



Leading and Managing Budgets

University of Mary Washington
FY 2014-2015

Where Does Our Budget Come From?

- **Education and General (E&G)**

A portion of E&G funds are provided by the State's general funds budget and is supplemented by University generated tuition

- **Comprehensive Fees**

E&G

Portion of the Comprehensive Fee that provides funding for academic related services and activities

Auxiliary

Portion of the Comprehensive Fee that provides funding for student services and activities

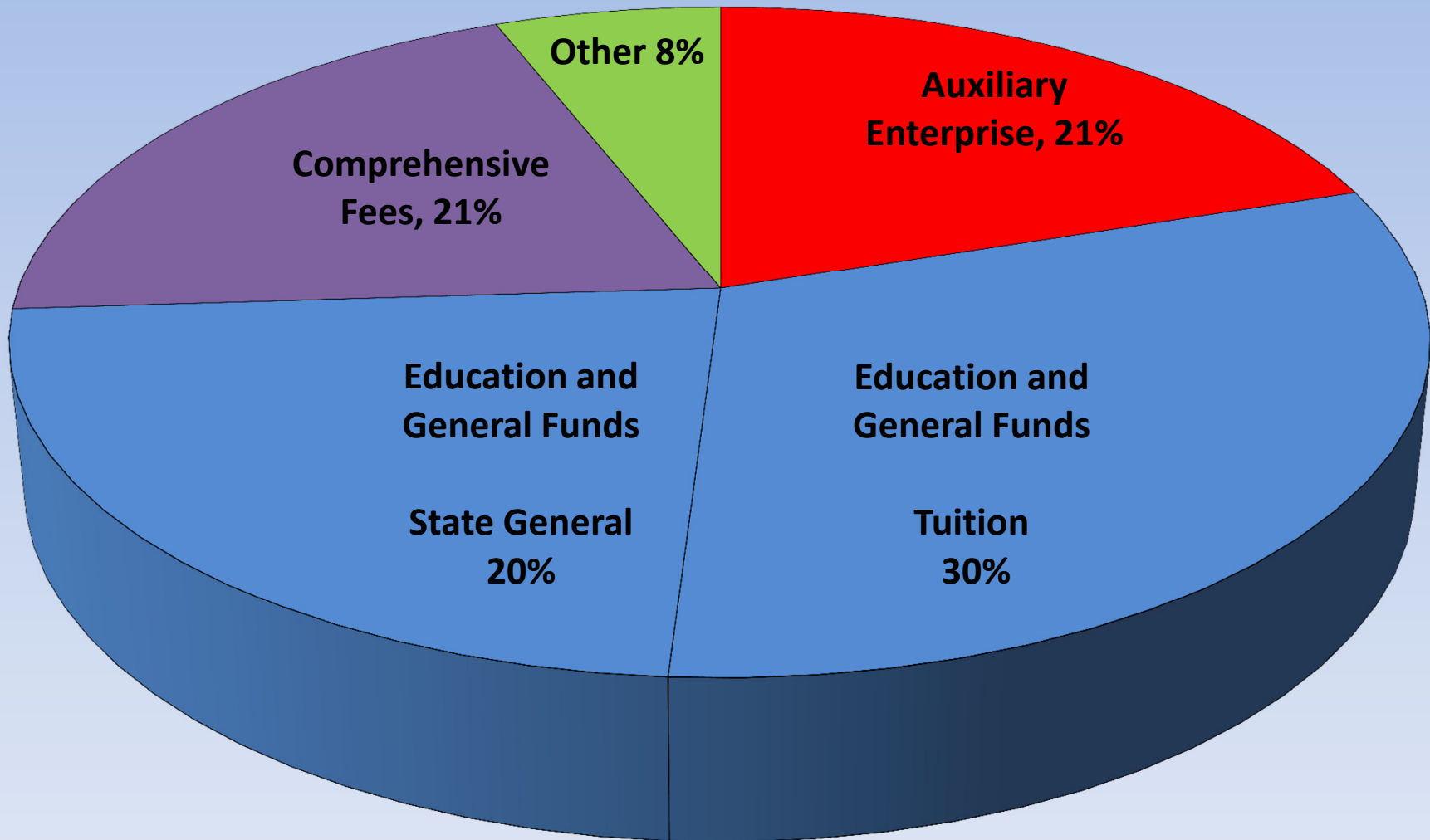
- **Auxiliary Services**

Revenue generated at the University from our Auxiliary enterprises, such as Dining Services, Bookstore, Parking, and Dorm Fees

- **Other**

Grants, contracts, financial aid

2014-15 Revenue Budget



What is a FOAPAL?

