



THE UNIVERSITY OF NEW MEXICO

Working With Changes in Reserves (account 1903) on Unrestricted Indices

Presented by

Terry Shoebottom

7/13 & 29/09
Revised 10/2011

prepared by
Terry Shoebottom
Business Management Specialist

TABLE OF CONTENTS

RESERVES	3
ACCOUNT 1900 - RESERVES-WHAT IS IT?	3
WHY IT CHANGES THE WAY YOU MOVE EXPENSES AT YEAR END	3
HOW YOU DECIDE IF YOU NEED A CORRECTING ENTRY	4
ACCOUNT 1903 - CHANGE IN RESERVES ENTRY:	4
UNDERSTANDING FUND STRUCTURE	5
UNDERSTANDING PROGRAM STRUCTURE	6
<i>Instructional and General Exception</i>	6
8045 ENTRIES	7
NO ENTRY REQUIRED	7
MAKING A CHANGE WITH A RESERVES ENTRY	7
<i>example</i>	8
MAKING A CHANGE WITH AN 8045 ENTRY	9
<i>example</i>	9
<i>When you need preapproval</i>	9
WHAT ABOUT RESTRICTED INDEX CORRECTIONS?	9
COMMON JOURNAL VOUCHER MISTAKES TO AVOID:	10
OTHER TYPES OF RESERVES ENTRIES	10
COVERING A DEFICIT IN ANOTHER INDEX	10
<i>example</i>	10
CLOSING AN INDEX	11
ACCOUNT 1901 – BUDGETED USE OF RESERVES ENTRY:	11
RELATED BUDGET ENTRIES REMINDERS:	11
BUDGET ENTRY GENERAL TIPS:	11
YOU MAKE THE CALL	13
APPENDIX 1- RESERVES ACCOUNT CODES	17
APPENDIX 2- HSC UNRESTRICTED FUND STRUCTURE	17
APPENDIX 3-MAIN CAMPUS UNRESTRICTED FUND STRUCTURE	22
APPENDIX 4- FOAPAL ELEMENTS-QUICK REFERENCE GUIDE	33
APPENDIX 5- YOU MAKE THE CALL ANSWERS	34
APPENDIX 6 – OTHER RESOURCES	35

RESERVES

Throughout the fiscal year, departments have revenue and expenses posted to their various unrestricted indices. When indices are reconciled, any incorrectly posted expense is moved from the incorrect index to the correct index. Then both indices have expenses correctly posted.

Expenses from the prior fiscal year, however, do not work this way. Departments struggle, especially at the beginning of a new fiscal year, to properly correct expense entries that were incorrectly posted in the prior fiscal year.

An explanation of why departments cannot move incorrectly posted unrestricted expenses directly to the correct index follows. You do not have to understand this explanation.

You do have to understand the correct way to move unrestricted prior year expenses that posted incorrectly. The rest of this Manual will explain the correct way to move improperly posted prior year unrestricted expenses.

ACCOUNT 1900 - RESERVES-WHAT IS IT?

For unrestricted indices, the remaining amount left [i.e., funds left to spend] or the cash deficit [i.e., funds you spent but did not have] at fiscal year end is rolled forward in the accounting system into the new fiscal year. It is like the starting balance in your checkbook. Roll forwards are posted to account code 1900 and are referred to as reserves. Journal entries cannot be done using account code 1900. Reserves represent actual dollars, not budget. The Year-End Roll Process uses the JBF Rule Class Code to post the reserves to account 1900.

WHY IT CHANGES THE WAY YOU MOVE EXPENSES AT YEAR END

Think about your check book. When you deposit a check, the money you have to spend increases. When you write a check, the balance gets smaller. At month end your bank takes all your deposits and adds them to your balance, and all your expenses and subtracts them from your balance. The new amount is your beginning balance.

Now, let's say you realized after the month ended and the bank had determined your new beginning balance, the bank has posted to your account a check for \$100 that someone else wrote. They could move that check to the correct account, charging them the \$100. They could add the \$100 back to your account, and your account balance would get larger. You would then both have the right balance showing after the correction. Why can't UNM let you do the same thing?

At year end UNM must accurately state expenses for each year, for each area. In the above example, once year end closes at UNM, your expenses have been overstated by \$100. The person (think "index") who "wrote the check" and was not charged, has a \$100 understatement reported. This will stay that way. The net effect is zero to UNM. Nonetheless, it is a \$100 misstatement for each index.

But if the expense was moved from index to index using the expense account, the misstatement would be **duplicated** in the new year. You would now have a subtraction from this year's expenses that you should not have this year, and the person (think "index") who "wrote the check" last year would have

\$100 of expenses this year that is not this year's expense. This could put indices over (or under) budget in the new year, when they really are within budget. This could mislead managers as to what was spent this year.

When departments correct prior year misstatements, they do not want to create current year misstatements. Current year unrestricted expenses are represented correctly when prior year misstatements are corrected using entries that adjust only the "beginning balance" (or Reserves) of your "checkbook", rather than the expenses. Whenever you need to adjust a prior year unrestricted misstatement, you need to adjust it with a Reserves entry.

Notice that we are not talking about contracts and grants.

HOW YOU DECIDE IF YOU NEED A CORRECTING ENTRY

When you reconcile your indices for June you may find some misstatements. Let's assume you find the following:

- 1) \$500 charged to office supplies expense last year should have been charged to travel. The index was correct.
- 2) \$200 charged to office supplies expense should have been charged to computer expense for a different index.

Do you need to correct both misstatements?

Answer: No. Think of the checkbook again. If you wrote a check for \$500 that was for an expense that was yours, it would NOT AFFECT YOUR BEGINNING BALANCE for the next month. Correspondingly, if you have a prior year expense that was not charged to the correct account, but IS IN THE CORRECT INDEX, it does not affect your beginning balance for the new year. If it did not affect the beginning balance in the new year, no entry is allowed.

What about the second misstatement? Yes, this misstatement needs to be corrected. You will probably use a *change in Reserves entry*.

ACCOUNT 1903 - CHANGE IN RESERVES ENTRY:

The most common entry made to Reserves accounts involves a movement of balance from one index to another to cover a deficit in the index or to fund an index. Another common reason for a Reserves entry is to close an index that has a balance but has had no activity in the current year; the only account with a balance is 1900 in this instance.

Another reason for Reserves entries is to correct prior year entries. When an misstatement is found in an unrestricted index after the accounting records have been closed for the fiscal year and the misstatement only affects unrestricted indices, a change in Reserves entry is the method to correct the misstatement. These entries use account 1903 on both sides of the entry. The indices involved must be in the same Fund level 2 and Program level 2. If the indices do not belong to the same Fund level 2 and Program level 2, a transfer entry is generally required. Review Transfer entries in the *Journal*

Voucher Guidelines for Allocation, Transfer, and Reserves Entries LEARN from 7/14/08, posted at <http://hsc.unm.edu/financialservices/accounting/learn.shtml> for guidance on these entries. The same principles apply: you do not use expense accounts.

