California State University
SAN MARCOS

# University Budget Office

## 2022/23
## MID-YEAR
## GUIDELINES

# 2022/23 MID-YEAR GUIDELINES

## Table of Contents

Each year the campus conducts a comprehensive mid-year review to identify any financial situations that have occurred or may be expected to occur prior to the end of the fiscal year, **June 30, 2023**. The objective of the Mid-Year Review is to perform an analysis of expenditures compared to budget and identify material concerns (minimum of $50,000), **either favorable or unfavorable** that may have a material impact on the current budget. The scope of the mid-year review will include a comprehensive budget review for all revenue and expenditure activities for the entire campus, for all funds, including Operating, Lottery, Capital Projects, Financial Aid, Self-Support, Trust funds, CSUSM Corporation, Foundation and ASI.

**Mid-Year Review Process:** Each Division is requested to provide the following to the Budget Office:

1. **Mid-Year Budget Review Memorandum** – a sample memo can be found on page 15
2. **Mid-Year Department Level Report**
3. **Mid-Year Fund Level Report**
4. **Division Summary**

The Mid-Year Budget Review memorandum should comment on the outcome of the Division's financial review process and include comments on the financial condition of each subdivision level. Favorable and unfavorable variances at the subdivision level of greater than 5% or $50,000 must be identified and explained in the written report. Additional suggestions to note within the report include service level changes, growth issues, unmet needs, trend issues, new programs, reserves or other factors that currently have or are expected to have an impact on the budget. The reports will serve as an attachment to the comprehensive Mid-Year Review report that is prepared by the Budget Office for the President's review.

**Analysis/Scope:** The department analysis should consist of a reconciliation of transactions to the PeopleSoft Financial System through **December 31, 2022** and projections for the remaining six months of the fiscal year ending on **June 30, 2023**.

**NOTE:** **Mid-Year projections will be used in determining available fund balances as part of 2023/24 planning – so please provide your most accurate representation of expenditures for the remainder of the year. Detailed projections are required to include specific activity and description (example: Consulting Fee for process review). Mid-year is essentially a reforecast of the original budget. A similar, though less comprehensive, third quarter budget review as of March 31, 2023 will be prepared by the Budget Office and reviewed with the Divisions. Please see page 17 for details.**

**COVID-related expenses: Additional COVID-related (HEERF) expenses projected to be incurred between January and June 2023 should be <u>excluded</u> from the Mid-year reforecast. COVID-related expenses are posted to Fund 48520**

and include the appropriate class code based on the appropriate expenditure category. **The institutional spending deadline is June 2023.**

**In addition, the Budget Office will perform a look-back analysis, comparing mid-year projections to actual year-end results, and will reach out to divisions / business units to provide explanations for any material variances.**

- *Operating Fund Analysis:* The department analysis should consist of a reconciliation of transactions to the Data Warehouse Department Report. A copy of each department's completed Mid-Year Department Level Report is required to be submitted as a part of the division summary. The required format is provided on **page 7**.

  Although the benefit expenditure line items appear on the Data Warehouse reports, **NO** projection is needed for these accounts *unless* your department is considered self-support and is responsible for benefits (i.e., Health Services, Orientation, etc.).

- *Lottery Fund Analysis:* The department analysis should consist of a reconciliation of transactions to the Data Warehouse Department Report. A copy of each department's completed Mid-Year Department Level Report **page 7** is required to be submitted as a part of the division summary.

- *Capital, Financial Aid, Self-Support Funds and Trust Projects Analysis:* The department analysis should consist of a reconciliation of transactions to the Data Warehouse Fund Report and should be based at a fund/department level. Each self-support operation and each trust project need to be reviewed to determine whether it will maintain a positive cash flow to comply with regulatory provisions. This analysis, along with a copy of the completed Mid-Year Fund Level Report, must be submitted for each fund. The required format can be found on **page 11**.

- *CSUSM Corporation*: A copy of the completed Mid-Year Fund Level Report, must be submitted for each fund. The required format can be found on **page 11**.

- *Foundation:* Only includes Central Operations (86502)

- *ASI*: A copy of the completed Mid-Year Fund Level Report, must be submitted for each fund. The required format can be found on **page 11**.