The string of numbers used to identify the source and purpose of a transaction

- Elements of a FOAPAL:

Fund

Organizational code (ORG)

Account

Program

Activity

Location

- **F (Fund)**

A four to six character code that identifies the funding source

- **O (organizational code)**

Also referred to as an ORG. A six character code that identifies a unit of budgetary responsibility and/or department within the University

- **A (account)**

A five to six character code that identifies the type of transaction (what is being purchased)

- **P (program)**

A five character code that identifies the purpose of the organization or function on campus

- **A (activity)**

An optional six character code that can be used to capture the total costs of an activity across the entire University or further define ORG code expenditures

- **L (location)**

An optional six character code that identifies physical locations. The University uses location codes to manage fixed assets and specific expenditure tracking

FUND

Describes the overall funding source

111x – State Funded

- 1111 Education and General

- 1117 Equipment Trust Fund

15xx – Comprehensive Fee (E&G)

- 1551 General

- 1552 Faculty Development Grants

- 1554 College Equipment Fund

- 1557 Undergraduate Research Grants

2xxx – Grant Funds

3xxx – Auxiliary Enterprises

- 31xx Revenue generated from Auxiliary Enterprises (bookstore, dining)

- 35xx Comprehensive Fee (Auxiliary)

8xxx – Agency funds (not University owned) example: camps, fundraisers

9xxx – Plant funds (Capital Outlay)

ORGANIZATIONAL CODE

Also referred to as an ORG

Identifies a unit of budgetary responsibility and/or department

Example: 205602 Dept of Curriculum and Instruction
208025 Nicole Chance

All Departments and FT faculty have individually assigned ORG codes

An ORG may have several fund sources and program codes

Account

Identifies the type of transaction

5xxxx – Revenue

6xxxx – Personnel (payroll, FICA, healthcare)

7xxxx – Operational Expenses

71xxx – Goods and Services

examples: 71215 Printing

71312 Office Supplies

72xxx – Equipment

examples: 72262 Office furniture

72211 Desktop computer

72211F Desktop computer over
\$2K

Program

Identifies the purpose of the organization or function on campus

101 – Instruction

10110 General academic instruction

10220 Research

103 – Public Service (example: Economic Dev)

104 – Academic Support

10460 Academic admin, personal and curriculum development (example: Dean's Office, Faculty \$500)

105 – Student Services (example: Student Activities)

106 – Institutional Support (example: Police, Budget)

107 – Operating and Maintenance (Facilities)

108 – Financial Aid

Activity

(Optional Use)

Used to capture the total costs of an activity across the entire University or further define Org. code expenditures.

Example 1: an event held on campus that involves many Orgs may consider capturing the cost each may incur by use of a shared Activity code

example: FREEDM-Freedom Ride

Example 2: a department is hosting a special event being paid using department operating funds. An activity code is added to isolate the operating expenses dedicated specifically to the event

example: INAUG-Inauguration

Location

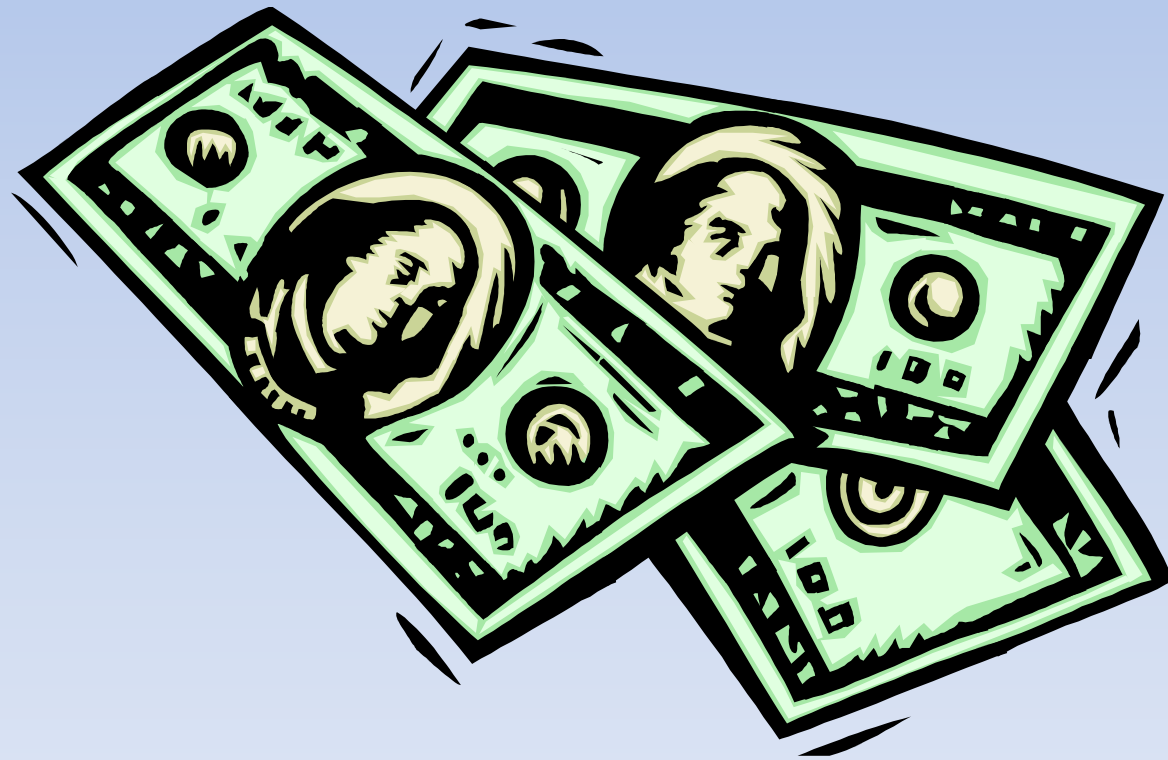
(Optional Use)

