

**Additional Information for Budget Journals**

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## RULES FOR PROCESSING BUDGET JOURNALS

1. There must be positive budget balance available (BBA) in the budget account (node) in the cost center to transfer expense budget or to budget income supported by 1074.1. Report must have a timestamp that is no greater than 24 hours.
2. There must be positive unbudgeted fund equity supported by the 1033a in order to budget fund balance. Report must have a timestamp that is no greater than 24 hours.
3. Revenue cannot be increased prior to realizing the income. If the need to increase is critical to ongoing operations, a detailed justification supported by data analytics must be submitted to the Planning & Budget Office for review.
4. If revenue is increased or decreased, expense must be increased or decreased accordingly.
5. Original (Base) entries are made mainly for permanent position changes and approved department organizational changes. Other base changes must be accompanied by prior approval from the Planning & Budget Office.
6. Budget cannot be transferred across funds.
7. Budget Accounts (nodes) with "B5xxx" can be used only with the ORG or PROJ\_GRT ledger groups. Budget Accounts (nodes) with "B4xxx" can be used only with the REVEST ledger group.
8. The use of Fund, Department ID, Program, and Project/Grant ID must be a valid combination. To ensure this, Speed Type must be used to create the Budget Journal.



1. No supporting documentation is attached.
2. Documentation shows a time and date greater than 24 hours of budget journal submission.
3. Supporting documentation is not uploaded and oriented correctly (the ability to read top down and left-to-right).
4. Inadequate supporting documentation or documentation that is not legible.
5. Wrong Approval Path is chosen (i.e. needs Provost approval)
6. There are pennies included on the Original budget journal.
7. The document number is not in the 1<sup>st</sup> 9 characters of the Journal Header Description field.
8. The document number is not in the 1<sup>st</sup> 9 characters of the Journal Line Description field.
9. Wrong Budget Ledger is chosen (ORG, REVEST, etc.).
10. A project/grant budget journal does not have the "Generate Parent Budget" box checked.
11. A Budget Journal is being processed between different fund 4 cost centers with the same fund without the written approval from the Associate Vice President for Finance uploaded to the budget journal.
12. The rules listed above are not followed.

In addition to this, budget journals may "fail" budget checking. If this happens, a "deny" email is sent back to the budget journal originator. The budget journal status will be marked "V" (Valid) which is the status given for an amount based error. These journals are not posted. Once the problem causing the amount based error is fixed, the budget journal will have to be re-entered into workflow for posting.



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SUBJECT: Supporting Documentation required for Budget Journals

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<u>ORG</u>	1074 Section 1 or 1063 for the cost center decrease; 1033A if budgeting Fund Equity
<u>REVEST (Non B4035)</u>	1074 Section 1 showing the received revenue
<u>REVEST (B4035)</u>	1033A (Unbudgeted Fund Equity with Expense/Revenue Budget)
<u>ORG and/or REVEST (new)</u>	Documentation showing funds are forthcoming and/or a copy of the check
<u>PROJ_GRT</u>	1074.1 for the cost center decrease; 1033A if budgeting Fund Equity



Remissions and Exemptions are a reduction of the amount charged to students for different types of tuition and fees. It represents a revenue reduction to the university and is recorded in accounts 55500-55999. This classification of accounts is defined on the BUD\_REVENUE tree for budget checking purposes as of 9/1/2004. That means if a Remission and Exemption account is used, it will be budget checked against a Revenue budget node (B4005) even though the accounts are expense accounts.

To see Remissions and Exemptions, run the 1074 report. If there are Remissions and Exemptions, they will be recorded in the revenue section of the report under B4005 as negative revenue:

Description	Base (Original)	Current (Orig + Adj)	Curr Rev/Exp	YTD Rev/Exp	PTD Rev/Exp	Open Commit	Soft Commitment	Budget Available
Current Budget Reference								
B4002 DESIGNATED TUITION	-280,929.00	-280,929.00	437.70	-262,254.90	-262,254.90	0.00	0.00	18,874.10
B4005 REMISSIONS AND EXEMPTIONS	16,856.00	16,856.00	-72.00	17,852.70	17,852.70	0.00	0.00	-996.70
B4035 FUND BALANCE	0.00	-93,015.73	0.00	0.00	0.00	0.00	0.00	93,015.73
Total Revenue	-264,073.00	-357,088.73	365.70	-244,402.20	-244,402.20	0.00	0.00	-112,686.53

In this example, the Budget Balance Available for B4005 is (996.70). This amount needs to be cleared to zero by using two budget journals – one REVEST and one ORG.