**Supporting Schedules and Reports:** The primary objective of the Mid-Year Department/Fund Level reports is to determine if the funds available for the remainder of the fiscal year are adequate to maintain planned service levels. The following reports are provided to assist you in completing the required mid-year financial analysis:

# 2022/23 MID-YEAR GUIDELINES

- The **Mid-Year Department Level Report** is designed to determine budget balances at June 30, 2023 by adding year-to-date actuals and estimated projections (by account code) for the operating fund.

- The **Mid-Year Fund Level Report** is designed to estimate the year-end balance in the fund as of June 30, 2023. Projections are done for both revenue and expense at the account code level.

- The **Projection Worksheet** is **not** required and is provided as an additional tool to assist with the estimation of expenses for the January to June time period. These projections can be pivoted and then linked to the projections column on the Mid-Year Reports.

- **Positive Pay salaries should not include June earnings.** Positive pay is overtime, student assistants, special consultants, etc. December – May earnings should be projected, as they will be paid in January – June. *June earnings will be paid in July using the 2023/24 Budget.*

- The **Division Summary** is meant to link to all Mid-Year Department Level and Fund Level reports and provide summary information at the division/department level.

Running the Data Warehouse reports through December 31, 2022 will provide six months of year-to-date actual expenses and encumbrances. When combined with the Mid-Year Report forms, additional columns are provided to enter expenditure and/or revenue projections by account code for the remaining portion of the fiscal year. All projections require manual entry.

- All Data Warehouse reports include the percentage of budget utilized. Areas that significantly exceed or are below **50%** may require additional research.
- The HR Actuals Report can be used for payroll analysis. The Budget Office can assist with any additional payroll analysis, if needed.

Please refer to the Budget Office web site https://www.csusm.edu/budgetoffice/budget_processes/index.html for all mid-year documents.

# 2022/23 MID-YEAR GUIDELINES

<u>Technical and Financial Data Information:</u>  **Account balances will reflect the following types of transactions that have been processed through December 31, 2022:**

- Vendor payments and encumbrances
- Receipts
- Journal entries
- Budget transfers and augmentations

***Budget and Expenditure Transfers / Journal Entries***:  Budget transfers and journal entries reflect expenditure activity and budget postings through December 31, 2022.

- Various areas have requested additional funding for 2022/23 for miscellaneous activities to be funded from central funding pool. Do **NOT** include these funding requests in your projections. The requests have been accounted for centrally with the allocations pending senior management review and approval.
- **Budget Transfers:  all budget transfers must include the Dept ID where the funds are being transferred to/from in the comments.**

**Do not include expected funding for new planned positions in your Division projections. All funding is posted centrally and will be allocated upon hire.**

*Payroll/Compensation Increases:*  Payroll transactions reflect expenditure activity and budget postings through December 31, 2022.

- <u>GSI allocations for 2022/23 have been made</u>. The only additional allocations which may come for Compensation-related activity would be for minimum wage increase.

*Chargeback Entries:*  The <u>Chargeback Simplification Plan</u>, started 2018/19, eliminated most chargeback activity within 48500 (departments charging each other within Fund 48500).  Listed below are a few areas to keep in mind when working through your mid-year projections:

- As of the beginning of 2019/20 base budget was reallocated from the division consumers to the division providers for the following activities:
    - IITS
        - Telephone
        - Technology (digital signage, DSS, conf room, copier move)
    - FDM
        - Work Orders under $1,000
        - University Vehicle Use
        - Campus Moves
        - Campus Sign
        - Fed Ex / UPS
        - Work Orders Move

- **Chargebacks will still occur for the following:**
    - FDM dollar threshold > $1,000
    - Services provided to Auxiliaries, Third Party and Self-Support Funds

o Charges incurred outside of the current Computer Refresh Program – **see IITS webpage for details** – link as follows: https://www.csusm.edu/iits/trp/index.html

---

*Pre-Payments:*  Generally, pre-payments will not be allowed unless approved by the Vice President.  Interest earnings potential needs to be maximized by managing cash flow and maintaining it at higher levels whenever possible.  Paying for expenditures in advance reduces cash available for investment and compromises the opportunity for higher interest earnings.  Generally Accepted Accounting Principles (GAAP), require expenses and revenue to be recorded and recognized in the fiscal year in which the goods and/or services are received.  If we do not adhere to this accounting practice, the campus will be vulnerable to audit findings.