Identifies physical location

Example 1- Used by Finance Dept to identify location of fixed assets

Example 2- Used by Facilities Dept to identify a specific building or room in which a repair is made

So What's My Budget?



2014-2015 E&G Budget Program 101 as of July 1, 2014

PERSONAL SERVICES

7.65% 12.33% 0.66% 0.48% 1.05% 10.40% 8.50% NON-PERSONAL SERVICES

		61126	61121	61145	61128	61128	61123	61141	61149	61144	61146	61143	61125	61122	61112	61111	61117	61114	61115	61116	61118	61118	71000	72000	61196-indirect	61199-direct	Totals per
		Faculty Salary	Faculty Admin Salary	Faculty Wage	IT Faculty Admin Salary	IT Classified Salary	Classified Salary	Wage	IT Wage	Student Aid Wage	College Work Study Wage	OT Wage	OT Salary	Salary Exempt	FICA	Retire Contrib VRS n/a if ORP	VSDP n/a if ORP	Group Ins.	6,348-S 11,376-+1 16,680-F Med Ins	Retire Credit	61118 ORP- Plan 1 EF or Fidelity	61118 ORP- Plan 2 EF or Fidelity	Operating	Equip	Recovery	Individual	Revenues
205602 Dept of Curriculum and Instruction																											
Responsible Person: Alice Tate																											
Fund: 1111																											
ORG: 205602																											
Program: 10110																											
Teaching Faculty:																											
208025	F00336	Chance, Nichole (12 mos)	68,000												5,202	8,384	449	326	6,348	714	0	0					89,424
205615	F00229	Davis, Pauline	52,000												3,978	0	0	250	6,348	546	0	4,420					67,542
205219	F00119	Tate, Alice	76,000												5,814	9,371	502	365	16,680	798	0	0					109,529
	FC0907	A. Tate Chair Pay	8,000												612	986	53	38	0	84	0	0					9,774
205616	F00091	Grayson, Matthew	52,000												3,978	0	0	250	11,376	546	5,408	0					73,558
208014	F00304	Jackson, Robert	60,000												4,590	7,398	396	288	6,348	630	0	0					79,850
208041	F00312	Williams, John 8/18/14	41,667												3,188	0	0	200	13,900	438	0	3,542					62,933
Classified:																											
	000131	Awesome, Denise					36,000								2,754	4,439	238	173	0	378	0	0					43,981
Student Wages:																											
		Student Aides								2,850																	2,850
Operating:																											
		Base																					17,668				25,000
Faculty Development (Fund 1111/ See org # for each faculty member \$500 each/ Program 10460)																							3,000				3,000
Equipment:																											
		Base																						0			1,000
TOTAL		357,667	0	0	0	0	36,000	0	0	2,850	0	0	0	0	30,116	30,578	1,637	1,890	61,000	4,134	5,408	7,962	20,668	0	0	559,908	0

Budget Spreadsheet Salary Information

61126

Faculty
Salary

205602 Dept of Curriculum and Instruction

Responsible Person: Alice Tate

Fund: 1111

ORG: 205602

Program: 10110

Faculty Org Code

208025

205615

205219

205616

208014

208041

Teaching Faculty:

F00336 Chance, Nichole (12 mos)

F00229 Davis, Pauline

F00119 **Tate, Alice**

FC0907 **A. Tate Chair Pay**

F00091 Grayson, Matthew

F00304 Jackson, Robert

F00312 Williams, John 8/16/14

*Budged salary. May
differ from annualized
salary*

68,000

52,000

76,000

8,000

52,000

60,000

41,667

Faculty Position Number

Budget Spreadsheet Operating

2014-2015 E&G Budget Program 101 as of July 1, 2014

		NON-PERSONAL SERVICES		61196- indirect	61199- direct	Totals per
		71000	72000			
		Operating	Equip	Recovery	Individual	Revenues
205602 Dept of Curriculum and Instruction						
Responsible Person: Alice Tate						
Fund: 1111						
ORG: 205602						
Program: 10110						
Operating:						
Base		17,668			25,000	
Faculty Development (Fund 1111/		3,000			3,000	
Equipment:						
Base			0		1,000	
TOTAL		20,668	0	0	559,908	0

Operating Budget - Includes Faculty Development

Budget to Actual Report

Located in Banner Self-Serve (SSB)

The Banner Self Service Budget vs. Actual report provides a 'snapshot' summary for department budget managers

