

Managing Budget & Creating Budget Journals

May 2022

- **High Level Overview of Budgets**
- **Budget Control and Budget Checking Process**
- **Using the Ledger Group Matrix and Other Job Aids**
- **Finding your available Budget in ConnectCarolina**
- **Entering Budget Journals and Budget Transfers**

The Two Ledgers of UNC

Commitment Control (KK)

GL Actuals

Commitment Control is an area in ConnectCarolina that helps maintain budgets effectively, using three components:

Budget Definitions

- Set up and maintain budgets
- Store rules to control and track budgets
- Based on the chartfield structure

Budget Ledgers

- Track and record revenues and expenditures against authorized budgets

Budget Transactions

- Budget journal: establish and/or increase or decrease budgets
- Budget transfer: moves funds between budgets

Budget Definitions

Budget Ledgers

Primary Groups

- Business Unit
- Fund Type
- Expense or Revenue (Account)
- Parent or Child
- Processing rules and Valid Chartfield Strings
- Chartfields on InfoPorte's Main and OSR Ledger tabs

Budget Definitions

Budget Ledgers

Primary Groups

Expenditure Ledgers

- Budget
- Pre-Encumbrance
- Encumbrance
- Expense

Revenue Ledgers

- Budget
- Recognized
- Collected

Budget Definitions

Budget Ledgers

Primary Groups

Most of the camps will use these ledger groups:

FAST (Combination of F&A, State, Trust)

- Expense
- Revenue

OSR Child Expense

The screenshot displays the INFOPORTE system interface. The top navigation bar includes 'Dept Accounting' and 'Financial Reporting'. Below this, there are tabs for 'Ledger Rollups', 'Transactions', and 'All GL Activity'. A 'Base Search' section is visible, containing fields for 'Fund Type', 'Fiscal Year', 'Budget Prd', and 'Acct Prd'. The 'Fund Type' dropdown menu is open, showing a list of options. A callout box provides a detailed view of the selected items, which are highlighted with orange boxes.

Fund Type (show all)

- ☐ F&A
 - ☐ F&A - Budget (Exp)
 - ☐ F&A - Pre-Encumb
 - ☐ F&A - Encumb
 - ☐ F&A - Expense
- ☐ STATE
 - ☐ State - Budget (Rev)
 - ☐ State - Revenue
 - ☐ State - Budget (Exp)
 - ☐ State - Pre-Encumb
 - ☐ State - Encumb
 - ☐ State - Expense
- ☐ TRUST
 - ☐ Trust - Budget (Rev)
 - ☐ Trust - Revenue
 - ☐ Trust - Budget (Exp)
 - ☐ Trust - Pre-Encumb
 - ☐ Trust - Encumb
 - ☐ Trust - Expense
- ☐ OSR
- ☐ CI_KK_BUDG

Callout Box Details:

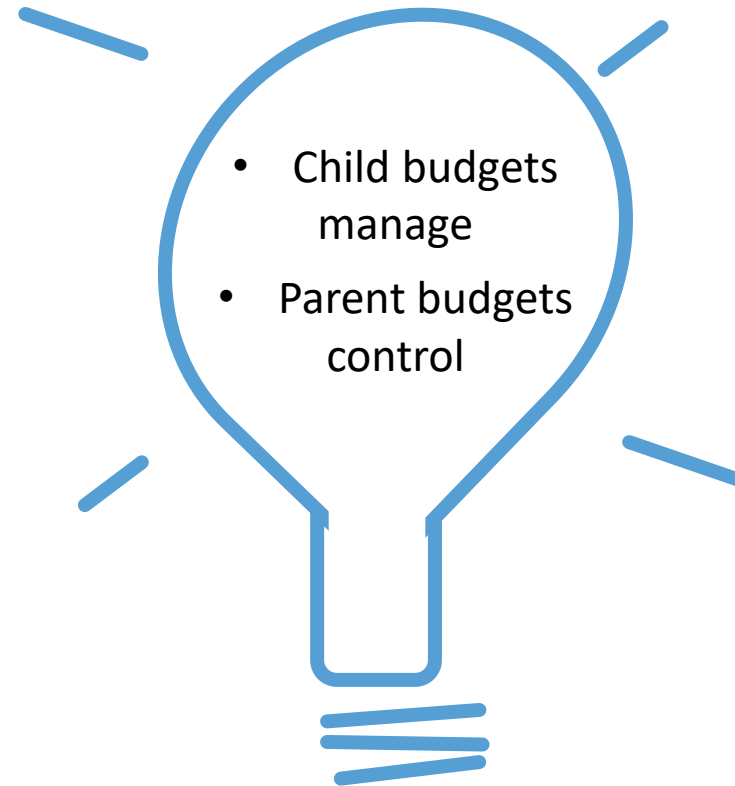
- ☐ F&A
 - ☐ F&A - Budget (Exp)
 - ☐ F&A - Pre-Encumb
 - ☐ F&A - Encumb
 - ☐ F&A - Expense
- ☐ STATE
 - ☐ State - Budget (Rev)
 - ☐ State - Revenue
 - ☐ State - Budget (Exp)
 - ☐ State - Pre-Encumb
 - ☐ State - Encumb
 - ☐ State - Expense
- ☐ TRUST
 - ☐ Trust - Budget (Rev)
 - ☐ Trust - Revenue
 - ☐ Trust - Budget (Exp)
 - ☐ Trust - Pre-Encumb
 - ☐ Trust - Encumb
 - ☐ Trust - Expense
- ☐ OSR
- ☐ CI_KK_BUDG

