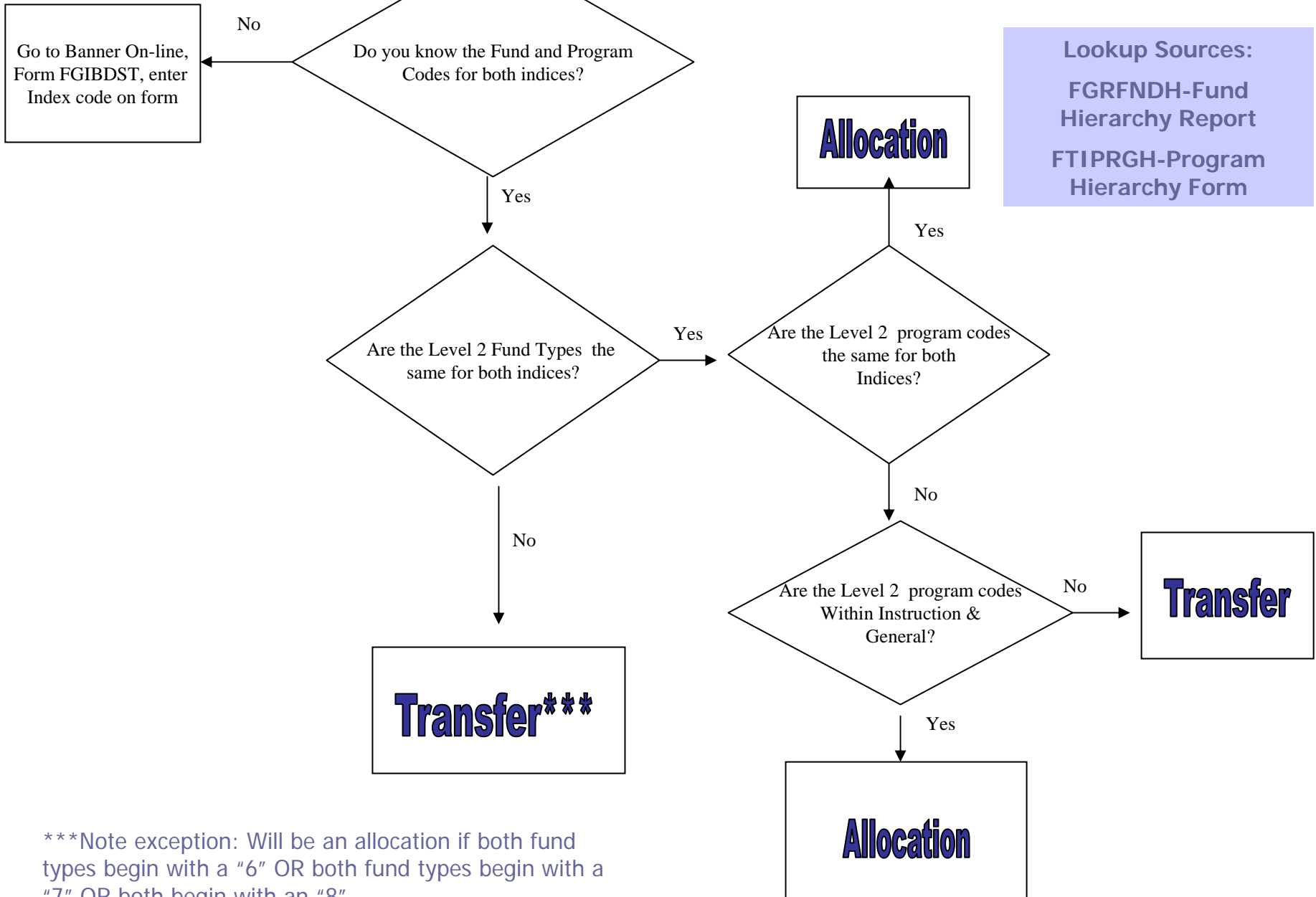
Banner Forms for FOAPAL element look up:

FGIBDST

FGIBAVL

FTMACCI

Transfers or Allocations?



***Note exception: Will be an allocation if both fund types begin with a "6" OR both fund types begin with a "7" OR both begin with an "8".

Example

- f An Instructional Department needs to open a new section. They need an additional \$3,500 to pay a part-time instructor. Index 923086 (Fund 2U0224 and Program 101) will be paying for the part-time instructor.
- f The dean has agreed to support the additional cost from index 036011 (Fund 2U0224 and Program P101).
- f Determine the Level 2 fund type and Level 2 program for both indices.