The report contains information on current budget, current year to date expenditures, encumbrances and remaining balance

The Budget vs. Actual report also includes a calculation of the current percent of budget spent

- NOTE: The Budget vs Actual Report displays only operational expenses (account codes beginning with 7)

Budget vs Actual Report-SSB

The Budget vs Actual Report displays the following information:

- Original Budget Amount
- Budget Adjustments
- Current Budget (Original Budgets + Adjustments)
- YTD Activity (all operating expenses *account code beginning with 7*)
- Encumbrances
(any encumbrances in Banner *PCO's do not encumber*)
- Current Remaining Balance
- (Current Budgets less YTD Activity and Encumbrances)
- Percent Spent

Instructions for the Budget vs Actual Report
can be found on the
Office of Budget and Financial Analysis
webpage:

<http://adminfinance.umw.edu/budget>

*If you need assistance logging into EagleNet, please
contact the University of Mary Washington Help
Desk at 540-654-2255*

Budget Planning



Line Item Budgeting

- It is strongly recommended that departments reallocate the operating budget from the 71000 general account to a more detailed expenditure account level based on the planned use of your budget over the course of the fiscal year
- Budgeting at a more detailed expenditure level will greatly enhance your ability to analyze and manage your budget performance throughout the year

Budget Spreadsheet Operating

2014-2015 E&G Budget Program 101 as of July 1, 2014

				NON-PERSONAL SERVICES			
						61196-	61199-
						indirect	direct
				71000	72000		Totals per
				Operating	Equip	Recovery	Individual Revenues
205602 Dept of Curriculum and Instruction							
Responsible Person: Alice Tate							
Fund: 1111							
ORG: 205602							
Program: 10110							
Operating:							
Base				17,668			25,000
Faculty Development (Fund 1111/				3,000			3,000
Equipment:							
Base					0		1,000
TOTAL				20,668	0	0	559,908

Operating Budget - Includes Faculty Development

Chart:

M ▼

Fiscal Year:

15 ▼

Index:

▼

☐ Query Specific Account

☐ Include Revenue Accounts

Commit Type:

Both ▼

Organization:

205602 ▼

Curriculum-Instruction Operating

Fund:

1111 ▼

State Educational and General-0300

Program:

10110 ▼

General Academic Instruction

Account:

71000 ▼

Budgeted Operational Expenses

Account Type:

▼

Activity:

▼

Location:

▼

Account	Type	Title	Adjusted Budget	YTD Activity	Commitments	Available Balance
71000	E	Budgeted Operational Expenses	17,668.00	0.00	0.00	17,668.00
71216	E	Telephone-DIT and Other	0.00	13.34	0.00	-13.34
71222B	E	Emp-Books	0.00	70.31	0.00	-70.31
71227	E	Training-Travel costs (NON IT rel)	0.00	232.28	0.00	-232.28
71312	E	Office Supplies	0.00	474.75	0.00	-474.75
72215	E	Servers, Storage Devices under \$	0.00	80.54	0.00	-80.54
72217	E	Printers and Imagers under \$2K	0.00	1,162.40	0.00	-1,162.40
Net Total:			17,668.00	2,033.62	0.00	15,634.38

Year-End

- Commonwealth of Virginia fiscal year
July 1 through June 30
- Year-end expenditure deadlines begin as early as March
- Current fiscal year payroll for student aids and wage employees ends in early to mid-June
- Keep in mind summer programs that will occur in both fiscal years

Year End Memo

- Year End Memo to all Budget Managers will be sent by Paul Messplay, Executive Director of the Office of Budget and Financial Analysis in March
- Be sure to share this information with department buyers and faculty

MEMORANDUM

To: Department Chairs, Administrators, Budget Managers and Banner Users
From: Paul C. Messplay, Executive Director of Budget and Financial Analysis
Date: March 5, 2014

Dear Colleagues,

The purpose of this memo is to provide general guidance on year-end expenditure planning so as to avoid unintended charges against next year's budget. The University's fiscal year ends on June 30.

In particular, it's important to keep in mind the timeframes and "lag" periods involved in ordering, receiving and paying for purchases, as well as the processing time involved in charging centralized costs to your account, such as copying, mail and telephone service.

A more detailed year-end planning calendar is posted on the Training, Evaluation and System Support (TESS) website. It can be found at the following web address:
<http://adminfinance.umw.edu/tess/finance-end-of-year-2014-calendar/>

In the coming weeks, TESS will host a Banner Users Group (BUG) meeting for office managers and department buyers to review year-end procedures. Please encourage those in your area to attend this informative meeting.

1. General Purchasing Guidelines

For current year purchases, please ensure the following are completed in full **NO LATER THAN MAY 16, 2014**:

1. All purchase orders have been received
2. All invoices are in the hands of the Accounts Payable staff

Purchases or payments not completed in this fiscal year will be charged to next year's budget. Unspent budget will not be carried over to the next year.