Parent & Child

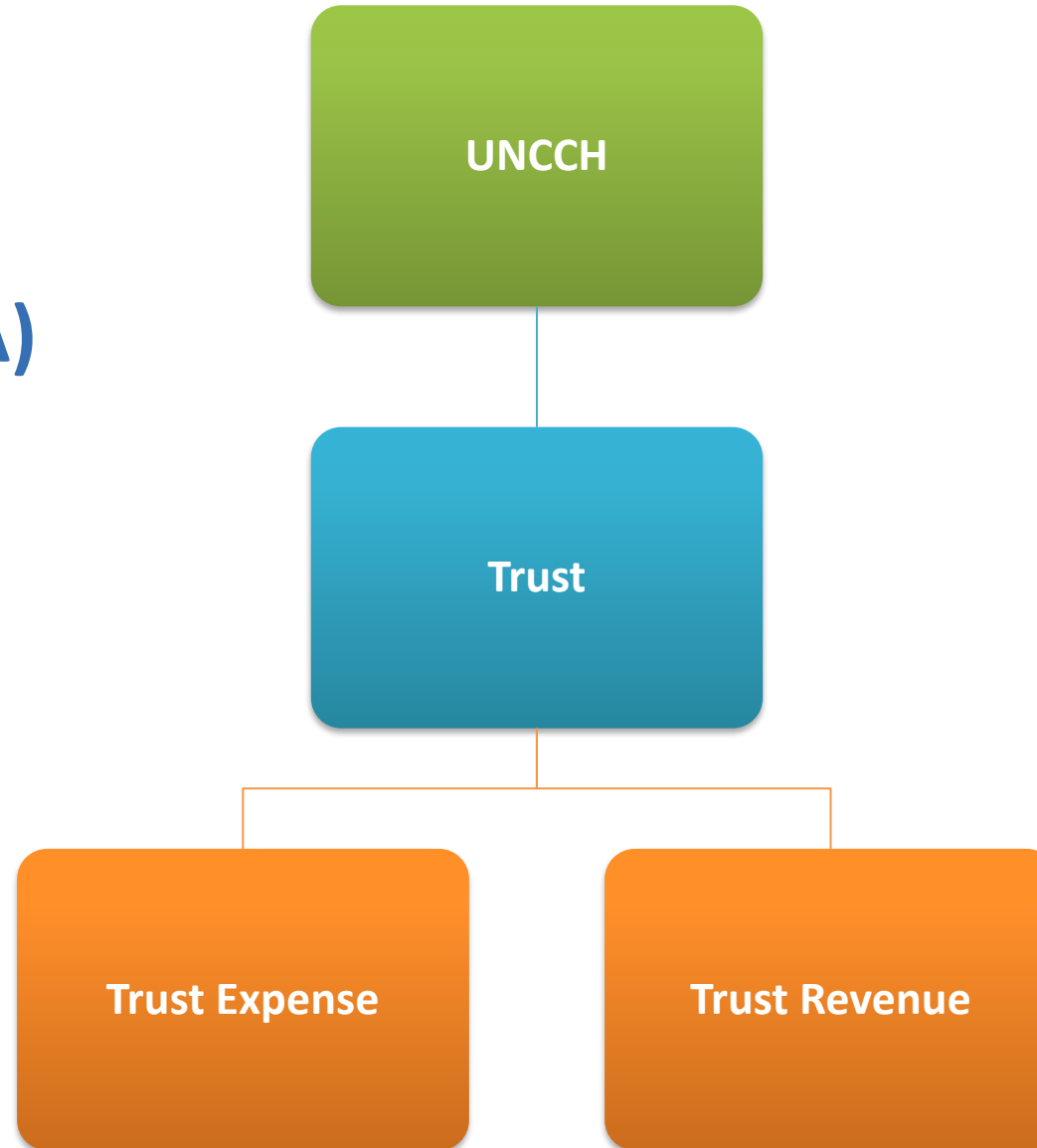


Parent-Child Budgeting

- State, F&A, and OSR
- Expense budgets only
- Parent = School or Division
- Child = Department
- When the Child budget changes, the Parent budget is automatically updated



**Trust Expense,
and all Revenue
(Trust, State, F&A)**



Budget Control



Control

Track with Budget

Track without Budget



Track without Budget

- There is no existing budget required
- No warnings, no errors, i.e. always passes budget checking
- The transaction is allowed to proceed

TRACK WITHOUT BUDGET

- Trust Revenue
- State Revenue
- F&A Revenue
- Trust Expense
- State Child Expense
- F&A Child Expense
- OSR Child Expense (Converted Projects and new projects that start with 31 and 41)



Track with Budget

- Validates each transaction to ensure at least a \$0 budget exists
- If a budget – of any amount – exists the transaction progresses
- Issues a warning when budgeted amount is exceeded

OSR Child: Projects created 10/1/14 or later
Projects with Project ID = 51xxxxx

OSR Budget Controls on InfoPorte's Grant Details tab