UNDERSTANDING FUND STRUCTURE

In order to determine which accounts to use when making a correcting entry, you must know which level 2 Fund each index is in. If the indices are in the same level 2 fund, you may be able to use a Change in Reserves Entry. If the indices are not in the same Level 2 fund, you cannot use a Change in Reserves entry.

Appendices 2 and 3 show the structure for Main Campus and HSC. Notice that the first digit of the Fund number indicates the campus. Branches have a beginning number other than 2 (Main Campus) or 3 (HSC). Notice that for Level 2 funds to be in the same fund, they must have the same basic purpose. Instructional and General funds are grouped together, Research is grouped together, as are Education, Clinical Service, Public Service, Other Instructional Services, Internal Services, and other areas. You can use the appendix to determine the level 2 fund by first finding the level 3 fund for an index from Banner form FTMACCI.

Funds 2U0005 and 2U0237 are in Level 2 fund 2U2G, below. If their programs are the same, a Change in Reserves entry can be done. Funds 2U0224 and 2U0237 are in different Level 2 funds. A change in Reserves entry cannot be done. If the misstatement amount is small (<\$5,000), an 8045 entry can usually be done to correct prior year misstatements between indices in different Level 2 funds.

Section of Appendix 3-Main Campus Fund Structure

<u>Level One</u>	<u>Level Two</u>	<u>Level Three</u> <u>found</u>	<u>In FTMACCI</u>
2U1	MU Instruction & General		
	2U1G	MU General I & G	
		2U0224	MU I & G
2U2	MU Research		
	2U2G	MU General Research	
		2U0005	MU Department Research
		2U0006	MU Idc
		2U0237	MU IDC Recovery for Special Program

You can view the most current version of this report in ePrint, Repository fin_banp-Finance Banner Production (banp). The report name is FGRFNDH-*Fund Hierarchy Report*.

UNDERSTANDING PROGRAM STRUCTURE

Generally, Appendix 4 will be sufficient to help you determine whether or not indices are in the same Program Level 2. In order to do a Change in Reserves entry, in addition to both indices having the same Fund level 2, they must also have the same Program Level 2. When you look the index' FOAPA on FTMACCI, you will see the program level 3 fund, not the level 2 fund.

GENERALLY (there are some exceptions...) the Level 3 program will begin with the same first two digits as the Level 2 Program code. If you are not sure, you can look up the program code in the *Program Hierarchy Report* and determine the Level 2 code from this. You can also use FTIPRGH.

Look at the *Program Hierarchy Report*, below. If the Program codes you find in FTMACCI for two indices are P221 and P23, they are in the same level 2 program code, P22. If the program codes are P221 and P151, they are in different Level 2 program codes and a Change in Reserves entry cannot be made.

INSTRUCTIONAL AND GENERAL EXCEPTION

One major exception to this Level 2 program coding exists. Note in Appendix 4 that ALL Instructional and General Level 2 program codes are considered to be in the same Level 2 program code. This means that any Instructional and General funds in the same **Level 3** Fund code can have misstatements corrected with a Change in Reserves entry.

Sample page of ePrint Report, *Program Hierarchy Report*

Level
One

PROGRAM	DESCRIPTION	DATA ENTRY	STATUS	EFF	DATES TERM	NEXT CHANGE
CRT FGRPRGH University of New Mexico RUN DATE: 05/28/2009 HART: U Program Hierarchy Report TIME: 07:06 PM AS OF 28-MAY-2009 PAGE: 32						
P2N012	507 Los Alamos LCF	Y	A	01-JAN-2005	31-DEC-2099	
P2N013	187 Summit Electric	Y	A	01-JAN-2005	31-DEC-2099	
P2N014	01467 Los Alamos CP	Y	A	01-JAN-2005	31-DEC-2099	
P2N015	1953 Straight Faculty Init. Fund	Y	A	01-DEC-2005	31-DEC-2099	
P2N016	00807 Friendship Schl Textbook Draw	Y	A	01-FEB-2008	31-DEC-2099	
P2N017	02134-Daniels Opp Scholarship Fund	Y	A	01-JAN-2009	31-DEC-2099	
P2N001	VN 0175 Valencia Devel	Y	A	01-JUL-1950	31-DEC-2099	
P2N002	VN 0231 Valencia Land	Y	A	01-JUL-1950	31-DEC-2099	
P2N003	VN 0307 Valencia Library	Y	A	01-JUL-1950	31-DEC-2099	
P2N004	VN 0840 Tour D Valencia	Y	A	01-JUL-1950	31-DEC-2099	
P2N005	VN 0841 Staff Assoc	Y	A	01-JUL-1950	31-DEC-2099	
P2N006	VN 0879 Staff Assoc	Y	A	01-JUL-1950	31-DEC-2099	
P2N007	VN 0952 Student Govt	Y	A	01-JUL-1950	31-DEC-2099	
P2N008	VN 1382 Valencia Annual	Y	A	01-JUL-1950	31-DEC-2099	
P2N009	00487 Valencia Chavez	Y	A	01-JAN-2005	31-DEC-2099	
P2N010	00152 Valencia CS	Y	A	01-JAN-2005	31-DEC-2099	
P2N011	02135-Daniels Opp Scholarship Fund	Y	A	01-JAN-2009	31-DEC-2099	
P7N001	TN 1173 Taos Dir	Y	A	01-JUL-1950	31-DEC-2099	
P7N002	1928-Taos Scholarship Fund	Y	A	01-JAN-2006	31-DEC-2099	
P7N003	1961-Taos Inst. Development	Y	A	01-JAN-2006	31-DEC-2099	
P7N004	01996 Ctr for Early Care, Edu & Fam	Y	A	01-OCT-2006	31-DEC-2099	
P7N005	01998 Taos Culinary Arts Program Fd	Y	A	01-OCT-2006	31-DEC-2099	
P7N006	02013 Taos Literacy Fund	Y	A	01-JAN-2007	31-DEC-2099	
P7N007	02023 Taos International Prog Schl	Y	A	01-FEB-2007	31-DEC-2099	
P7N008	02046 UNM-Taos Library Building Fnd	Y	A	01-JUL-2007	31-DEC-2099	
P7N009	02047 UNM-Taos Library Program Fund	Y	A	01-JUL-2007	31-DEC-2099	
P7N010	02058 Taos Faculty Development Fund	Y	A	01-NOV-2007	31-DEC-2099	
P7N011	02087 UNM Taos Fund for the Arts	Y	A	01-MAR-2008	31-DEC-2099	
P7N012	02102 Betsy Carey Memorial Fund	Y	A	01-JUL-2008	31-DEC-2099	
P7N013	02110 UNM-Taos Consc. & Creativity	Y	A	01-AUG-2008	31-DEC-2099	
P7N014	02158-Quail Roost Scholarship	Y	A	01-MAY-2009	31-DEC-2099	
P7N015	02159-Holistic Health & Human Servi	Y	A	01-MAY-2009	31-DEC-2099	
P17R	Sponsor Public Service Restr Ex 17	Y	A	01-JUL-1950	31-DEC-2099	
P4	Independent Operations	N	A	21-DEC-2004	31-DEC-2099	
P22	Independent Operations Ex 22	N	A	21-DEC-2004	31-DEC-2099	
P221	Housestaff	Y	A	12-JAN-2005	31-DEC-2099	
P223	State Appr Medical Investigator	Y	A	01-JUL-1950	31-DEC-2099	
P224	Childrens Psychiatric Hospital	Y	A	01-JUL-1950	31-DEC-2099	
P225	Carrie Tingley Hospital	Y	A	01-JUL-1950	31-DEC-2099	
P22C	Hospital and Clinical Care Contra	N	A	31-MAY-2006	31-DEC-2099	
P5	Other	N	A	01-JUL-1950	31-DEC-2099	
P15	Student Social and Cultural Ex 15	N	A	01-JUL-1950	31-DEC-2099	
P151	Student Social and Cultural	Y	A	01-JUL-1950	31-DEC-2099	
P15C	Student Social and Cultural Contra	N	A	30-MAR-2005	31-DEC-2099	
P18	Internal Services Ex 18	N	A	01-JUL-1950	31-DEC-2099	
P181	Internal Services	Y	A	01-JUL-1950	31-DEC-2099	