The REVEST journal should decrease the revenue budget. Since the revenue budget is negative on B4005, it will increase the negative revenue budget. To do this, the REVEST budget journal is created with a minus sign:

Line	Ledger	Speed Type	Account	Fund	DeptID	Program	Project	Bud Ref	View Attributes	Amount
1	REVEST_BD		B4005	2164	C0023	A0710	NA	BP2012	View Attributes	-996.70

Next, an ORG budget journal is processed to decrease the expenditure budget:

Line	Ledger	Speed Type	Account	Fund	DeptID	Program	Project	Bud Ref	View Attributes	Amount
1	ORG_BD		B5009	2164	C0023	A0710	NA	BP2012	View Attributes	-996.70

These transactions result in a decrease to the expenditure budget and an increase in the negative revenue budget.

Another way to correct negative Remissions and Exemptions is to budget additional revenue that was received and increasing the negative revenue budget. Both of these can be accomplished by using a REVEST journal.



Description	Base (Original)	Current (Orig + Adj)	Curr Rev/Exp	YTD Rev/Exp	PTD Rev/Exp	Open Commit	Soft Commitment	Budget Available
Current Budget Reference								
B4004 OTHER FEES	-2,486,208.00	-2,486,208.00	-1,929.60	-2,517,942.80	-2,517,942.80	0.00	0.00	31,734.80
B4005 REMISSIONS AND EXEMPTIONS	65,885.00	65,885.00	192.00	93,717.86	93,717.86	0.00	0.00	-27,832.86
Total Revenue	-2,420,323.00	-2,420,323.00	-1,737.60	-2,424,224.94	-2,424,224.94	0.00	0.00	3,901.94

In this example, there is sufficient revenue collected to cover the deficit on the remissions and exemption node. The deficit can be cleared by processing a REVEST budget journal.

The REVEST budget journal would look like this:

Line	Ledger	sd Type	Account	Fund	Dept	Program	Bud Ref	Project	Set Options	Amount
1	REVEST_BD		B4004	2065	C0053	E0325	BP2012	NA	Set Options	30,000.00
2	REVEST_BD		B4005	2065	C0053	E0325	BP2012	NA	Set Options	-30,000.00

This entry increases the revenue budget on B4004 and decreases the revenue budget on B4005. Since B4005 is really negative revenue, the entry results in a greater negative revenue budget. This is what the report looks like after the budget journal is processed:

Description	Base (Original)	Current (Orig + Adj)	Curr Rev/Exp	YTD Rev/Exp	PTD Rev/Exp	Open Commit	Soft Commitment	Budget Available
Current Budget Reference								
B4004 OTHER FEES	-2,486,208.00	-2,516,208.00	57.60	-2,517,885.20	-2,517,885.20	0.00	0.00	1,677.20
B4005 REMISSIONS AND EXEMPTIONS	65,885.00	95,885.00	0.00	93,717.86	93,717.86	0.00	0.00	2,167.14
Total Revenue	-2,420,323.00	-2,420,323.00	57.60	-2,424,167.34	-2,424,167.34	0.00	0.00	3,844.34



Originator/Coll-Div Business Admin

1. Obtain a document number from the departmental log for the Budget Journal.
2. Create the budget journal and budget pre-check it in PeopleSoft.
3. Electronically attach the required supporting documentation for the budget journal.
4. Select "Approve" and "Apply" on the Approval 2 tab to enter the budget journal into workflow.

College/Division Business Admin.

5. Monitor the budget journal worklist reviewing each budget journal along with its supporting documentation.
6. Select an Approval Action for the budget journal on the Approval 2 tab.

Provost (depending on the path selected)

7. Review each budget journal on the worklist along with the supporting documentation.
8. Select an approval action for the budget journal on the Approval 2 tab.

Planning & Budget Office

9. Review each budget journal on the worklist along with the supporting documentation.
10. Select an Approval Action for the budget journal on the Approval 2 tab.
11. Post the budget journal. If the budget journal fails posting and returns a status of "V", print the budget journal and resolve amount based error with department.
12. Complete the accompanying journal entry form if the budget journal transfers funds between cost centers. Submit the Journal Entry to General Accounting for processing.