The screenshot displays the 'Grant Details' tab in the InfoPorte system. The interface includes a navigation bar with tabs for 'Dept Accounting', 'Financial Reporting', and 'Financial Requi'. Below this, a sub-navigation bar contains 'Ledger Rollups', 'Transactions', 'GL Activity', 'Grant Profile', and 'Soft End'. The 'Grant Details' tab is selected and highlighted with an orange border. The main content area is titled 'Project Details' and contains the following information:

- Project ID: 5032276
- Project Description: Tyrosine Protein Kinase
- Project Type: FED – Federal
- Project Schedule End Date: 11/30/2016
- KK End Date: 2/13/2017
- Child OPTN: 2 – Track w/o Budget (highlighted with an orange border)

A 'Return to List' button is located in the top right corner of the 'Project Details' section.



- Validates each transaction against available budget
- Issues an error if the transaction exceeds available budget
- The transaction is stopped
 - Resolve error to proceed

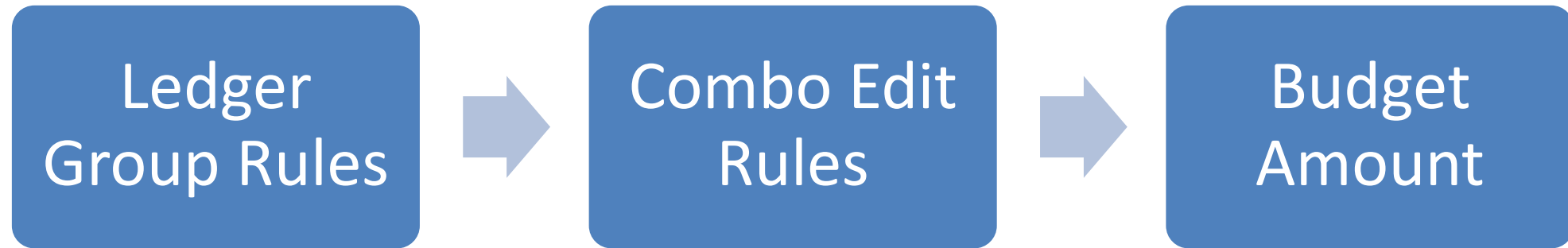
Control

- State Parent Expense
- F&A Parent Expense
- OSR Parent Expense
- Student Affairs

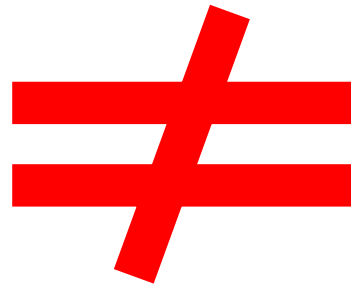
What is the Budget Checking Process?

Validates that all transactions are recorded according to the rules and confirms that budget is available.

How does CC do a Budget Check?