Invoices paid by credit card may have earlier deadlines, which is addressed in items 4 and 5

Payment Practices

- As a public agency, we are required to follow the laws governing expenditures as well as policies and procedures dictated by the Treasurer of Virginia and Department of Accounts
- *Code of Virginia, Sections 2.2-4347 through 2.2-4356 and 2.2-5004 herein after referred to as the Prompt Payment Statutes. The Prompt Payment Statutes promote sound cash management and improved vendor relationships by ensuring timely payments for goods and services.*

- Commonwealth Accounting Policy and Procedures Manual (CAPP Manual)

Topic 20315 Prompt Payment

- *All payments to non-governmental and privately owned businesses for the purchase of goods and services must be due dated. Agencies should assign a payment due date of 30 calendar days after the receipt of the goods, services, or invoice whichever is later...*

Determining Due Dates

- *due date of 30 calendar days after the receipt of the goods, services, or invoice whichever is later...*
- Example: Goods are received May 30, but the invoice isn't received until June 1. All invoices are paid Net 30 days, which means the payment will be made on July 1, the next fiscal year

- Commonwealth Accounting Policy and Procedures Manual (CAPP Manual)

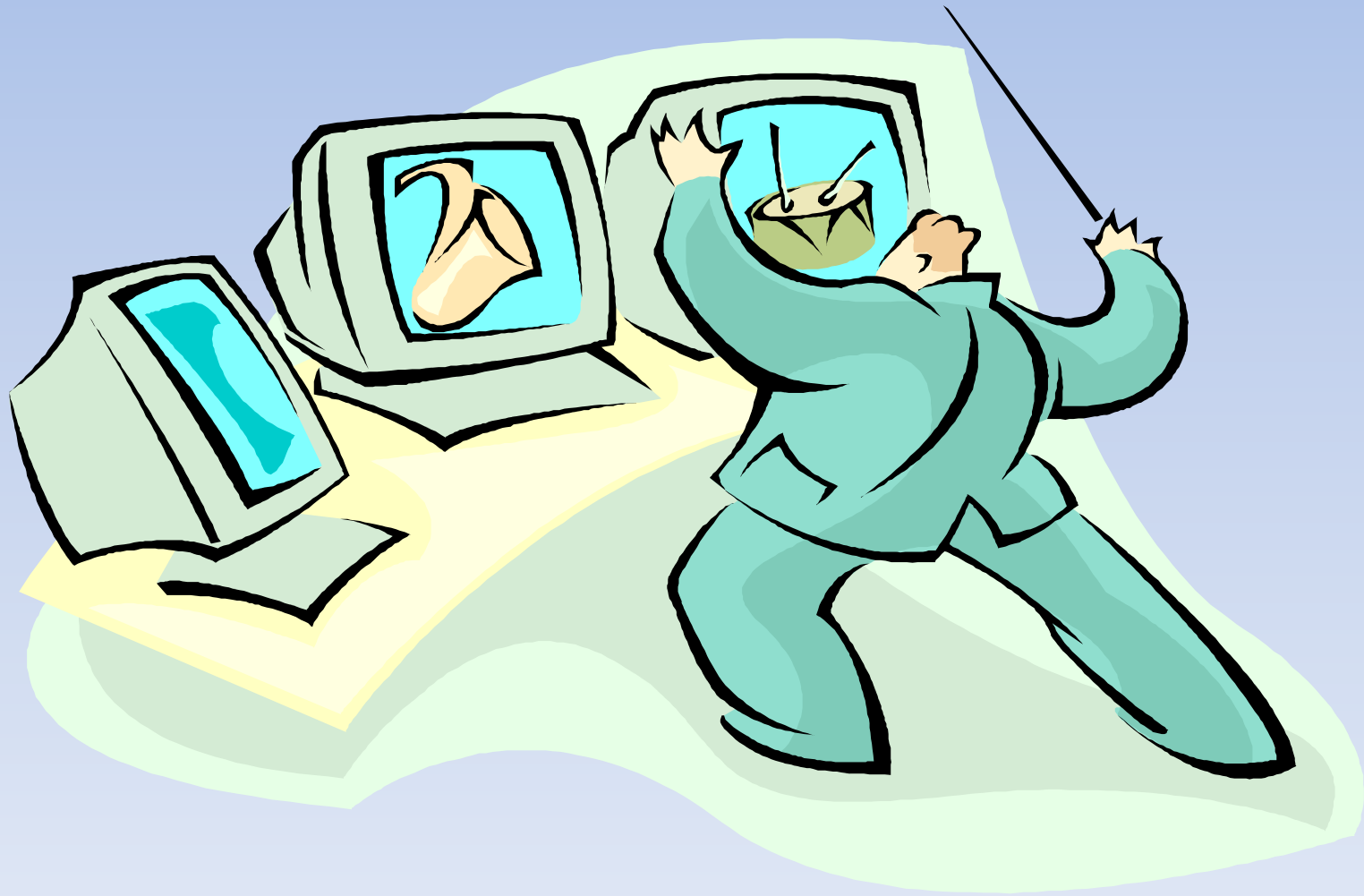
Topic 20355 Purchasing Charge Cards

- *Maximum use of the SPCC program in conjunction with other electronic commerce initiatives is a best practice essential to the statewide effort to reduce the costs associated with paying for goods and services for the Commonwealth. Agencies and institutions that are not maximizing charge card use and the associated cost savings are identified quarterly in the Comptroller's Report on Statewide Financial Management and Compliance. Agencies and institutions that fail to make accurate, timely payments are also reported...*
- *...The purchasing card should be viewed at all times as an efficient means of payment, not a substitute for proper procurement procedures.*