REPORT FGRFNDH
CHAR: U

University of New Mexico
Fund Hierarchy Report
AS OF 31-JUL-2006

RUN DATE: 07/31/2006
TIME: 07:25 PM
PAGE: 5

TYF	FUND	DESCRIPTION	DATA ENTRY	STATUS	CNTL FUND	CMB	***** EFT	DATES ***** TERM	NEP CHANGE
	100261	IU Suspense Surplus Property	Y	A			01-JUL-1950		31-DEC-2009
	100262	IU Suspense UNM Copy Center	Y	A			01-JUL-1950		31-DEC-2009
	100263	IU Suspense UNM Mailing Systems	Y	A			01-JUL-1950		31-DEC-2009
	100264	IU Suspense UNM Temporary Services	Y	A			01-JUL-1950		31-DEC-2009
	100265	IU Suspense University Services	Y	A			01-JUL-1950		31-DEC-2009
	100266	IU-Suspense Banner AR	Y	A			01-JUL-1950		31-DEC-2009
	100278	IU Suspense Biomedical Comm	Y	A			01-DEC-2004		31-DEC-2009
	100279	IU Suspense Payroll	Y	A			01-JAN-2005		31-DEC-2009
	10XXXX	IU Suspense Invalid Crosswalk Fund	Y	A			20-FEB-2005		31-DEC-2009
02		CU Main					26-SEP-2004		31-DEC-2009
	201	MU Instruction & General	N	A			03-JAN-2006		31-DEC-2009
	201G	MU General I & G	N	A			03-JAN-2006		31-DEC-2009
	200244	MU I & G	Y	A			01-JUL-2006		31-DEC-2009
	200238	MU Catastrophic Leave	Y	A			01-MAR-2006		31-DEC-2009
	202	MU Research	N	A			03-JAN-2006		31-DEC-2009
	202G	MU General Research	N	A			03-JAN-2006		31-DEC-2009
	200005	MU Department Research	Y	A			01-JUL-1950		31-DEC-2009
	200006	MU Idc	Y	A			25-SEP-2004		31-DEC-2009
	200237	MU IDC Recovery for Special Program	Y	A			01-DEC-2004		31-DEC-2009
	203	MU Public Service	N	A			03-JAN-2006		31-DEC-2009
	203G	MU General Public Service	N	A			03-JAN-2006		31-DEC-2009
	200007	MU Non Endowed Spending	Y	A			11-NOV-2005		31-DEC-2009
	200203	MU Public Service	Y	A			03-JAN-2006		31-DEC-2009
	200204	MU KIRM PM	Y	A			01-JUL-1950		31-DEC-2009
	200205	MU Inst & Conf Continuing Ed	Y	A			01-JUL-1950		31-DEC-2009
	200206	MU Summer Professional Development	Y	A			01-JUL-1950		31-DEC-2009
	200207	MU Summer Story Of Mm	Y	A			01-JUL-1950		31-DEC-2009
	200208	MU Summer Personal Enrichment	Y	A			01-JUL-1950		31-DEC-2009
	200209	MU Summer Extension	Y	A			01-JUL-1950		31-DEC-2009
	200210	MU Summer Independent Study	Y	A			01-JUL-1950		31-DEC-2009
	200211	MU Summer Conference Center	Y	A			01-JUL-1950		31-DEC-2009
	200212	MU Summer Computers	Y	A			01-JUL-1950		31-DEC-2009
	200213	MU Deferred Tuition-San	Y	A			01-JUL-1950		31-DEC-2009
	200214	MU Dental Continuing Ed	Y	A			01-JUL-1950		31-DEC-2009
	200215	MU Ethnobiology Conference	Y	A			01-JUL-1950		31-DEC-2009
	200216	MU Philosophy International	Y	A			01-JUL-1950		31-DEC-2009
	200217	MU Harwood Foundation	Y	A			01-JUL-1950		31-DEC-2009
	200218	MU UNM Press	Y	A			01-JUL-1950		31-DEC-2009
	200219	MU Accounts Receivable Lobo	Y	A			01-JUL-1950		31-DEC-2009
	200220	MU American Studies	Y	A			01-JUL-1950		31-DEC-2009
	200221	MU Maxwell Museum Publication	Y	A			01-JUL-1950		31-DEC-2009
	200222	MU Architecture Crd	Y	A			01-JUL-1950		31-DEC-2009
	200223	MU Kms Tr Public Service	Y	A			01-JUL-1950		31-DEC-2009
	200228	Deferred Comp Clearing	Y	A			03-JAN-2006		31-DEC-2009
	200247	11280-Accessibility Services	Y	A			01-MAY-2006		31-DEC-2009
	205	MU Other Institutional Activities	N	A			03-JAN-2006		31-DEC-2009
	2051	MU Auxiliaries	N	A			03-JAN-2006		31-DEC-2009
	200070	MU Housing Collections	Y	A			15-NOV-2004		31-DEC-2009
	200071	MU Golf Course Ubit	Y	A			01-JUL-1950		31-DEC-2009