**Budget
Pre-Check**



**Budget
Check**

Budget Journal and Transfers

Create

Edit

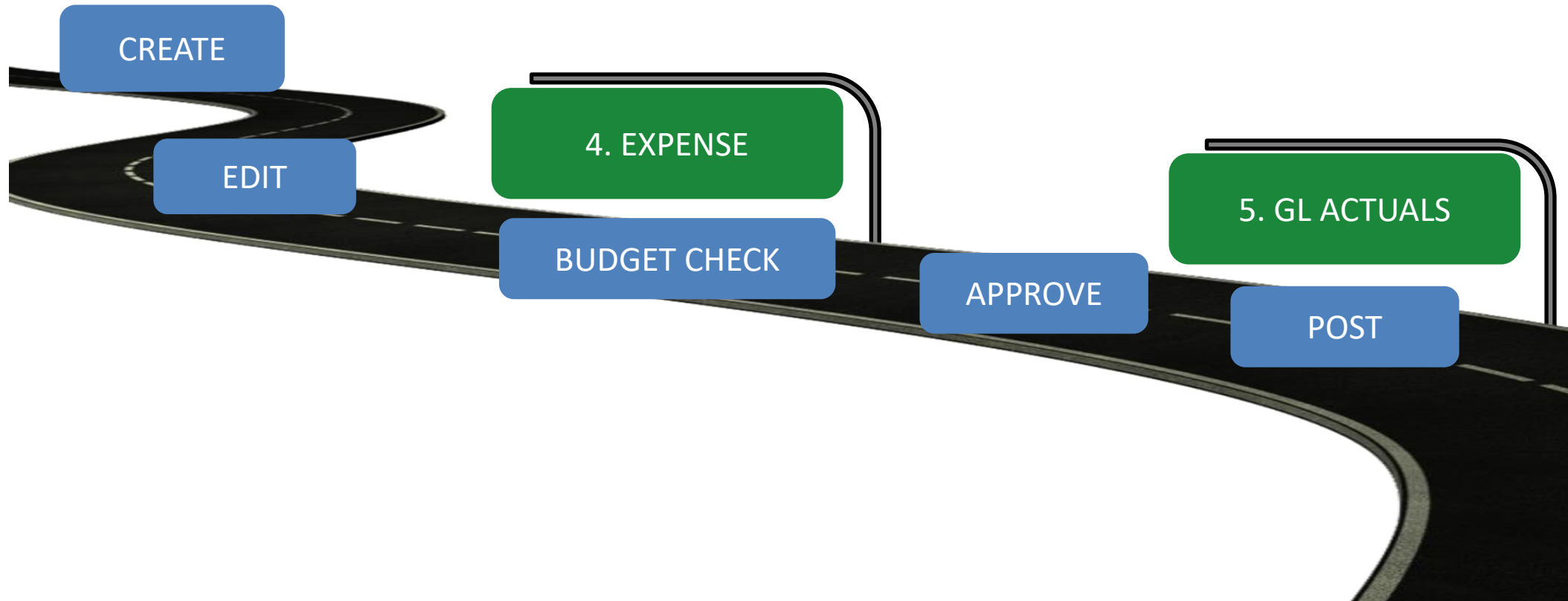
Budget Pre
Check

Approve

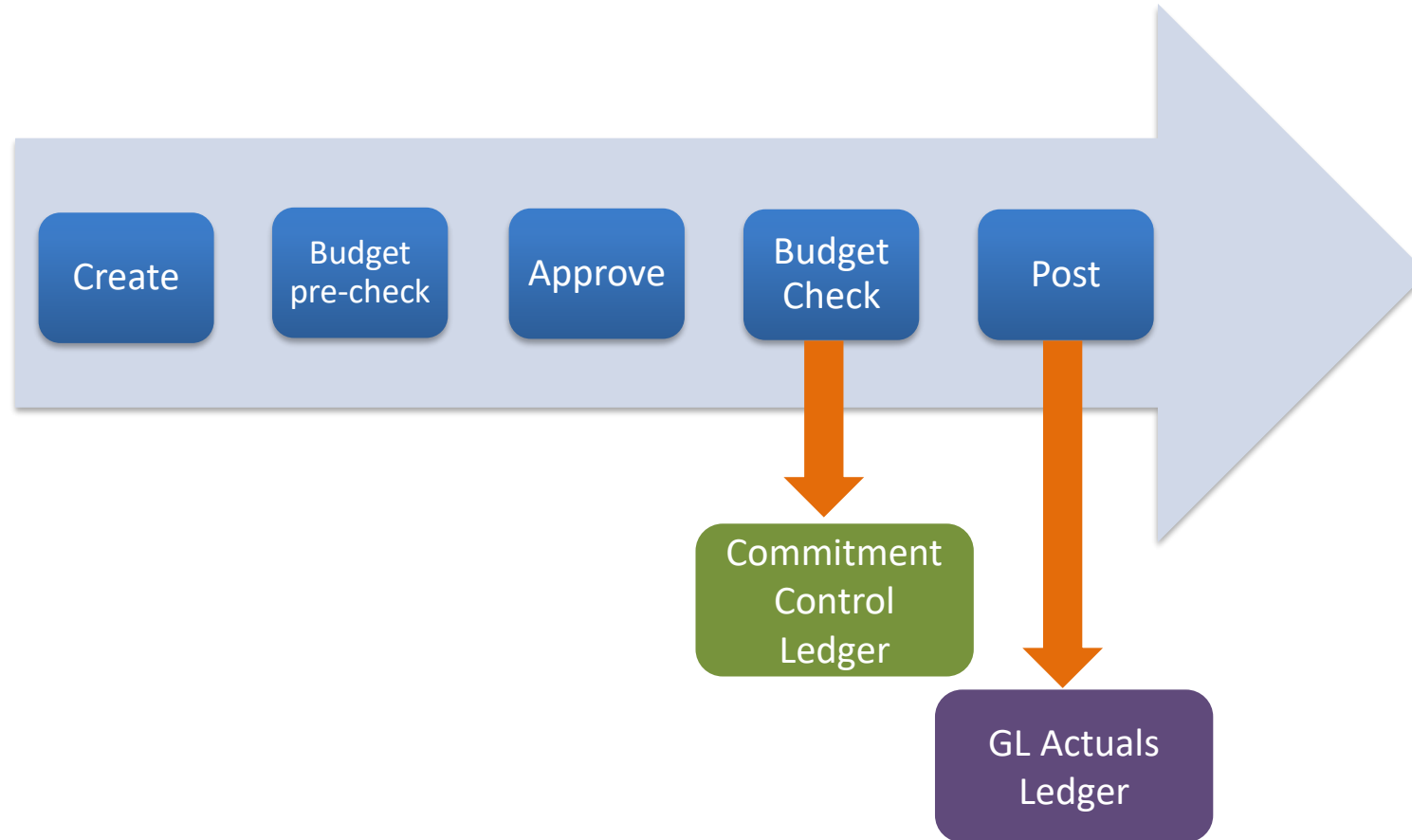
Budget
Check

Post

Campus Journals



Vouchers



Purchase Requisitions

Life of a Purchase Requisition

Transaction	Commitment Control (KK) Ledgers				GL Actuals
	Budget	Pre-Encumbrance	Encumbrance	Expense	
Create purchase requisition					
Pre-check budget					
Approve					
Budget check purchase req – this is automatic		\$ 625.00			
Create purchase order (PO)					

Purchase Requisitions

Transaction	Commitment Control (KK) Ledgers				GL Actuals
	Budget	Pre-Encumbrance	Encumbrance	Expense	
Create purchase order (PO)					
Budget check PO		- \$ 625.00	\$ 625.00		
Dispatch PO to vendor					
Enter a receipt					
Enter the vendor's invoice as a voucher					

Purchase Requisitions

Transaction	Commitment Control (KK) Ledgers				GL Actuals
	Budget	Pre-Encumbrance	Encumbrance	Expense	
Budget check the voucher			- \$ 625.00	\$ 625.00	
Match the voucher, PO, and receipt					
Post the voucher					
Generate GL journal (automatically overnight)					\$ 625.00
Pay the voucher					
Post the payment					
Close the PO		\$ 0.00	\$ 0.00	\$ 625.00	\$ 625.00

What are budget check exceptions?

Two Types of Exceptions



WARNING



ERROR

What do I do if I get a warning or error?



Check your Chartfield String



Check your Budget

Ledger Group Matrix

Selecting the Correct Chartfield Values

BUISNESS UNIT	FUND	SOURCE	ACCOUNT	DEPARTMENT
UNCCH	What is the major fund?	Where is the money coming from?	What are we spending the money on?	Who?