Level
Three

Level
Two

You may view the most current version of this ePrint report in repository fin_banp-Finance Banner-Production (banp). The name of the report is FGRPRGH.

8045 ENTRIES

If a small (<\$5,000) correcting entry is required, and the two unrestricted indices involved do not belong to the same Fund level 2 and/or Program level 2, account 8045 can be used. This entry will avoid the use of a more complicated transfer entry. 8045 is used for both the debit and credit side of the entry. The entry must net to zero. 8045 entries are evaluated using the following criteria:

- Line items affecting any other account codes may not be used in a JV in which account code 8045 is used.
- There is a limit of \$5,000 per transaction, and \$20,000 per year, per index. This means the document transaction total cannot exceed \$10,000, \$5,000 for the Debit and \$5,000 for the credit.
- Any exceptions to these limits must be approved by Financial Services before an entry is submitted.
- Salaries cannot be moved using account code 8045. [Use PZAREDS to do labor redistributions.]
- No budgets are allowed for this account.
- Account code 8045 cannot be used with restricted indices.
- There must be a detailed description of the type of expense being billed.

NO ENTRY REQUIRED

If a misstatement is between account codes within the same index, no entry is required.

Reserves entries increase (or reduce) the prior year end remaining balance in the affected indices. They do not affect the expense accounts where the entries originally occurred. Reserves entries must be well documented so the original entry being corrected can be identified.

MAKING A CHANGE WITH A RESERVES ENTRY

1) Determine this is the **correct entry**:

- a. The misstatement involves a prior year unrestricted expense misstatement. (Or you are moving the Reserves for another reason.)
- b. Check to make sure you have a balance to move.
- c. All involved indices have the same level 2 Fund
- d. All involved indices have the same level 2 Program

You can determine the level 2 Fund and Program by using appendices 2 through 4. You can determine the Level 2 Program by using appendix 4 or ePrint report *Program Hierarchy Report*, or Banner form FTIPRGH.

- 2) Use the **correct account**. When making a Reserves entry, the ONLY account used is 1903. This account is used for both the debit and credit for all involved indices.
- 3) Get your **Debit/Credit right**. Change in Reserves is a revenue account. When you remove an expense from an index, you need to increase that index' revenue (Change in Reserves) account. To increase a revenue account you credit the account.

When you increase an index' expense, you need to decrease that index' revenue(Change in Reserves) account. To decrease a revenue account you debit the account.

- 4) **Move Balances that exist**. If 1900, when added to 1903, has a net zero or negative balance in the index from which you wish to remove revenue, you cannot do a Change in Reserves entry. You can only move Reserves amounts that EXIST. This means if the account you need to Debit has a zero or negative balance, you cannot do a Change in Reserves entry. Add 1900 and 1903 together to get the balance. If you do not have enough Reserves, you can generally correct the misstatement with an 8045 entry, instead.
- 5) **Document** your entry thoroughly. Since this does not involve the account codes where the original entry was posted, make sure to list the original account codes, document numbers, and an explanation of why this expense belongs where you are moving it in the JV text.

EXAMPLE

\$200 was charged to office supplies expense in index 123456 that should have been charged to computer expense in index 654321. Both indices have the same Level 2 Fund and same Level 2 Program. **Sufficient Reserves exist** in index 654321, account 1900. The change in Reserves entry would look like this:

Decrease the "expense" in index 123456, because that expense should not have been charged to this index. The decrease in expense from the prior year translates to an INCREASE in the revenue account, which means you **credit the 1903 Change in Reserves account**.

Increase the "expense" in index 654321, because they should have paid the expense last year. The increase in expense from the prior year translates to a DECREASE in the revenue account (they already spent it last year.), which means you **debit the 1903 Change in Reserves account**.

Easier Way to think about it:

If you need to *increase the "expense" in an index, debit 1903. To decrease the "expense", credit 1903.* The index you are debiting must have sufficient Reserves to remove.

Notice that you do not use any expense accounts for this entry. 1903 is a revenue account.

Actual:				
Index	Rule Class Code	Account Code	Debit	Credit
654321	JE2	1903	500	
123456	JE2	1903	<u> </u>	<u>500.</u>

This entry is balanced. The 1903 entries net to zero. This is a requirement for all 1903 entries.

MAKING A CHANGE WITH AN 8045 ENTRY

Sometimes a correcting entry needs to be made, but the index that needs to receive the expense does not have enough Reserves to cover the expense. What then?

When an unrestricted index needs to have a prior year expense moved into the index, and there is insufficient Reserves, you will generally use expense account code 8045-*Interdepartmental Support*. You will NOT use any other expense account. This account can be used whether the fund level 2 codes and program level 2 codes are the same or not.

EXAMPLE

\$200 was charged to office supplies expense in index 123456 that should have been charged to computer expense in index 654321. ***Sufficient Reserves do not exist*** in index 654321, account 1900. Both indices may or may not have the same Level 2 Fund and same Level 2 Program. The correcting entry would look like this:

Decrease the “expense” in index 123456, because that expense should not have been charged to this index. Decrease the expense from the prior year by **crediting 8045-Interdepartmental Support account**. This is an expense account. Do not use any other expense account.