*Cost Projection:*  The mid-year review provides the opportunity to look at what funds are remaining to cover expenses over the next six months.  This is the time when you list the expenses expected from January through June that must be covered with the budget available. Some things to keep in mind when projecting the remaining year expenses:

- Will current monthly costs stay constant?  If so, the YTD costs will be the projected costs also.
- Refer back to last year's mid-year report.  Were you on target with your estimates?
- Impending reclassifications or in-range progressions need to be included in projected expenses.
- Non-bargaining unit or temporary employee salary increases that won't receive a budget allocation should be included.
- Are you expecting to purchase equipment in the next 6 months?
- Will budget transfers take place to either increase or decrease your funds?
- Is there an annual one-time expense that hasn't occurred yet?
- Historical information is always helpful.  Look at your June 30 Department or Fund report from the prior year to see what account code actuals were and what your budget balance available (BBA) was.
- Plan with the chance of unforeseen expenses popping up.

## Mid-Year Department Level Report

It is suggested that you have the **Mid-Year Department Level Report** form open before you start this process.
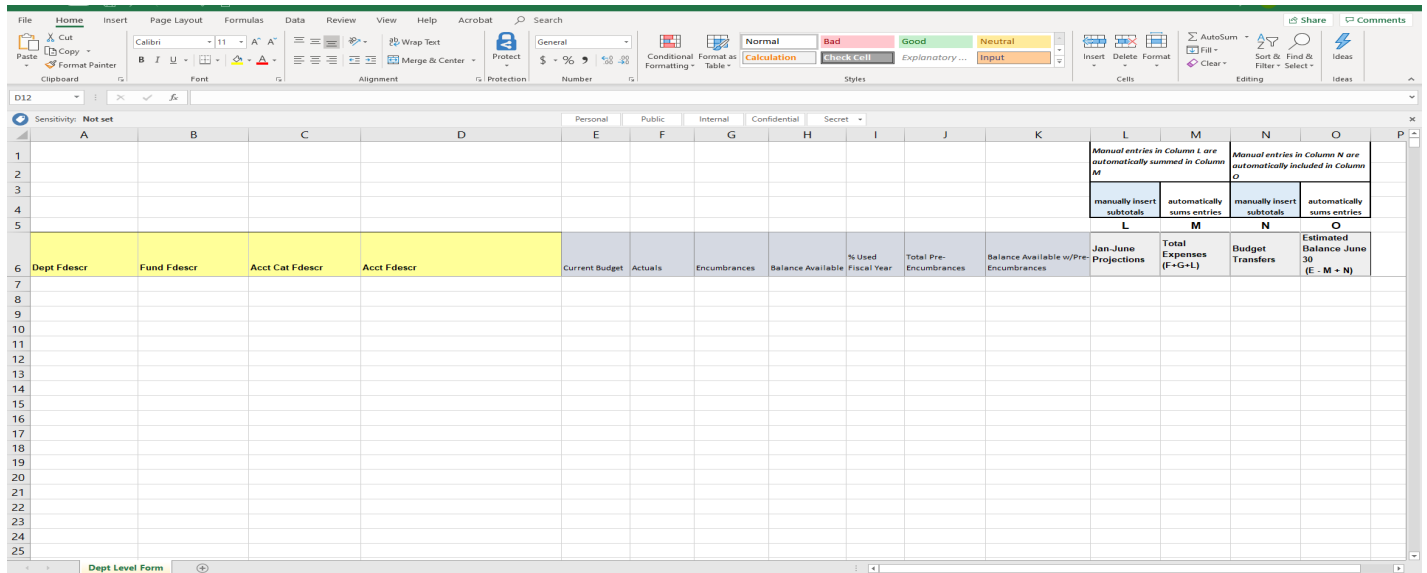


## Running the Report in Data Warehouse – Financial Reporting Dashboard

1) Click or hover over the Dashboards dropdown menu and click on "Financial Reporting."

2) Make sure your default Settings for this Dashboard are set up:

   a) Primary Business Unit = **SMCMP / Other**

   b) Primary budget ledger = **Standard Budget**

   c) Original budget scenario only = **Leave Blank**

3) Click on Apply, then save under Page Options (the gear icon in the upper right corner), "Save Current Customization," check the box next to "make this my default for this page," and select a name.

4) Click either the **Financial Summary As of Period** tab or **Financial Summary As of Period** hyperlink in the Report Index.