Determining Due Date on Credit Card Purchases

- The **SPCC** billing cycle ends May 15th and will be posted to the current fiscal year. To ensure charges are reflected in the May posting, Purchasing suggests that **May 7** be the last “safe day” to charge; as vendors may not post charges to Visa on a daily basis and the delay of up to five days could push your payment into next fiscal year
- Purchases made that have not appeared on credit card statements by May 15, will post in next fiscal year
- If a vendor accepts VISA as the payment method, we are required by State policy to use VISA, so please plan accordingly. No exceptions

Systems Overview



Banner

- University's official system of record
- Integrated system for HR, Finance, Student, Alumni and Financial Aid data management
- Campus wide use in varying degrees
 - Finance users log into INB and EagleNet for use
 - <https://banner-inb.umw.edu> (INB)
 - <https://eaglenet.umw.edu> (SSB)
- Your function: may use for line item budgeting, view transactions and run budget reports

Banner-Associated Regulations

- Access granted for approved and authorized business needs only
- Classified staff requires EWP addendum
- Finance training is a requirement for specific functions
- Finance access is verified twice a year.
- Pay attention to policies relating to the security and the protection of highly sensitive data

eVA

- Mandatory procurement tool managed by the Dept of General Services, Division of Purchases and Supply
- <http://eva.virginia.gov>
- Portal allows extraction of vendors/goods to create electronic purchase orders
- Used by all department office managers/buyers in charge of purchasing goods and services
- Your Function: None

eVA-Associated Regulations

- Strict State procurement rules and regulations apply to all purchases, including reimbursements
- Compliance reviews are conducted internally and procurement files are audited at the discretion of the State
- Most important to remember
 - Don't purchase anything without consulting department buyer or Purchasing
 - Do Not sign contracts unless expressly authorized by Director of Purchasing
 - Prompt payment is as important as proper purchasing

Works

- Owned by Bank of America
- Overall management by Department of Accounts (DOA)
- Electronic system for tracking, coding, and approving credit card transactions.
- All credit card users and those responsible for approving credit card transactions must use this system
- Your function: must validate purchases and sign off (approve)
 - Due dates are **inflexible**. Prompt review and approval required.
- <https://payment2.works.com>

Works-Associated Regulations

- Credit card purchases follow procurement rules including use of eVA
- Internal guidelines are necessary for meeting bank due date
- Due dates are inflexible
- Cardholders are accountable for overlooked or late card approvals
- Cards can be suspended for misuse, including missed deadlines