Increase the “expense” in index 654321, because they should have paid the expense last year. Increase in expense from the prior year by **debiting 8045-Interdepartmental Support account**. Do not use any other expense account.

This entry is balanced. The 8045 entries net to zero. This is a requirement for all 8045 entries. 8045 entries can be used when the fund and/or program levels are NOT in the same level 2 fund and/or program.

WHEN YOU NEED PREAPPROVAL

You do not need prior approval to correct prior year misstatements with a Change in Reserves entry. Departments in the School of Medicine must obtain prior approval for any other type of Reserves entries from the SOM’s Dean’s office.

WHAT ABOUT RESTRICTED INDEX CORRECTIONS?

With restricted indices, you continue to move misstatements using expense accounts. Maintaining accurate cumulative restricted expense totals in the correct accounts is of overriding importance. Restricted indices do not have a *1900 Reserves* account, and no entries are ever made to a *1903 Change in Reserves* account for a restricted index. If a restricted index is involved, even if the other index is unrestricted, use the correct expense accounts in both indices to correct the misstatement.

COMMON JOURNAL VOUCHER MISTAKES TO AVOID:

- Creating a Reserves entry that crosses level 2 funds or level 2 programs.
- Trying to move unrestricted prior year correcting entries in their original account code. These must be moved in the Reserves account code [1903] as a debit and credit to the indices involved.
- Debits do not equal credits.
- Submitting Reserves entry in lieu of moving *current* year expense to the appropriate index.
- The index and account code funds are being moved “from” does not have sufficient funds in 1900. A negative balance CANNOT result.

OTHER TYPES OF RESERVES ENTRIES

Reserves entries are used for moving balances around, so spending can occur in other indices. Reserves can also be used to empty an index so it can be closed.

COVERING A DEFICIT IN ANOTHER INDEX

If an index has negative Reserves, that means the index had more expenses than revenue for the prior year. To correct this situation, you may be asked to move Reserves from a healthier index into this index to eliminate the negative Reserves condition.

EXAMPLE

At year end, index 123456 had Reserves of \$8,000. This means Index 123456 had \$8,000 of funds left at year end, after subtracting all expenses. Index 654321, on the other hand, had negative Reserves of \$1,000. You have been told to use some of the funds in 123456 to bring the negative Reserves up to zero. Index 654321 does not have a budget. Index 123456 has a balanced budget of \$20,000. None of the Reserves money is budgeted in 654321.

You do not need to do any budget entry. Assuming both indices are in the same level 2 fund and level 2 program, the entry would be:

Index	Rule	Account	(Dr)	(Cr)
	Class Code	Code		
123456	JE2	1903	1,000	
654321	JE2	1903		1,000

Had the Reserves money being moved been budgeted in 654321, the budgeted amount would have to be reduced, both in 1901 and in an expense area.

CLOSING AN INDEX

As shown above, if you are terminating an index that only has a negative 1900 Reserves amount (and no expenses), you remove the Reserves with a 1903 change in reserves entry. If the index to be closed has a negative Reserves, you will credit that index, using account 1903, for the exact amount in the negative 1900 Reserves account amount. You will debit another index in the same level 2 fund and same program for that amount.

If the index to be terminated has a positive Reserves amount, you will also remove the positive Reserves with a 1903 Reserves entry. You will debit that index, using account 1903, for the exact amount in the 1900 Reserves account. You will credit another index in the same level 2 fund and same program for that amount.

This entry will leave you with a net balance of zero in the index to be terminated, and you can then submit the index for termination. Remember to include in your journal voucher text an explanation of why you are making the entry; to terminate an unneeded index.

ACCOUNT 1901 – BUDGETED USE OF RESERVES ENTRY:

Main Campus and Health Sciences Center worked together to develop a 1901 Budget Reserves Standard Operating Procedure (SOP) which explains the processing guidelines and gives examples of the BD4 entries.

There are slight requirement differences between campuses. Each area should work with the Budget Office (Main Campus or HSC) on their specific budget questions and refer to the SOP located on the Main Campus web site <http://www.unm.edu/~budget/sop/>.

RELATED BUDGET ENTRIES REMINDERS:

- You must have the actual money to move it. You cannot move more with a 1903 entry than remains in 1900. Ever.
- Funding to be moved must be budgeted. (This does not apply to misstatement correction.)
- Prepare needed budget entries at the same time as the actual entry is made. You may use the same JV for both the budget and the actual entries.
- To budget Reserves usage, account code 1901 must be used.
- Remember that expense account 8060 is a default; use the correct expense account. (Account where the money will be spent now, and for the giving index, account where the expense had originally been budgeted.)
- Account codes 1900 or 1903 cannot be used in budget entries.

BUDGET ENTRY GENERAL TIPS:

- Budget entries must be in whole dollars. No cents.

- The index “giving” the funds [this entry is put into the Journal entry with a negative sign; the budget is going down for these accounts] must have enough money to cover the entry. [i.e., if the current budget is \$9,000, and actual expenses are \$500 and there is a \$1,500 encumbrance, there is only \$7,000 left ($\$9,000 - \$500 - \$1,500 = \$7,000$) and only \$7,000 may be moved].
- REMEMBER: If you move funding out of (or into) an index, you must also move the same amount of expense out of (or into) the index. The budget must stay in balance.
- In the case of Reserves amounts, use account code 1901 and rule class BD4 to move funding from one index to another. If you wish to spend unbudgeted Reserves money that is sitting in 1900, you must budget the use of funding in account code 1901. Refer to your Hyperion report for how much use of Reserves is currently budgeted.

YOU MAKE THE CALL

1) While reconciling the June activity for restricted index 443123, you find a \$500 charge that does not belong in the index. Instead, it belongs in unrestricted index 543123. The account code charged was 3100, and the purchase was for a printer. The unrestricted index has \$4,550 in Reserves actual account 1900.

- a. I will use Reserves account 1900 to credit index 443123. I will debit Reserves account 1900, index 543123, moving the expense.

Index	Account	Debit	Credit
543123	1900	\$500.00	
443123	1900		\$500.00

- b. I will use Change in Reserves account 1903 to credit index 443123 and debit Change in Reserves account 1903, index 543123

Index	Account	Debit	Credit
543123	1903	\$500.00	
443123	1903		\$500.00

- c. This includes a restricted index, so I will move the printer expense from 443123 by crediting account 3100-Office Supplies General, and move it to the unrestricted index 543123 by debiting account 1903-Change in Reserves.

Index	Account	Debit	Credit
543123	1903	\$500.00	
443123	3100		\$500.00

- d. This includes a restricted index, so I will move the printer expense from 443123 by crediting account 3100-Office Supplies General, and debiting account 3150-Computer Supplies <\$5,000 in index 543123.