5) **Report Filters**

   a) **Fiscal Year:** 2022

   b) **Period:** 6 (default will be 7)

   c) **Fund:** 48500  If you manage a self-support fund or trust, you will need to run the Mid-Year Fund Level Report for submission (page 11).

   d) **Department:** Select your department(s)

   e) **Dept Tree:** SM_DEPARTMENT (This filter is found under Advanced Filters.)

   f) Click **Apply Filters**

6) **Show Columns sections**

   a) **Show Column 1:** select **Fund Fdescr**

   b) **Column 2:** select **Dept Level 2 Fdescr**

   c) **Column 3: Dept Level 3 Fdescr**

   d) **Column 4:** select **Dept Fdescr**

   e) **Column 5: Acct Cat Fdescr (multiple subtotals) OR Acct Type Fdescr (subtotals at Revenue & Expense)**

   f) **Column 6:** select **Acct Fdescr**

   g) **Select Report View:** select **Summarized**

   h) Click **OK**

7) *Save at this time by clicking on the gear icon in the upper right corner under your name, Save Current Customization, For Me, and name it using Mid-Year in the title* (suggested).

Report results:



## Mid-Year Report

1) Go down to the bottom of the data warehouse report results

2) Click on **Export** (In the new Data Warehouse, you will need to next select **Formatted**.)

3) Click **Excel**

4) In Excel, select data in columns A-K of your DW report, starting at cell A7 & copy

5) Go to the **Mid-Year Department Level Report** form; place your cursor in cell A7 and paste.

6) Manually enter your projections in Column L, and your budget transfers in Column N.  Remember, if it is an expenditure transfer **out** or a budget transfer **out** from your department it is a **_minus._**

    a) Columns M and O automatically recalculate when you **enter** your amounts.

7) **_Enter zeros in empty cells._**

8) **Subtotals and Totals** in Columns L and N will need to be entered manually.

    a) **Enter a formula** (not a hard entry) when you are manually entering totals.  This allows the worksheet to re-total each time you change a projection or budget transfer amount.

    b) The report will automatically update Columns M and O as your subtotals are calculated.

9) If you need to add a line for an additional account code, you will need to copy the formulas in Columns M and O into the added line.

NOTE: You may hide unneeded columns to enlarge your page, but do not delete the columns.

## Column L – Jan-June Projections

- Any account codes that do not appear on the Data Warehouse report but are needed for projections through **June 30, 2023** will need to be added by inserting rows.
- **Positive Pay salaries should not include June earnings.**  Positive pay is overtime, student assistants, special consultants, etc.  These earnings are paid in the month following the time worked.  As a result, December – May earnings should be projected, as they will be paid January – June.  Any June earnings will be paid in July using the **2023/24 Budget**.
- While **benefit** expenditures appear on the Data Warehouse Department Level report, no projections are needed for these account codes, as budgets are allocated to match actuals, _unless_ your department is supported by student fees and is responsible for benefits (i.e., Health Services, Orientation, etc.)
- Enter projections for all OE&E account codes that are expected to have expenses between January and June.

## Subtotals

As previously stated, enter **formulas** for all subtotals of manual entries, as the totals will update with any changes. The subtotals/totals will be included in the automatic calculation of the Total Expenses (Column M) and Estimated Balance June 30 (Column O).

## Mid-Year Fund Level Report

It is suggested that you have the **Mid-year Fund Level Report** form open before you begin this process.



## Running the Report in Data Warehouse

1) Click or hover over the Dashboards dropdown menu and click on "Financial Reporting."

2) Make sure your default Settings for this Dashboard are set up:

    a) Primary Business Unit = **SMCMP / Other**

    b) Primary budget ledger = **Standard Budget**

    c) Original budget scenario only = **Leave blank**

3) Click on Apply, then save under Page Options (the gear icon in the upper right corner), "Save Current Customization," check the box next to "make this my default for this page," and select a name.

4) Click on the Financial Summary As of Period tab or the Financial Summary As of Period hyperlink in the Report Index.

5) **Report Filters**

    a) **Fiscal Year:** 2022

    b) **Period:** 6 (default will be 7)

    c) **Account Type:** Select 50 – Revenues and 60 - Expenditures

    d) **Fund**: Enter your fund or funds. (Remember to remove the X)

    e) Click **Apply**

6) **Show Columns sections**

- a) **Column 1:** select **Fund Fdescr**
- b) **Column 2:** select **Dept Fdescr**
- c) **Column 3:** select **Acct Type Fdescr** (include subtotals for Acct Type Fdescr)
- d) **Column 4:** select **Acct Fdescr**
- e) **Select Report View:** select **Summarized**
- f) Click **OK**

7) ***Save by clicking on 'Save Current Customization' icon in the upper right corner, then select 'For Me', and name it. Make sure to use Mid-Year in the title of your report when naming it.***

## Mid-Year Report

1) Scroll down to the bottom of the report
2) Click on **Export** (In the new Data Warehouse, you will need to next select **Formatted**.)
3) Select **Excel**
4) In Excel, select data in columns A-I of your DW report, starting at cell A8 & copy.