Selecting the Correct Chartfield Values

BUISNESS UNIT	FUND	SOURCE	ACCOUNT	DEPARTMENT
PROJECT BUISNESS UNIT	PROJECT ID	ACTIVITY NUMBER	PROGRAM	COST CODES
CHOSR	ID that specifies your grant	1 (UNC does not really use this)	What is the reason for the Budget?	Codes created for money spent on repeated items.

Two important concepts for ledger group chartfields:

Rollup – is a consolidation of chartfield ranges

Example: Fund 29100 – Rollup Value

Detail – is a specific chartfield

Example: Fund Range 29101-29199 – Detail Value

- 29101

- 29102

Effective 7/1/2017

[illegible]

State FAST CHILD Expense

The Department of History, in the College of Arts & Sciences needs to order two new laptops.

Bus Unit	Fund	Source	Account	Dept	PC Bus Unit	Project ID	Activity	Program	CC
--	Detail	Detail	Rollup	Detail	--	--	--	Optional	--
UNCCH	20101	12001	520000	315900	--	--	--	Optional	--

Fund Type	Budget Definition	For use by	Bus Unit	Fund	Source	Account	Dept
State	FAST PARENT (EXPENSE)	All Schools/Divisions with State funds	UNCCH	Rollup	Rollup	Rollup	Rollup
	FAST CHILD (EXPENSE)	All Schools/Divisions with State funds	UNCCH	Detail	Detail	Rollup	Detail
	FAST (REVENUE)	All Schools/Divisions with State funds	UNCCH	Detail	Detail	Detail	Detail

F&A Child Expense

Orthodontics in the School of Dentistry is hiring a new dental hygienist.

Bus Unit	Fund	Source	Account	Dept	PC Bus Unit	Project ID	Activity	Program	CC1	CC2	CC3
UNCCH	Rollup	Detail	Rollup	Detail	--	--	--	Optional	--	--	--
UNCCH	27100	14101	510000	435500	--	--	--	Optional	--	--	--

F&A	FAST PARENT (EXPENSE)	All Schools/Divisions with F&A funds	UNCCH	Rollup	Rollup	--	Rollup
	FAST CHILD (EXPENSE)	All Schools/Divisions with F&A funds	UNCCH	Rollup	Detail	510000 500100	Detail
	FAST (REVENUE)	Budget Office only	UNCCH	Rollup	Detail	Detail	Detail

510000 - EMPLOYEES
500100 - STUFF

Required Chartfield

Budget Inquires: There are four available in ConnectCarolina:

Budgets Overview Inquiry

- Displays ledger totals across the selected budget criteria, and detailed ledger amounts for each budget

Using a Ledger Inquiry Set

- Compares multiple ledger groups

Budget Details Inquiry (p.51)

- Displays budget details for a single chartfield string

Activity Log Inquiry (pg. 64)

- Displays budget transaction details, and associated transactions, such as vouchers, requisitions, journal entries, etc.

For a more Detailed Report use InfoPorte.



Budget Journal

- Establishes budget
- Increases budget
- Decreases budget

Think twice before
entering a budget journal...
should it be a budget
transfer?

Budget Transfer

- Moves existing budget from one budget to another
- Most budget transactions are transfers

Schools enter a State budget cut of 6.5%.

- Budget Journal

The School of Medicine is funding a faculty member in the School of Pharmacy.

- Budget Transfer

The School of Journalism received an increase in SBTI.

- Budget Journal

The Department of Chemistry is supporting a seminar in the Department of Biology.

- Budget Transfer

For both expense and revenue, remember:



- Use a **POSITIVE** number to increase



- Use a **NEGATIVE** number to decrease



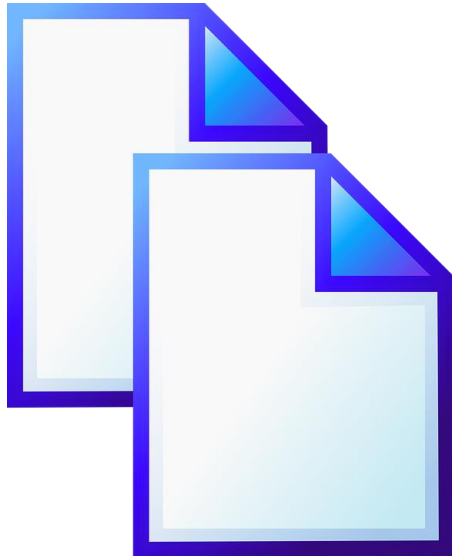
NOTE: This Rule is opposite
in Campus Journals.