Index	Account	Debit	Credit
543123	3150	\$500.00	
443123	3100		\$500.00

2) While reconciling the June activity for unrestricted index 333123, you find a \$500 charge that does not belong in the index. Instead, it belongs in unrestricted index 543123. The account code charged was 3100-Office Supplies General, and the purchase was for paper for the copier. Both unrestricted indices have \$4,550 each in Reserves account 1900. Both indices are in the same level 2 fund and the same level 2 program.

- a. I will use Change in Reserves account 1903 to credit index 543123 and debit Change in Reserves account 1903, index 333123

Index	Account	Debit	Credit
333123	1903	\$500.00	
543123	1903		\$500.00

- b. Since the Change in Reserves account 1903 is a revenue account, I will debit index 543123 to remove the excess revenue that rolled forward due to the missing expense amount, and credit Change in Reserves account 1903, index 333123 to increase their roll forward revenue.

Index	Account	Debit	Credit
543123	1903	\$500.00	
333123	1903		\$500.00

3) While reconciling the July activity for unrestricted index 333123, you find a \$500 July charge that does not belong in the index. Instead, it belongs in unrestricted index 543123. The account code charged was 3100, and the purchase was for paper for the copier. Both unrestricted indices have \$4,550 each in Reserves account 1900.

- a. Since the Change in Reserves account 1903 is a revenue account, I will debit index 543123 to remove the excess revenue that rolled forward due to the missing expense amount, and credit Change in Reserves account 1903, index 333123 to increase their roll forward revenue.

Index	Account	Debit	Credit
543123	1903	\$500.00	
333123	1903		\$500.00

- b. Since this is not a prior year correction, I will debit account 3100 in index 543123, and credit account 3100 to remove the expense in index 333123

Index	Account	Debit	Credit
543123	3100	\$500.00	
333123	3100		\$500.00

4) While reconciling the June activity for unrestricted index 333123, you find a \$1,500 charge that does not belong in the index. Instead, it belongs in unrestricted index 543123. The account code correctly charged was 2020-Payroll.

- a. Since the Change in Reserves account 1903 is a revenue account, I will debit index 543123 to remove the excess revenue that rolled forward due to the missing expense amount, and credit Change in Reserves account 1903, index 333123 to increase their roll forward revenue.

Index	Account	Debit	Credit
543123	1903	\$1,500.00	
333123	1903		\$1,500.00

- b. Since this is a salary account, I will do a PZAREDS to move the salary to index 543123. I will also check the Hyperion Finance report FSH0002 Labor Distribution for the employee, to make sure the distribution is now correct.

- c. I will process a Labor Redistribution form to move the salary for this employee.

5) While reconciling the June activity for unrestricted index 333123, you find an \$800 charge that does not belong in the index. Instead, it belongs in unrestricted index 543123. The account code correctly charged was 3100-Office Expense General. Index 333123 has no Balance in account 1900-Reserves, and index 543123 has a negative \$5,000 balance in account 1900-Reserves. The indices are both in the same fund level 2 and the same program.

- a. Since the Change in Reserves account 1903 is a revenue account, I will debit index 543123 to remove the excess revenue that rolled forward due to the missing expense amount, and credit Change in Reserves account 1903, index 333123 to increase their roll forward revenue.

Index	Account	Debit	Credit
543123	1903	\$800.00	
333123	1903		\$800.00

- b. I will debit index 543123 expense account 3100-Office Expense General to move the misstated expense amount to this index, and credit account 3100-Office Expense General, index 333123 to decrease their expense by this same amount.

Index	Account	Debit	Credit
543123	3100	\$800.00	
333123	3100		\$800.00

- c. Since the Reserves account 1900 has no positive balance, I will debit index 543123, account 8045-Interdepartmental Support to move the misstated expense amount to this index, and credit 8045-Interdepartmental Support, index 333123 to decrease their expense by this same amount.

Index	Account	Debit	Credit
543123	8045	\$800.00	
333123	8045		\$800.00

APPENDIX 1- RESERVES ACCOUNT CODES

Account

Code	Title	Description
1900	Reserves	For System use only. Residual earned amount carried forward from previous fiscal year. For Actuals only, not for Budget.
1901	Use of Budgeted Reserves	Budgeted use of Reserves. The amount of the carry forward surplus or deficit that is planned to be spent or recovered in the current year.
1903	Change in Reserves	Used to move an ACTUAL Reserves amount residing in account code 1900 (Reserves Detail) in one index to another index. The indices involved must be in the same Fund Level 2 or Program Level 2. <i>Account code 1903 must be used for the debit and credit in any such entry.</i> Contact your accounting office if you have questions.

APPENDIX 2- HSC UNRESTRICTED FUND STRUCTURE

UPDATED 9/6/07

HSC Unrestricted Fund Structure

<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
3U1	HU Instruction and General	
	3U1G	HU General I and G
		3U0044 HU I and G
3U2	HU Research	
	3U2G	HU General Research
		3U0023 HU Research General

Level 2

3U0047 HU F&A
3U0053 Genomics Software
3U0081 HU Endowed Spending Research
3U0298 UNM Tumor Registry (SEER) Billing
3U0299 HU Research Residuals
3U0312 HU CRTC State Appropriations

3U3 HU Education

3U3G HU General Education

3U0002 HU Non Endowed Spending Education
3U0003 HU Endowed Spending Education
3U0005 HU Housestaff Operations
3U0050 HU CME Conferences
3U0080 HU SOM Student Fees
3U0084 HU EMS Academy Billing
3U0089 HU Housestaff Billings
3U0123 HU Housestaff UNMH AR
3U0300 HU Education General

3U4 HU Clinical Service

3U41 HU UPA

3U0032 HU UPA Fom
3U0033 HU UPA Special Arrangements

3U42 HU UNMH

3U0006 HU Childrens Psychiatric Hospital
3U0007 HU Carrie Tingley Hospital
3U0011 HU UNMH AR & AP General
3U0034 HU UNMH-SOM General

3U56	HU General Clinical Service	
<u>Level 2</u>		HU Non Endowed Spending 3U0001 Research 3U0004 HU Medical Investigator Billing 3U0029 HU Clinical Residuals 3U0030 HU Locum Tenens Billing 3U0031 HU Specialty Ext Services 3U0038 HU Neonatology Transport Billing 3U0048 HU Peds Onc Patient Billing 3U0051 HU VA Contracts 3U0054 HU Clinical Service Contracts 3U0064 HU CRTC Patient Billing HU Non Endowed Spending Clinical 3U0301 Service HU Endowed Spending Clinical 3U0302 Service 3U0303 HU Clinical Service General

3U5 HU Other

3U53	HU HSC Monitoring Funds	
		1U0277 IU-System Clearing HSC AR 3U0008 HU HSC Monitoring 3U0037 HU Cost Reimbursement Billing 3U0046 HU Payroll Suspense 3U0056 HU Payroll Accrual Monitoring 3U0108 HU Allowance C&G A R 3U0280 HU HSC Accrued Annual Leave 3U0282 HU HSC Insurance Reserve 3U0292 HU HSC Travel Advances 3U0294 HU HSC Facility Planning