5) Go to the **Mid-Year Fund Level Report** form; place your cursor in **cell A6** and paste.

| | A | B | C | D | E | F | G | H | I | J | K |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Beginning Fund Balance | Revenue through 12/31/20 | Projected Revenue Jan-June 2021 | Total 20/21 Revenue | Expenses through 12/31/2020 | Projected Expenses Jan-June 2021 | Total 20/21 Expenses | Encumb. through 12/31/2020 | Estimated Year End Fund Balance | *Manual entries in Column I are automatically summed in Column J* | |
| 2 | A | B | C | D=B+C | E | F | G=E+F | H | A+D+G+H | | |
| 3 | (89,114) | (709,196) | 213,560 | (495,636) | 100,136 | 127,802 | 227,938 | 0 | (356,812) | manually insert subtotals | automatically sums entries |
| 4 | | | | | | | | | | | |
| 5 | | | | | | | | | | J | K |
| 6 | Fund Fdescr | Dept Fdescr | Acct Type Fdescr | Acct Fdescr | Current Budget | Actuals | Encumbrances | Balance Available | % Used Fiscal Year | Jan-June Projections | Estimated Balance June 30 (F + G + J) |
| 7 | 496** | Dept 12** | 50 - Revenues | 502101 - Cont Ed Spec Sessions Degree | (812,241.00) | (709,195.50) | 0.00 | (103,045.50) | 87% | 213,560.00 | -495,635.50 |
| 8 | | | 50 - Revenues Total | | (812,241.00) | (709,195.50) | 0.00 | (103,045.50) | 87% | 213,560.00 | -495,635.50 |
| 9 | | | 60 - Expenditures | 601100 - Salaries Acad - Serialized | | 9,793.12 | 0.00 | (9,793.12) | | 12,456.00 | 22,249.12 |
| 10 | | | | 601806 - Salaries Acad Special Session | 22,500.00 | 58,164.60 | 0.00 | (35,664.60) | 259% | 55,640.00 | 113,804.60 |
| 11 | | | | 601808 - Salaries Acad Summer | 126,000.00 | 23,276.40 | 0.00 | 102,723.60 | 18% | 47,541.00 | 70,817.40 |
| 12 | | | | 603012 - Benefits Medicare | | 1,322.89 | 0.00 | (1,322.89) | | 1,623.00 | 2,945.89 |
| 13 | | | | 603090 - Benefits - Other | 11,360.25 | 0.00 | 0.00 | 11,360.25 | 0% | 0.00 | 0.00 |
| 14 | | | | 606801 - Travel-In State Faculty | 7,000.00 | 0.00 | 0.00 | 7,000.00 | 0% | 0.00 | 0.00 |
| 15 | | | | 660002 - Printing | 1,000.00 | 0.00 | 0.00 | 1,000.00 | 0% | 0.00 | 0.00 |
| 16 | | | | 660017 - Advertising & Promo Publicat | 9,000.00 | 7,578.99 | 0.00 | 1,421.01 | 84% | 10,542.00 | 18,120.99 |
| 17 | | | | 660820 - Other Hospitality | 2,500.00 | 0.00 | 0.00 | 2,500.00 | 0% | 0.00 | 0.00 |
| 18 | | | 60 - Expenditures Total | | 179,360.25 | 100,136.00 | 0.00 | 79,224.25 | 56% | 127,802.00 | 227,938.00 |
| 19 | | 12** Total | | | (632,880.75) | (609,059.50) | 0.00 | (23,821.25) | 96% | 341,362.00 | -267,697.50 |
| 20 | 496** Total | | | | (632,880.75) | (609,059.50) | 0.00 | (23,821.25) | 96% | 341,362.00 | -267,697.50 |
| 21 | Grand Total | | | | (632,880.75) | (609,059.50) | 0.00 | (23,821.25) | 96% | 341,362.00 | -267,697.50 |

6) Manually enter your projections in Column J.

   a. Remember, an **increase** in revenue is entered as a **minus**. On the <u>expenditure</u> side, a **decrease** in expenditures is a **minus.**

7) ***Enter zeros in empty cells.***

8) Column K automatically recalculates when you enter your amounts.