COA: U
Program: P101 Instruction Unrestricted

Predecessor Program: P10 Instruction Unrestricted Ex 10

Mission Summary	P1	Instruction
CHE Exhibit	P10	Instruction Unrestricted Ex 10 ←
Exhibit Detail	P101	Instruction Unrestricted
Reserved - Future		

Fund Type and Program

<i>Index</i>	<i>Level 2 Fund Type</i>	<i>Level 2 Program</i>
036011(Dean's index)	02	P10
923086(Department index)	02	P10

same fund type and program => allocation

Conclusion

f Allocate \$3,500 using account code 1660.

- Budget (coordinate with both departments)
- Journal Entry JE2 to move the actual money over
 - ◆ DR: 036011-1660 and CR:923086-1660 for \$3,500

II. Transfer Entries Summary

Example

- f A physics research department will be leading a conference and charging the costs to index 444111(Fund 2U0005 Program 161). A public service department has agreed to help support the costs of \$5000 from index 555111 (Fund 2U0203 Program 171).
- f Determine the Level 2 fund type and Level 2 program for both indices.

Fund Type and Program

<i>Index</i>	<i>Level 2 Fund Type</i>	<i>Level 2 Program</i>
444111 (Research)	02	P161
555111 (Public Service)	02	P171

Both fund types are 02, but different program codes and they are not I&G program codes => Transfer

Conclusion

- f* Is a Transfer from Public Service (11F0) to Research (11A0)
- f* Budget for the transfer of funds (coordinate both budgets)
- f* Journal entry when the money is actually moved

Budget Entry to Rule Class Code BDT:

555111- 11A0	Transfer to Research	\$5000	- (decrease)	Description Field: 444111-11F0 Conference
555111-3100	Supplies	\$5000	- (decrease)	Description Field: 444111-11F0 Conference
444111-11F0	Transfer from Public Service	\$5000	+ (increase)	Description field: 555111-11A0 Conference
444111-3100	Supplies	\$5000	+ (increase)	Description field: 555111-11A0 Conference

Actuals Entry to Rule Class Code JET:

555111-11A0	Transfer to Research	\$5000	Dr	Description field: 444111-11F0 Conference
444111=11F0	Transfer from Public Service	\$5000	Cr	Description field: 555111-11A0 Conference

Note: Transfer to(in the account description) is the debit and Transfer from(in the account description) is the credit.
Description field should have the index and account the funding came from or went to followed by any necessary notation.
JET is only used when making actual entries to transfer account codes. Use JE2 for all other actual entries.

DON'T FORGET!

Enter a detailed reason or explanation in
FOATEXT.

- f* First, indicate if the transfer is being used to fund salaries. You need to give a definite answer.
- f* Second, enter the reason/explanation for the transaction.

Example: This transfer is not being used to fund salaries. A physics research department 444A will be leading a conference and will be charging the costs to index 444111. Art/Science department 555A has agreed to help support the costs of \$5000 from index 555111.

Do simple Entries and not Compound Entries

Simple Entry: Yes!!!

555111-11A0	Transfer to Research	\$2500	Dr	Description field: 444111-11F0 Conference
555111-11A0	Transfer to Research	\$2500	Dr	Description field: 444555-11F0 Conference
444111=11F0	Transfer from Public Service	\$2500	Cr	Description field: 555111-11A0 Conference
444555=11F0	Transfer from Public Service	\$2500	Cr	Description field: 555111-11A0 Conference

Compound Entry: No!!!

555111-11A0	Transfer to Research	\$5000	Dr	Description field: 444111-11F0 and 444555-11F0 Conference
444111=11F0	Transfer from Public Service	\$2500	Cr	Description field: 555111-11A0 Conference
444555=11F0	Transfer from Public Service	\$2500	Cr	Description field: 555111-11A0 Conference



Questions???