3U54 HU Internal Services

Level 2

- 3U0014 HU Program Evaluation
- 3U0015 HU Experimental Biotech
- 3U0020 HU Animal Resource Facility
- 3U0035 HU Internal Services Contingency
- 3U0036 HU PPD Maintenance & Planning
- 3U0049 HU HRRC Industry Revenue
- 3U0055 HU DNA Services
- 3U0057 HU EBL Services
- 3U0058 HU BRAIN Center
- 3U0059 HU Ctr for Development & Disability
- 3U0103 HU Mass Spectrometry
- 3U0105 HU Niehs FC 4
- 3U0306 HU Biomedical Communications
- 3U0313 HU Radiology Services

3U55 HU Petty Cash and Deposit Funds

- 3U0109 HU Pediatrics Development
- 3U0110 HU EMS Academy
- 3U0111 HU Dental Programs
- 3U0112 HU Pediatrics Hematology
- 3U0113 HU College of Nursing
- 3U0114 HU Pharmacy
- 3U0115 HU Petty Cash Fund
- 3U0118 HU Medical Center Library
- 3U0121 HU Duplication Cash
- 3U0283 HU Mental Health Center
- 3U0295 HU Teacher & Ed Development Workshop
- 3U0296 HU NBICO Family Emergency Fund

3U57 HU Internal Services -
Shared Facilities

Level 2

3U0016 HU Flow Cytometry

3U0017 HU Kugr Genomics

3U0022 HU Florescent Microscopy

3U0040 HU Electron Microscopy

3U0082 HU Proteomics

3U0307 HU Bioinformatics

3U0308 HU Biostatistics

3U0309 HU Medical Informatics

3U0310 HU Tissue Banking

3U0311 HU Experimental Therapeutics

3U5G HU General Other

3U0106 HU Student Aid

APPENDIX 3-MAIN CAMPUS UNRESTRICTED FUND STRUCTURE

You may see the most up to date version of this report in ePrint, Repository fin_banp-Finance Banner Production (banp). The report name is FGRFNDH-*Fund Hierarchy Report*.

UPDATED 07/1/08

<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
2U1	MU Instruction & General	
	2U1G	MU General I & G
		2U0224 MU I & G
2U2	MU Research	
	2U2G	MU General Research
		2U0005 MU Department Research
		2U0006 MU Idc
		2U0237 MU IDC Recovery for Special Program
2U3	MU Public Service	
	2U3G	MU General Public Service
		2U0007 MU Non Endowed Spending
		2U0016 MU Vp Academic Affairs
		2U0203 MU Public Service
		2U0204 MU KUNM FM
		2U0205 MU Inst & Conf Continuing Ed

	2U0206	MU Summer Professional Development
<u>Level 2</u>	2U0207	MU Summery Story of NM
	2U0208	MY Summer Personal Enrichment
	2U0209	MU Summer Extension
	2U0210	MU Summer Independent Study
	2U0211	MU Summer Conference Center
	2U0212	MU Summer Computers
	2U0213	MU Deferred Tuition-San
	2U0214	MU Dental Continuing Ed
	2U0215	MU Ethnobiology Conference
	2U0216	MU Philosophy Internation
	2U0217	MU Hardwood Foundation
	2U0218	MU UNM Press
	2U0219	MU Accounts Receivable Lobo
	2U0220	MU American Studies
	2U0221	MU Maxwell Museum Publication
	2U0222	MU Architecture Crd
	2U0223	MU Knme Tv Public Service
	2U0238	Deferred Comp Clearing
	2U0247	112380-Accessibility Services
	2U0252	MU Self-Insurance Reserve

2U5 MU Other Institutional Activities

	MU	
2U51	Auxiliaries	
	2U0077	MU Bookstore AR
	2U0078	MU Bookstore
	2U0079	MU Golf Courses

Level 2

2U0080	MU La Posada Dining
2U0081	MU Citation Allow Ps
2U0082	MU Housing Business Services
2U0083	MU Popejoy Hall Pemg
2U0084	MU Yound Ranch Property
2U0085	MU Parking and Transportation Svcs
2U0086	MU Taos & Lawrence Ranch
2U0087	MU Concessions
2U0088	MU Copy Media Services
2U0089	MU Facilities Rental
2U0090	MU Student Family Housing
2U0091	MU Art and Art History Paper Closet
2U0092	MU UNM Tennis Club
2U0093	MU Tennis Club UBIT
2U0094	MU Maxwell Museum
2U0095	MU Maxwell Zuni
2U0096	MU Maxwell Gift Shop
2U0097	MU Art & Maxwell Store
2U0098	MU Art Museum Shop
2U0099	MU Art Museum Shop Prod
2U0100	MU Accounts Receivable Copy Service
2U0101	MU Library Copy Center
2U0102	MU Lodestar Gift Shop
2U0103	MU Food Services
2U0104	MU Prepaid Expenses N
2U0105	MU Student Fees Designation
2U0106	MU Lodestar Operation
2U0107	MU UNM Ticketing Services

	2U0108	MU Maxwell San Felipe
<u>Level 2</u>	2U0109	MU Student Health
	2U0110	MU NM Union UBIT
	2U0111	MU NM Union
	2U0112	MU Nsf Conf Ms
	2U0234	MU Lobo Cash
	2U0248	MU Auxiliaries Contingency
	2U0258	Harwood Gift Shop
2U52	MU General Athletics	
	2U0025	MU Athletics
2U53	MU Student Social and Cultural	
	2U0001	MU Other Student Social Cultural
	2U0002	MU Book Co-op
	2U0003	MU Other Student Social Cultrural
	2U0004	MU Debate Team
2U54	Internal Services	
	2U0113	MU Microprobe Sem Lab
	2U0114	MU ECRF OTV Cost Center
	2U0115	MU Mathematics & Statistics
	2U0116	MU Mathematics & Statistics Kyner
	2U0117	MU Stat Consulting Clinic
	2U0118	MU Physics Shops
	2U0119	MU Media Tech Service
	2U0120	MU SIMS Laboratory
	2U0121	MU Ce Shop Account