9) **Subtotals and Totals** in Column J will need to be entered manually. **Note**: Subtotals for Acct Type Fdescr should be included for Revenues and/or Expenditures in the DW report, subtotals must be manually entered in the corresponding Column J.

   a. Enter a formula for any total, not a hard entry. This will allow the worksheet to re-total correctly each time you change a projection.

10) Insert additional lines as needed to add other account codes as necessary. You will need to copy the formula in Column K into the added line.

NOTE: You may hide unneeded columns to enlarge your page, but do not delete the columns.

## Beginning Fund Balance

Run the **Fund balance report** to get the 'beginning fund balance' for your Fund Level Report. Enter Beginning Fund Balance data in cell 'A3". Instructions for Fund Balance Report can be found on Budget Office website:

https://www.csusm.edu/budgetoffice/budget_processes/index.html

## Column J – Jan-June Projections

- Enter projections for all revenue and expenditures expected to occur between January and June.

- Jan-June Projections can be populated by **a link to the Projection Worksheet** pivot (page 14).

- Any account codes that do not appear on the data warehouse report but are needed for the projections through June 30, 2023 will need to be added by inserting rows and can be linked to the totals on the Projection Worksheet or pivot.

- **Positive Pay salaries should not include June earnings.** Positive pay is overtime, student assistants, special consultants, etc. These earnings are paid in the month following the time worked. As a result, December – May earnings should be projected, as they will be paid January – June. Any June earnings will be paid in July.

- Enter projections for all OE&E account codes that are expected to have expenses between January and June.

- Any expenditure transfers or credits should be included in the projections.

## Subtotals

As previously stated, enter **formulas** for all subtotals of manual entries, as the totals will then update with any changes. The subtotals/totals will be included in the automatic calculation of the Estimated Balance June 30, 2023 (Column K).

## NOTE:

**Fund Balance Use.** <u>Self-support Funds and Trust Projects cannot end the year in a negative balance</u>. If it is estimated that current fiscal year expenditures will exceed revenues, a portion of the Fund Balance-Continuing Appropriation will be needed to cover the shortfall. The beginning fund balance (as of July 1, 2022 of the current fiscal year) can be found by running the Fund Balance report in data warehouse, found under the Financial Reporting dashboard. Please contact the Budget Office for assistance if needed.

The Budget Office recommends that if year end balances show a sizeable variance from your original budget, that budget adjustments be made. Please contact the Budget Office for additional information.

**Balance Available** *is not* calculated for use with these funds. The budget is only used as the plan for the fund's current year operations.

**Net Income.** Net income is arrived at by adding current year total revenue and current year total expenses.

### Projection Worksheet

The Projection Worksheet calculates projected payroll and OE&E expenditures and can then be pivoted to provide a summary by account code or sorted by account code and subtotaled to link to the Mid-Year Department Level or the Mid-Year Fund Level reports.

**Column A**: Account Code – Enter the account code used for the cost you are projecting.

- Account codes do not have to be entered in any certain order, when using the pivot. If using the subtotal method, remember to sort by account prior to subtotaling.
- Projections are not needed for Benefits unless you are creating a new position, or if the department is supported by student fees (Health Services, Counseling, Orientation, etc.).
- Projections are not needed for Federal Work Study.

**Columns B, C, D**: Program, Class, Project codes – use these as needed.

**Column E**: Account Description – Enter the description of the account code you are using.

**Column F**: Cost Detail – Enter who/what/where that describes the use in more detail.

**Column G**: Rate – Enter the monthly/hourly rate, or the cost per item or occurrence.

- December positive pay earnings are paid in January. May earnings are paid in June. Therefore, you need to estimate six months.

**Column H**: Months/Hours/Frequency – Enter the number of months, hours or occurrences you are projecting in the January thru June period.

- **Positive Pay salaries should not include June earnings.** Positive pay is overtime, student assistants, special consultants, etc. These earnings are paid in the month following the time worked. As a result, December – May earnings should be projected, as they will be paid in January – June. Any June earnings will be paid in July using the following fiscal year Budget.

**Column I**: Projected Cost – This column is automatically calculated for you. It takes the rate and times it by the Months/Hours/Frequency to arrive at the Projected Cost. (Column D times Column E).