Starting July 1st, 2017:

- For F&A, State, and Trust funds: Use one of the FAST ledger groups.
- Do not combine F&A, State, and Trust fund entries on same budget journal or budget transfer

Ledger	Budget Period	Fund	Source	Account
FAST_EX_BD	2018	20101	12001	520000
FAST_EX_BD	2018	29100	15146	500100

Copy Budget Journal and Transfer



et Lines		Budget Errors			
Journal ID:	0000000626	Date:	08/25/2014	Budget Header Status:	Checked Only
		*Process:	Copy Journal		Pro

Approval Workflow

1. Department Approval
2. Special Handling (School Based Tuition Increase, for example)
3. PreAudit (personnel handling)
4. Central Office

The More Approval Stops, The Earlier You Should Submit!

Department Approval

Unit UNCCH, ID 0000000058, Date 2014-07-18: Pending [View/Hide Comments](#)

Department 1

Pending Tricia Hennessey Department 1 Level 1	→	Not Routed Tricia Hennessey Department 1 Level 2
---	---	--

▶ Comments

▶ Comment History

Special Handling

Unit UNCCH, ID 0000000058, Date 2014-07-18: Awaiting Further Approvals [View/Hide Comments](#)

Special Handling

Not Routed Multiple Approvers Provost Office
--

▶ Comments

▶ Comment History

PreAudit

Unit UNCCH, ID 0000000058, Date 2014-07-18: Awaiting Further Approvals [View/Hide Comments](#)

PreAudit SPA

Not Routed Multiple Approvers SPA Group

▶ Comments

▶ Comment History

Central Office (Journals)

Unit UNCCH, ID 0000000058, Date 2014-07-18: Awaiting Further Approvals [View/Hide Comments](#)

Central Office (Journals)

Not Routed Multiple Approvers Budget Office Academic Affairs
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The Budget Office will approve...

- All State Expense and State Revenue Budget Journals
- Some State Expense and State Revenue Budget Transfers

Accounting Services will approve...

- Trust and Trust Revenue budget journals

Budget transfers are NOT routed to Accounting Services however, budget transfers are not allowed:

- Across Periods FY-FY
- Between Fund and Source

(You can transfer between any of the other chartfields applicable to trusts(Account, Department, Program, Cost Code 1, and Cost Code 3))

Denied Transactions

You will receive an email if a transaction is denied.

- Record the journal number and use the Find an Existing Value tab to check status.

Important Note

When two budget journals are related you will need to enter the Journal IDs of each on the other.

- For examples, SBTI and Other State Receipt budget increases.



Guidelines for State Receipt/Requirement Increases or Decreases.

Increases:

1. Please provide information about the Receipt Program
2. Why the receipt is being collected
3. How much is the Fee
4. Who approves this Fee
5. The revenue calculation used to determine the increase or if over-realized revenue exist.
6. How will the budget be expended
7. There also may be follow-up questions from our campus' OSBM budget analyst

Decreases:

1. Explain the reason for the decrease.
2. The revenue calculation used to determine the decrease or if under-realized revenue exist the calculation that supports it.
3. If you are decreasing SBTI after the Estimate is posted. You will need to calculate the change by comparing the Estimate against Actual enrollment for the decrease.
4. There also may be follow-up questions from our campus' OSBM budget analyst

How are budgets loaded?

In other words, where did my beginning budget come from?

State and F&A

- The Budget Office runs a process that creates a budget journal establishing the budget.
 - The amount is based on your permanent State budget.

Trusts

- On some trusts, Accounting Services runs a process to create budget journals to establish the beginning budget.
 - The beginning balance is the amount of carryforward from the previous FY.
- On other trusts, you have to enter a budget journal to establish the beginning balance.

State Child Expense and State Revenue

Source	Steps	Action	When?
12001-12003 12101-12499 12501-12999 13001-13003 13101-13499 13501-13999 14001	1. Permanent budget is entered as a budget journal; type is “original” <ul style="list-style-type: none"> Budget is created and available to campus for reporting, and budget transfers. 	Managed centrally; requires no action by campus	Prior to new FY
	2. Carryforward budget is entered as a budget journal; type is “adjustment” <ul style="list-style-type: none"> If approved by OSBM, carryforward from previous FY is entered and available to campus for reporting, and budget transfers. “Carryforward” in Line Description field 	Managed centrally; requires no action by campus	After OSBM approval