Level 2

2U0122	MU Ce Hydraulics Lab Fee
2U0123	MU NMERI Auto
2U0124	MU MTTC Cleanroom Operation
2U0125	MU NMERI Recharge
2U0126	MU NMERI Computer Cost
2U0127	MU TEM Laboratory
2U0128	MU Electrical Wood Metal Shop
2U0129	MU Mechanical Engineering Shop
2U0130	MU Academy for T&C
2U0131	MU Contingency Internal Services
2U0132	MU Employee Occupational Health Svc
2U0133	MU Continuing Ed Workforce Labs
2U0134	MU Cars
2U0135	MU International Scholarships
2U0136	MU Chemistry Research Lab Supplies
2U0137	MU Chemistry & Nuclear Lab
2U0138	MU X Ray Structure
2U0139	MU Paleomagnetism Lab
2U0140	MU Analytical Chemistry Lab
2U0141	MU X Ray Diffraction Lab
2U0142	MU Unix Computer Facility
2U0143	MU Stable Isotope Lab
2U0144	MU Icp Ms Lab
2U0145	MU Quaternary Lab
2U0146	MU Radiogenic Iso Lab
2U0147	MU NMR Facility
2U0148	MU HR Benefits Cobra
2U0149	MU X Ray Photoel Spectr

Level 2

2U0150	MU Xrd Lab
2U0151	MU SAXS
2U0152	MU Pcl
2U0153	MU MCSC Materials Characterization
2U0154	MU Cirt
2U0155	MU Cirt
2U0156	MU Supercomputing
2U0157	MU Hardware Maintenance
2U0158	MU Incubator Lab Maintenance
2U0159	MU Information Tech
2U0160	MU Ctr Micro-Engineering Ceramics
2U0161	MU Rodey Theatre Rental
2U0162	MU MRC Computer Charges
2U0163	MU Temporary Employee
2U0164	MU Excess Sick Leave
2U0165	MU Retiree Health Benefits
2U0166	MU Dependent Tuition Program
2U0167	MU Employee Tuition Remission
2U0169	MU Bookstore Wholesale
2U0170	MU Telecommunications
2U0171	MU Taxation UBIT GGRT
2U0172	MU Safety Health & Environment
2U0173	MU Internal Med EHPP
2U0174	MU Chtm Crystal Growth
2U0175	MU Materials Management
2U0176	MU Payroll Tax Subsidy
2U0177	MU Chtm Clean Room

	2U0178	MU UNM Copy Center
<u>Level 2</u>	2U0179	MU Casaa Project Evaluation
	2U0180	MU Cng Fueling Center
	2U0181	MU Materials Management
	2U0182	MU Printing Plant
	2U0183	MU Sub Campus Images
	2U0184	MU Quick Copy Centers
	2U0185	MU Materials Management
	2U0186	MU Premiums Risk Management
	2U0187	MU Radioactive Waste Disposal
	2U0188	MU Hazardous Chemical Waste
	2U0189	MU Ticket Discounts
	2U0190	MU Pes Midas
	2U0191	MU Casaa Data Services
	2U0192	MU Casaa Internal Services
	2U0193	MU Ppd Engineering Services
	2U0194	MU Auto Rental Fleet
	2U0195	MU Ppd Alarms
	2U0196	MU Cogeneration Plant
	2U0197	MU Ford Utilities
	2U0198	MU Ppd Automotive
	2U0199	MU Ppd Custodial Services
	2U0200	MU Ppd Engineering Services
	2U0201	MU Maui Project
	2U0202	MU Ppd-Remodeling
	2U0229	MU High Pressure Exp
	2U0230	MU IFL INTERFEROMETRIC LITHOGRAPHY
	2U0231	MU MBE-MOLECULAR BEAM EPIT0XY

	2U0232	MU Special Program Services
<u>Level 2</u>	2U0233	MU Banner Tax
	2U0236	MU Catastrophic Leave
	2U0239	MU LIDAR Lab
	2U0240	MU PPD Maintenance and Planning
	2U0241	MU PPD Environmental Services
	2U0242	MU PPD Work Control
	<u>Level 3</u>	
	2U0243	MU Employee and Org Development
	2U0244	MU Univ Library Internal Svcs
	2U0245	MU Continuing Education
	2U0246	MU Confocal Laser Scanning Lab
	2U0249	ITS Computing Services
	2U0250	ITS Communications Network Services
	2U0253	Capital Projects Ofc
	2U0254	COE Publication Center
	2U0255	MU-Benefits
	2U0256	CHTM- Technical Support
	2U0258	A&S Biology Service Centers
	2U0260	EDAC Internal Services
	2U0262	MU NMIRA Laboratories
2U5G		MU General Student Aid
	2U0008	MU Endowed Spending
	2U0226	MU Student Aid
	2U0261	Tribal Student Aid
2U55		MU Other
	2U0009	MU Masters Of Management
	2U0010	MU Santa Fe Graduate Center

	2U0011	MU Accepted Applicants
<u>Level 2</u>	2U0012	MU Books & Serials
	2U0013	MU Books From Mexico
	2U0014	MU Library Prepaid
	2U0015	MU Books Argentina
	2U0017	MU Ims
	2U0018	MU Photo Service Ms
	2U0019	MU Special Programs Int
	2U0020	MU Arts & Sciences
	2U0021	MU Anthropology
	2U0022	MU Chemistry Breakage C
	2U0023	MU Economics Rac
	2U0024	MU English Key Deposits
	2U0025	MU London Semester
	2U0026	MU Astrophysis
	2U0027	MU Psychology
	2U0028	MU Psychology Gluck
	2U0029	MU Psychology Dougher
	2U0030	MU Psycholog
	2U0031	MU Communications & Journalism
	2U0032	MU German Summer School
	2U0033	MU Speech & Hearing Science
	2U0034	MU Linguistics Petty Cash
	2U0035	MU Institute for Public Policy
	2U0036	MU Computer Usage
	2U0037	MU Womens Studies
	2U0038	MU Institute Criminal Justice
	2U0039	MU Media Tech Svc Cashd

	2U0040	MU Architecture & Planning
<u>Level 2</u>	2U0041	MU Hppelp Therapy Pool
	<u>Level 3</u>	
	2U0042	MU Family Development Program
	2U0043	MU Petty Cash-Soe Copy Center
	2U0044	MU Chemical & Nuclear Engineering
	2U0045	MU Ce Key Accounts
	2U0046	MU Eece Key Deposits
	2U0047	MU Mechanical Engineering
	2U0048	MU Mfg Engineering Petty Cash
	2U0049	MU NMERI
	2U0050	MU Minority Engineering Petty Cash
	2U0051	MU Cs Key Deposits
	2U0052	MU Space Nuclear Power Systems
	2U0053	MU Cfa Key Deposits
	2U0054	MU Tamarind Institute
	2U0055	MU Clinical Operations-Law
	2U0056	MU Zimmerman Fiscal Service
	2U0057	MU General Library Key Deposits
	2U0058	MU General Library Key Deposits
	2U0059	MU Recreational Services
	2U0060	MU Outreach Services
	2U0061	MU Student Fees
	2U0062	MU Police Petty Cash
	2U0063	MU Admission Petty Cash
	2U0064	MU UNM Child Care Center
	2U0065	MU Student Publications
	2U0066	MU Physical Plant

	2U0067	MU Maui High Perform Computing Ctr
<u>Level 2</u>	2U0068	MU Casaa
	2U0069	MU Casaa Crb Petty Cash
	2U0227	MU Political Science Pc
	2U0228	MU Midweek Movie Pc
	2U0235	MU Books From Brazil
	2U0251	MU Law Library
	2U0259	MU New Media & Ext Learn NMLN
	2U0263	MU IPL-JEC Fees

APPENDIX 4- FOAPAL ELEMENTS-QUICK REFERENCE GUIDE

Treat as ONE Program Level 2 Fund.