Once all data is entered on the Projection Worksheet you can pivot the information or sort it by account code and subtotal at each change in account.

# Sample Mid-Year Budget Review Memorandum

**DATE:**     February 1, 202x

**TO:**     Vice President

CC:     University Budget Office

**FROM:**     Resource Analyst

**SUBJECT:**     202x-2x Mid-Year Budgetary Review and Analysis – XXX Division

The following is a mid-year snapshot for the XXX Division by college / subdivision followed by an analysis of the surpluses and deficit:

| College/Subdivision | Projected Ending Balances |
|---|---:|
| College 1 | $865,255 |
| College 2 | $7,750 |
| Subdivision 1 | ($15,357) |
| Subdivision 2 | $5,124 |
| Division Total | $862,772 |

College 1 has a projected surplus of $865,255 due to project XYZ ($750,000) being postponed until next fiscal year. Additionally, salary savings from 3 vacant staff positions contributed to the surplus.

Subdivision 1 is currently projecting a $15,357 deficit due to not receiving additional base budget to cover the GSI for three employees hired in July. The Division will cover the deficit with one-time funds and plans to reallocate base funds next year to fully base fund these positions.

## Mid-Year Review Timeline

| Task Description | Date | Responsibility |
|---|---|---|
| Mid-year guidelines distributed to campus reps - posted to the web | December 15 | Budget Office |
| Mid-year Training | Week of January 9 | Budget Office |
| December 2022 financial close | January 15 (approx.) | Fiscal Services |
| One-on-one assistance | December 15 – February 14 | Budget Office |
| Mid-year analysis performed | January 15 (approx.) - February 14 | Budget Office & Divisions |
| **Mid-year reports submitted to Budget Office** | **February 14 COB** | **Divisions** |
| Mid-year reports reviewed | February 14 – February 21 | Budget Office |
| Comprehensive mid-year report reviewed | February 21 *(approx.)* | AVP, BFS and VP, FAS |
| **Comprehensive Mid-Year report submitted to the President** | **Meeting TBD** | **Budget Office** |

# Third Quarter Review

CSU policy dictates that the campus chief financial officer ensures budget reviews occur during the fiscal year that compare budgeted and actual revenues and expenditures and take action to resolve any discrepancies. These reviews must be documented and occur at least twice per year, and include any actions taken to resolve discrepancies.

The first review is Mid-year, and this is a comprehensive campus-wide review, which includes Q1 and Q2 actual (first 6-months) and a forecast of remaining year activity to project full year financial activity to determine any major discrepancies before the fiscal year end June 30, 2023.

A second review, to comply with CSU policy will involve a review at the end of Q3, taking into account Q1 through Q3 actual (9- months), then including a pro-rata portion of the remaining forecast from Mid-year. This will then be compared to full-year budget and any material discrepancies will be highlighted. The difference between this review and Mid-year is that this Q3 review will not involve a formal forecast submission from the campus, but rather a review from the University Budget Office. The review results will be shared with the individual units, in addition, any material variances noted from this updated forecast (> 10% either favorable or unfavorable) will be noted and communicated to the individual units. This review will begin at March close, approximately April 15. This review will be completed by the end of the first week in May. This Q3 review check in will highlight any additional variances and potential areas for concern and allow time for resolution before year-end close is final. This review at Q3 will focus on the funds which align with the year-end reserve designation:

| CSU Fund | University and Enterprise Operating Funds |
|----------|-------------------------------------------|
| 441 | Professional and Continuing Education Operations |
| 452 | Facility Revenue Fund-Health Facilities Fees |
| 463 | Instructionally Related Activities |
| 464 | International Programs Trust |
| 471 | Parking Revenue Fund-Fines and Forfeitures |
| 472 | Parking Revenue Fund-Parking Fees |
| 481 | Lottery Education Fund |
| 485 | CSU Operating Fund (Budget Office to coordinate) |
| 534 | Campus Union-Operations and Revenue |

## Third Quarter Review Timeline

| Task Description | Date | Responsibility |
|---|---|---|
| March 2022 financial close | April 15 (approx.) | Fiscal Services |
| Q3 analysis performed | April 15 (approx.) – April 30 | Budget Office |
| Budget Office share results of Q3 review with divisions and address questions | May 1 – May 5 | Budget Office / Divisions |
| **Comprehensive mid-year report reviewed** | **May 5 *(approx.)*** | **AVP, BFS and VP, FAS** |