Managing Budgets & Creating Budget Journals

F&A Expense

Source	Steps	Action	When?
14101 – 14103 14102 and 14103 are only used if there is a negative budget balance to carry forward from the previous FY.	1. Budget is entered as a budget journal; type is “original” <ul style="list-style-type: none"> ○ Budget is created and available to campus for reporting, and budget transfers. 	Managed centrally; requires no action by campus	Prior to new FY
	2. Carryforward budget is entered as a budget journal; type is “adjustment” <ul style="list-style-type: none"> ○ “Carryforward” in Line Description field 	Managed centrally; requires no action by campus	July after YE close
	3. Formula allocation is entered as a budget journal; type is “adjustment” <ul style="list-style-type: none"> ○ Journal ID will begin with “FORMYY” where last two characters represent the year 	Managed centrally; requires no action by campus	July after YE close

Trust 1 and Trust 2 Expense

Source	Associated Revenue	Steps	Responsible	When?
See Budgeting 101 for source ranges	Yes	<p>The fiscal year-end balance, based on source, fund, and owning dept is loaded as the beginning budget.</p> <ul style="list-style-type: none"> The beginning budget is on the chartfield string as follows: fund, source, account 500100, and owning dept. 	Managed centrally; requires no action by campus	After YE close
	No	<p>Departments enter budgets via budget journal.</p> <ul style="list-style-type: none"> There is no fund balance carryforward. 	Departments	After 7/1

Athletics, Student Affairs, and UNC Faculty Physicians Rulesets

Source	Associated Revenue	Steps	Responsible	When?
See Budgeting 101 for source ranges	No	Departments enter budgets via budget journal. <ul style="list-style-type: none"> There is no fund balance carryforward. 	Departments	After 7/1

Trusts are categorized in two ways

**Associated
or
Not Associated**

“Associated” defines a relationship between revenue and expense.

- Trust funds only
- FY-end fund balance will automatically carryforward as 7/1 budget
- Updates the trust expense budget based on the revenue you receive
- The unit decides if a trust will be associated or not

Non-Associated:

- Balances don't carryforward
- Expense budget not impacted by revenue

How do I know if my trust is associated?

- Look up the source in the Associated Budgets table

Associated Budgets

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](#)

▼ Search Criteria

Business Unit

Ledger Group

Budget Period

[Basic Search](#)  [Save Search Criteria](#)

[Find an Existing Value](#) | [Add a New Value](#)

If the trust is associated, it's in the table.

Commitment Control Associated Budgets

Business Unit FAST Associated Expenditure Budget FAST

Budget Mapping

1-10 of 6864

Revenue Expenditure

Revenue	Fund	Source	Account	Dept	Program	Cost Code1	Budget Period	*Method
FAST_REV	29100	01056		284000			2018	Recognized
FAST_REV	29100	01057		284000			2018	Recognized
FAST_REV	29100	01080		260102				
FAST_REV	29100	01098		527500				

An embedded page at fstst.cc.unc.edu says

Enter search string:

50651

OK Cancel

Enter the source
you want to search
for, and click OK.

If the source is found, you'll see it on

Commitment Control Associated Budgets

Business Unit UNCCH Ledger Group FAST_REV Associated Expense

Budget Mapping

Revenue Expenditure

Revenue	Fund	Source	Account	Dept	Program	Cost Code1	Budget Period
FAST_REV	29200	50651		311200			2018
FAST_REV	29200	50652		428201			2018
FAST_REV	29200	50653		414805			2018

Be sure to check the Budget Period column. The source is associated only if there is a row with the current Budget Period (Ex: 2018).

You'll get this message if the source is not associated.

Commitment Control Associated Budgets

Business Unit UNCCH
Ledger Group FAST_REV
Associated Expenditure Budget FAST

Budget Mapping

Q

1-10 of 6864

Revenue

Expenditure

II▶

Revenue	Fund	Source▲	Account	Dept	Program	Cost Code1	Budget Period	*Method
FAST_REV	29100 Q	01056 Q	Q	284000 Q	Q	Q	2018 Q	Recognized
FAST_REV	29100 Q							
FAST_REV	29100 Q							
FAST_REV	29100 Q							

Search string not found. (126,40)

The specified value was not found in any visible field of any row of the current scroll.

OK

InfoPorte

- **Look up State Budget**
- **Look up F&A Budget**
- **See Formula Allocations**
- **Look up Trust Budgets**
- **OSR Budgets**
- **Reconcile Budgets**

Resources to Help You

- ccinfo.unc.edu
- Help Button in CC
- CC Newsletter
- 962-HELP
- InfoPorte