FUND	Begins With
<u>Institutional Funds</u>	1
<u>Main Campus</u>	2
Main Endowments	2E
Main Plant Funds	2P
Main Restricted	2R
Main Unrestricted	2U
<u>HSC Campus</u>	3
HSC Endowments	3E
HSC Plant Funds	3P
HSC Restricted	3R
HSC Unrestricted	3U
<u>Gallup Campus</u>	4
Gallup Endowments	4E
Gallup Plant Funds	4P
Gallup Restricted Funds	4R
Gallup Unrestricted	4U
<u>Los Alamos Campus</u>	5
Los Alamos Endowments	5E
Los Alamos Plant Funds	5P
Los Alamos Restricted Funds	5R
Los Alamos Unrestricted	5U
<u>Valencia Campus</u>	6
Valencia Endowments	6E
Valencia Plant Funds	6P
Valencia Restricted Funds	6R
Valencia Unrestricted	6U
<u>Taos Campus</u>	7
Taos Endowments	7E
Taos Plant Funds	7P
Taos Restricted Funds	7R
Taos Unrestricted	7U
<u>UNM Hospital</u>	8U

PROGRAM DESCRIPTION	Program Level 2
<u>Instruction and General</u>	
Instructional and General Revenue	P09
Instruction Unrestricted Ex 10	P10
Sponsored Instr Restr Ex 10	P10R
Academic Support Unrestr Ex 11	P11
Sponsored Acad Support Restr Ex 11	P11R
Student Services Ex 12	P12
Sponsored Student Srvc Restr Ex 12	P12R
Institutional Support Ex 13	P13
Sponsored Inst Support Restr Ex 13	P13R
Operations and Maintenance Ex 14	P14
Student Social and Cultural Ex 15	P15
Research Unrestr Ex 16	P16
Sponsored Research Restr Ex 16	P16R
Non Sponsored Pub Svc Unrestr Ex 17	P17
Sponsor Public Service Restr Ex 17	P17R
Internal Services Ex 18	P18
Student Aid Unrestr Ex 19	P19
Sponsored Student Aid Restr Ex 19	P19R
Auxiliaries Ex 20	P20
Athletics Ex 21	P21
Independent Operations Ex 22	P22
Other Institutional Programs	P50
Property Plant and Equipment	P501
Agencies	P502
Student Loan Programs	P503
Endowment Programs	P504

ACCOUNT CODES	Begins With
<u>OPERATING REVENUE</u>	
Tuition Revenue	01
Student Fees	02
<u>Mandatory Student Fees</u>	02Z1
Patient Services	03
Grants & Contracts	04
Sales & Services	05
<u>INTERNAL SALES</u>	
<i>(USED ONLY IN P18 INTERNAL SERVICES)</i>	
Appropriations	07(number)
Sales & Services	07Z
Other Operating Revenue	08
<u>NON-OPERATING REVENUE</u>	
Bond Revenue	09
Gifts, Investment Income & Other	10
<u>Transfers</u>	11 or 12
<u>Allocations</u>	
Earned Revenue	1600
F&A Allocation	1601
<i>(USED ONLY IN P16 Research)</i>	
Allocations SOM Gen	1610
Pooled Allocation	1640
<i>(Only used by depts. For original budget)</i>	
UNM Bond Proceeds	1650
General Allocations	1660
Overhead Internal	1661
<i>(USED ONLY IN P16 Research)</i>	
Regent's Reallocation	1665
<u>Reserves</u>	
Reserves	1900
<i>(NOT USED by Depts EVER)</i>	
Budget Bal Change	1901
<i>(BUDGET PURPOSES ONLY)</i>	
Change in Reserves	1903
<i>(MOVING BAL FWD ACTUALS ONLY)</i>	
<u>EXPENSES</u>	
Salaries	20
Payroll Benefits	21
Other Expenses	31 thru 99
Interdept Support	8045
Budget Contingency	80E0

APPENDIX 5- YOU MAKE THE CALL ANSWERS

1) The correct answer is D

- a. This answer is incorrect because Reserves account 1900 is used only at year end by Finance Systems Management to roll balances forward. Unrestricted correcting entries are done in 1903-Change in Reserves.

This answer is also incorrect because any correcting entry involving a restricted index is done using the actual expense accounts for the entry, not a Reserves entry.

- b. This answer is incorrect because any correcting entry involving a restricted index is done using the actual expense accounts for the entry, not a Reserves entry.
- c. This answer is incorrect because any entry using Change in Reserves account 1903 must use account 1903 for both the debit and credit portion of the entry.
- d. This is the correct answer. The entry is removed from index 443123 account 3100 with a credit, and properly expensed by debiting account 3150 in index 543123

2) The correct answer is B

- a. This answer is incorrect because the signs (debit/credit) are reversed.
- b. This is the correct answer. Since Reserves is a revenue account, you must CREDIT the incorrectly expensed index and DEBIT the index that should have gotten the expense using account 1903.

3) The correct answer is B

- a. This answer is incorrect because a July correction for a July expense is not a prior year expense restatement. Account 1903 is used for prior year restatements, not current year restatements.
- b. This is the correct answer. Current year expense is removed from the incorrect index and account with a credit, and moved to the correct index and account with a debit.

4) The correct answer is B

- a. This answer is incorrect because salary expense is not moved with journal vouchers.
- b. This is the correct answer. Salary expense is moved in Banner with a PZAREDS form.
- c. This answer is incorrect because Labor Redistributions ended with the implementation of the Banner Payroll system on July 1st, 2008.

5) The correct answer is C

- a. This answer is incorrect because you cannot move a non-existent Reserves amount. If there is a Reserves that is less than the amount that needs to be removed from an index, 1903-Change in Reserves cannot be used.

- b. This answer is incorrect because expense account 3100 is never used to correct an unrestricted prior year expense misstatement.
- c. This is the correct answer. Since both indices are in the same level 2 fund and have the same program, and since there is no Reserves amount to move, and the amount moved is small (<\$5,000), account 8045-Interdepartmental Support is used. Remember that the total amount moved with this account cannot exceed \$20,000/year, nor can any one entry exceed \$5,000.

APPENDIX 6 – OTHER RESOURCES

ePrint FGRFNDH Fund Hierarchy Report in fin_banp-Finance Banner Production (banp) Repository