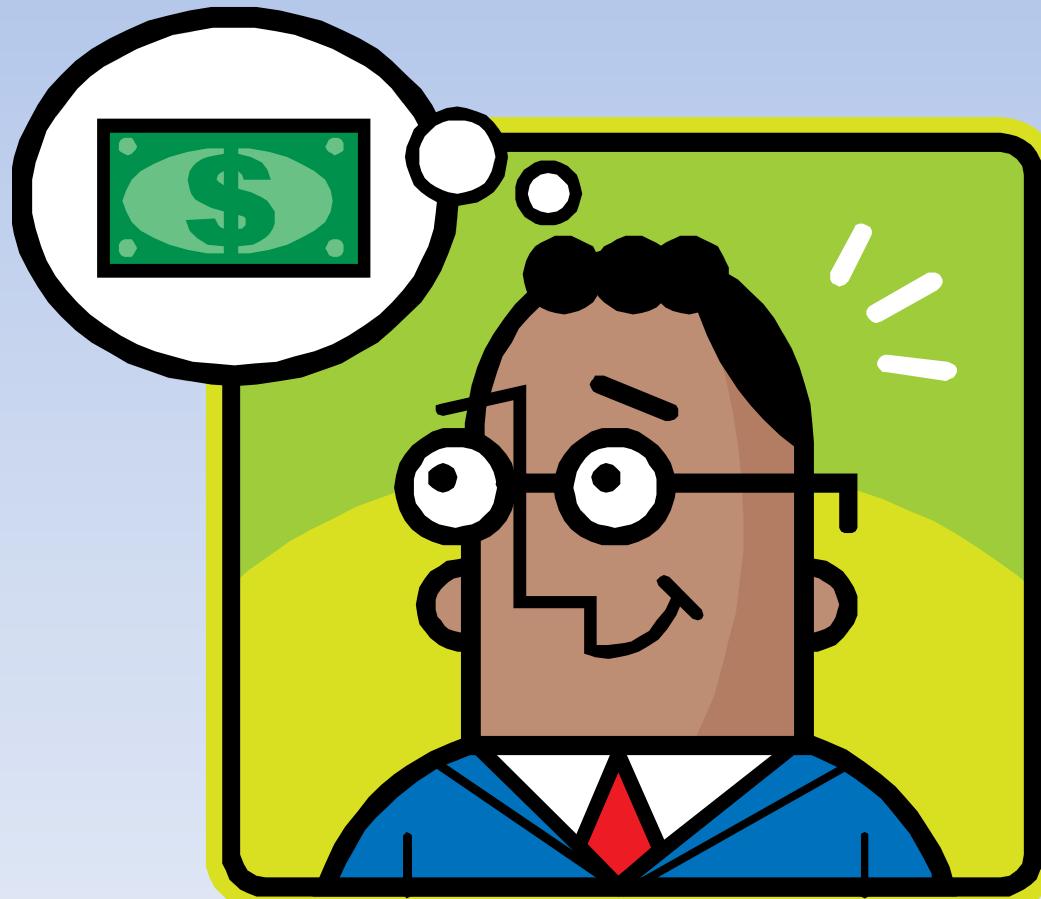
UMW Global

- Centralized training database managed by the Department of Human Resource Management (DHRM)
- Used by all State employees including UMW
- Your function: Cardholders and cardholder managers must complete initial and annual training for use of the credit card
- <http://adminfinance.umw.edu/hr/employee-development-program-2/knowledge-center>

UMW Global Associated Regulations

- Regulations on training and date requirements are set by the State
- Human Resources Department manages all passwords and assists with access and system issues
- Important to remember:
 - Cardholder Supervisor training is required annually

Other Important “Stuff” That Can Impact Your Budget



Travel and Travel Reimbursement

- Mandatory for anyone traveling on official UMW business
- UMW employees and guests pay for travel out of pocket and seek reimbursement for travel related expenses that are not allowed on the Small Purchase Credit Card (SPCC)
 - Check with Dept Office Managers to see if the expenses can be charged to the SPCC

Important Things To Remember About Travel

- Complete the Request for Travel form and get approval signatures BEFORE you travel
- Be aware of lodging and per diem for your destination
 - If your lodging rate exceeds the amount allowed, Deans can approve up to 150% of the allowed rate with a business justification. Approval is required BEFORE lodging purchases or reservations are made

Important Things To Remember About Travel (continued)

- Overseas travel requires President Hurley's approval and signature
- Special credit cards are available if Professors are traveling with students
- SUBMIT REIMBURSEMENT WITHIN 30 DAYS
- Review Travel Regulations before you travel:

<http://adminfinance.umw.edu/ap/travel/>

Non-Travel Reimbursements

- Employees should contact their Department Office Manager before making any purchase
- Employees are **strongly discouraged** from using personal funds to purchase goods and/or services for the University
- If personal funds are used ALL procurement regulations must be adhered to
- Purchases should go through eVA and the SPCC should be used for payment if the vendor accepts VISA and the SPCC is allowed for the associated funding source

Important Things To Remember About Non-Travel Reimbursements

- Personal funds should only be used as a final option
- VA Department of Accounts (DOA) and UMW's Accounts Payable department require original, itemized, detailed receipts to be attached to the reimbursement request form
- All Procurement Regulations MUST be adhered to
- UMW is prohibited from reimbursing sales tax
- Your reimbursement request can be denied if not compliant with all regulations
- Submit within 30 days

Business Meals

- Business meals are allowed when the meal involves a substantive and bona fide business discussion that is essential to conducting the business of the University, supports the mission of the University and is documented on the Business Meal form
- Business meals must be with a person outside the University, be a student event or cross VP areas in order to be paid for using State funds
- The Commonwealth establishes maximum amounts for business meals. Those are up to date on the Accounts Payable website and on the Business Meal form