*NOTE: This comes from the Budget Journal Training materials.*

To look up and print a budget journal, navigate as follows:

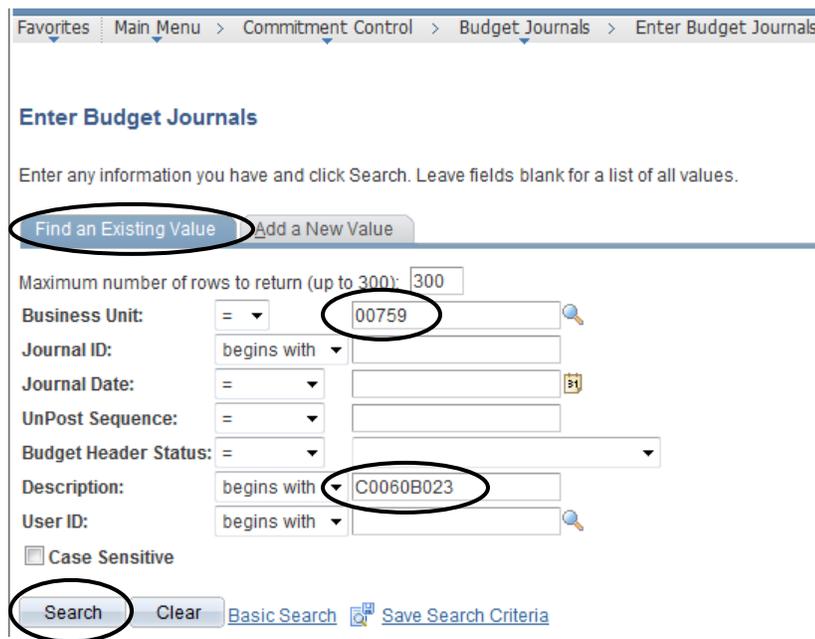
**COMMITMENT CONTROL – MAINTAIN BUDGETS – BUDGET JOURNALS – ENTER BUDGET JOURNALS**

**Step 1:** Click the "Find an Existing Value" tab.

Enter "00759" for the business unit and any other information available such as:

- budget journal number
- budget journal date
- Document Number from the Departmental Log in the Description field.
- The Empl ID of the creator

Click 



Enter Budget Journals

Enter any information you have and click Search. Leave fields blank for a list of all values.

**Find an Existing Value** | Add a New Value

Maximum number of rows to return (up to 300): 300

Business Unit: = [00759]

Journal ID: begins with [ ]

Journal Date: = [ ]

UnPost Sequence: = [ ]

Budget Header Status: = [ ]

Description: begins with [C0060B023]

User ID: begins with [ ]

Case Sensitive

**Search** | Clear | Basic Search | Save Search Criteria

**Step 2:** Choose the journal to be printed from the Search Results displayed:

**Search Results**

View All First 1-2 of 2 Last

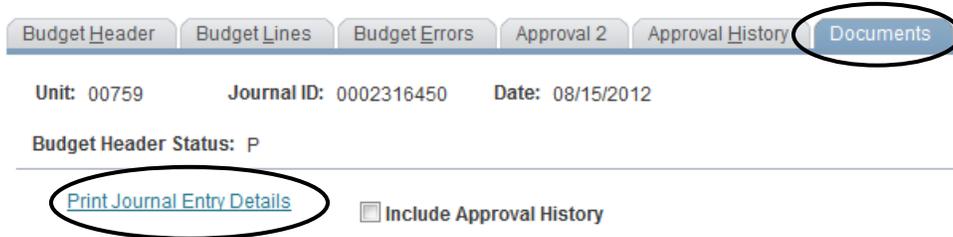
Business Unit	Journal ID	Journal Date	Ledger Group	Budget Header Status	Description	User ID
00759	0002316450	08/15/2012	ORG	Posted	C0060B023 BUDGET F/E TO M&O F	0077777
00759	0002316446	08/15/2012	REVEST	Posted	C0060B023 BUDGET PARTIAL FUND	0077777



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**Step 3:** Click the Documents tab; click the [Print Journal Entry Details](#) hyperlink.



The budget journal opens in a new window and can be printed.