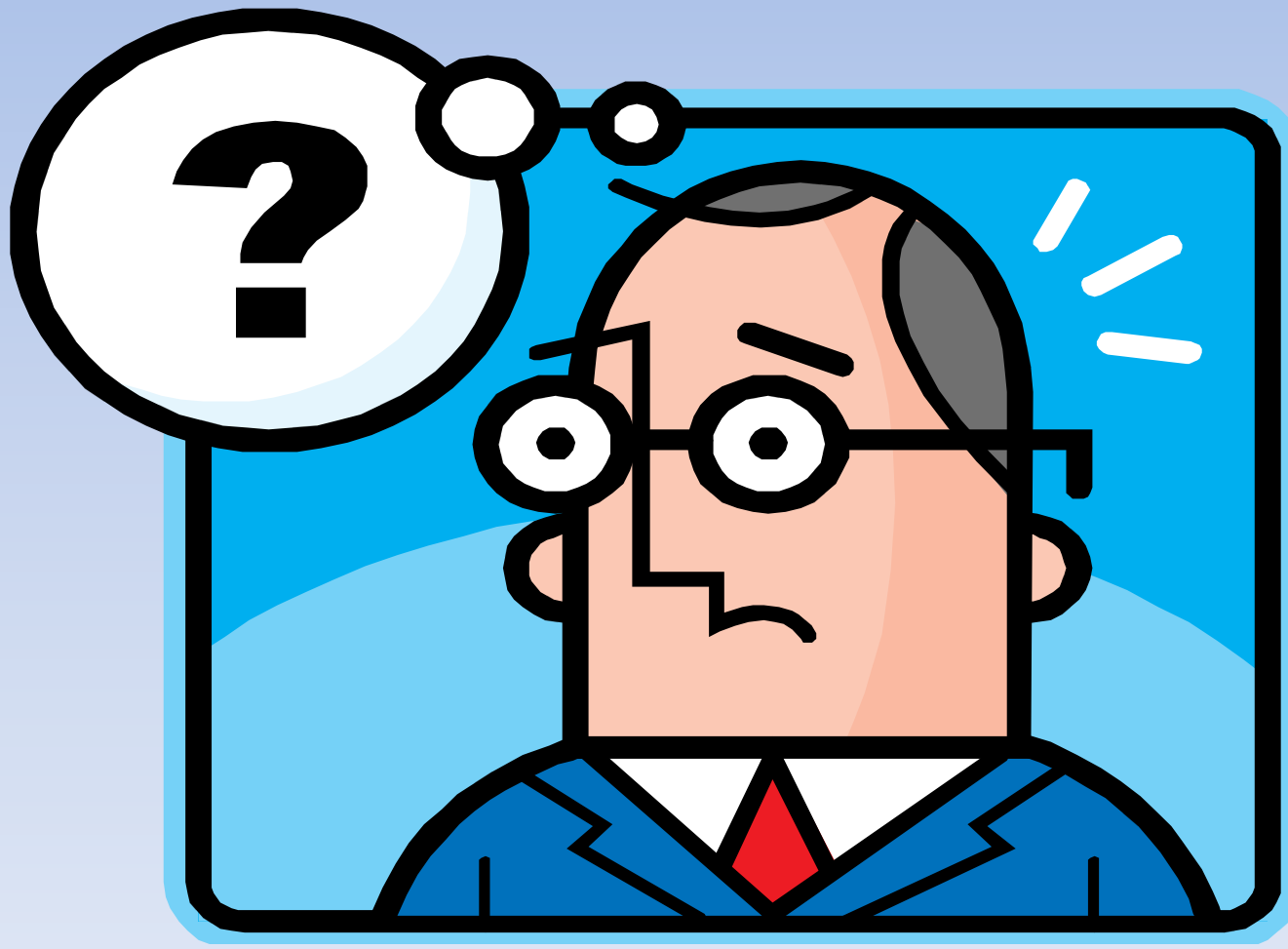
Business Meals (continued)

- The President or designated signer must approve and sign a completed Business Meal form in advance
- An original itemized receipt showing all items purchased for the meal must be provided
- UMW will not pay for alcohol. If alcohol is served, you should request a separate bill
- The Finance Card should be reserved in advance and checked out to pay for business meals
 - If the card is not available and you pay out-of-pocket, then seek reimbursement, all State and UMW regulations apply

Important Things To Remember About Business Meals

- Do not exceed the State's established allowable amounts for business meals. Those amounts are on the Business Meal form and the AP website
- Complete the Business Meal form and get it signed in advance
- Provide as much detail as possible regarding the purpose of the meal, the business discussed, and the names of those in attendance
- Reserve the Finance card in advance to pay for the meal

Where Can I Find More Information



- Training Opportunities
 - <http://adminfinance.umw.edu/tess/finance-training/training-calendar/>
- Training Manuals
 - <http://adminfinance.umw.edu/tess/revised-instructional-materials-page>
- Policies relating to security and protection of highly sensitive data
 - <http://technology.umw.edu/information-security/protecting-highly-sensitive-data>

- Travel and Travel Reimbursements
 - <http://adminfinance.umw.edu/ap/travel>
- Travel Per Diem and Lodging Rates
 - <http://adminfinance.umw.edu/ap/travel/per-diem-and-lodging-rates>
- Non Travel Reimbursements
 - <http://adminfinance.umw.edu/ap/reimbursments>
 - <http://adminfinance.umw.edu/purchasing/umw-policies-and-procedures-2>
- Business Meals
 - <http://adminfinance.umw.edu/ap/business-meals>

To Find This Presentation and Answers to All Things Budget

Office of Budget and Financial Analysis

- Paul Messplay, Executive Director
 - pmesspla@umw.edu Extension 1410
- Pamela Taggart, Assistant Director
 - ptaggert@umw.edu Extension 1018
- Sheila Williams, Budget and Financial Systems Analyst
 - swillia3@umw.edu Extension 1380
- <http://adminfinance.umw.edu/budget>