

BUDGET BASICS for Budget Supervisor and Budget Coordinator

BUDGET MANAGEMENT AND RECONCILIATION:

- Fiscal year runs from July 1 to June 30. Fiscal year base budget allocations are uploaded in September.
- Budget Coordinators are provided an Excel 'Shadow' Budget (from the Lead Analyst) which is a Budget Management System used to track, reconcile, and forecast funds to assure accountability and financial integrity of the unit/department. Please contact your lead analyst for the Excel workbook and training. Training can also be provided to the Budget Supervisor to understand how the budget is managed, please also review this web page for the Budget Orientation power point: <https://www.csusm.edu/par/budgettrackingandreconciliation.html>
- Budget Shadow should be stored in a secure shared space (SharePoint or Teams) for easy accessibility (shared with Supervisor or Lead Analyst).
- Budget Supervisors and Coordinators work together to make a budget plan for discretionary (and fixed) funds to project through yearend.
- Budget Supervisors meet monthly with the Budget Coordinator to review budget balances, update projections and sign reconciliations (ProCard and Budget), confirming agreement and confirmation of budget balances and expenses:
 - Reconciliation is due to supervisor by 10th of the following month after general ledger close per Vice-Provost memo. Example: January general ledger closes Feb 10 but the January reconciliation is due by March 10 for signature.
 - Confirm updated projections monthly and that there will be no shortfall or unplanned for funds left at the end of the fiscal year. **All purchases and other transactions should be completed by March 31, as much as possible. ENSURE STRATEGIC SPENDING RATHER THAN LAST MINUTE SPENDING.** Goal is to spend the funds in the year received, carry forwards should be rare and must be approved.
 - Reconciliations should be routed through ADOBE for signatures and saved in the AA Portal unit reconciliation folder by fiscal year.
- Budget Coordinator analyzes data for additional needs to be requested in new fiscal year (growth expenses, additional O&E, unfunded personnel actions, etc.). **Reminder: Staff IRPs, bonuses, and reclassifications are funded by the Unit, not the Budget Office.** Confirm BASE funds are available in the budget BEFORE personnel action is requested. Budget coordinator should be included in annual budget requests to confirm any additional needs.
- All funds and accounts are to be used appropriately, i.e., Auxiliary, Lottery, Student Fees, Operation (general) Funds, and Cash Trusts all have their own guidelines.
 - State funds begin with 4: General/Operating – 485xx; Trust/Special Projects – 44xxx, 46xxx, 49xxx; Lottery 481xx
 - Auxiliary funds begin with 9: CSUSM Corp – 92xxx; Foundation – 96xxx
- Reminder: do not initiate **budget transfers between account codes** within the same department and fund to 'zero out'. The balances just show you if you were on target with your original budget and can help you determine the next FY budget. It also creates unnecessary work for the Budget Office. Review the Account codes to choose the right account code for the expense, do not use the account code it was budgeted in originally if it is not correct for the expense type. **However, you do need to do a BASE budget transfer to make salaries whole in the event of an approved IRP/Reclass/Promotion, etc.**

- Budget Coordinators will be trained and supported by their Lead Analyst. Questions, concerns, or additional training needs are to be requested from their Lead Analyst as much as possible. Contact the Lead Analyst immediately if you suspect you will not be able to stay within your budget or are not able to reconcile.
- Errors found need to be researched and corrected preferably by the next reconciliation. Per the Budget Office, **any errors fixed outside the quarter the error occurred will need to be approved by the division.**

PROCARD PURCHASES AND RECONCILIATION:

- Budget Supervisor reviews and signs ProCard Reconciliation Report confirming agreement and awareness of spending with the ProCard. This should be audited carefully every month by the Budget Supervisor or designee. Training is available for ProCard auditing. Best practices include:
 - Make sure expenses are coded to the correct account code for the expense
 - Confirm invoice is attached
 - In the description box, enter text that reflects the purchase and matches the expense code so it is easy to review and audit in a report
 - If it is professional development, grant, or startup, add the faculty (or staff) name in the description box
 - **If ProCard holders miss the reconciliation period to add the correct account code and it defaults to supplies (660003), a financial transfer needs to be submitted to correct the chart-field unless it is actually a supplies purchase**
 - If an expense is hospitality-related, it should have the signed hospitality form attached
 - If the DEPT ID is changed from the default and is not within a budget that the cardholder or approving authority directly track, reconcile, or approve each month, the reconciliation packet needs to be routed for fiscal authority signature for each of the respective DEPT IDs
 - A copy of the reconciliation pages and respective accounting documents should be retained in each approval department for audit purposes
 - Reminder: inaccurate or incomplete data reduces the ability to accurately analyze data. Correcting account codes after the fact is time-consuming to make sure it is correct and to audit it. However, inaccurate data analytics can negatively impact decision making on campus and at the CO level.
 - **Using university purchasing processes (e.g., ProCard; Purchase Order) is strongly encouraged and preferred over personal reimbursement (Direct Pay).**
 - Professional Development funds must be spent in the year received; they are not eligible to carry forward into the next fiscal year unless specifically authorized. The Provost will review and authorize exceptions on a case-by-case basis for funds received too late in the year to be used.
 - Please expense funds by March 31 as much as possible to meet all University fiscal year-end calendar deadlines. Work with your Lead Analyst for exceptions.

PROFESSIONAL DEVELOPMENT FUNDS:

https://www.csusm.edu/par/resource_operations/professionaldevelopment.html

Regardless of College or Department, Faculty spending requests should be reviewed with consistent standards. Faculty should fairly be expected to explain the following (however briefly) for spending requests:

- How will this purchase further your professional development?
- How does this purchase align with the College's mission and/or strategic goals?

In evaluating requests, reviewers should keep in mind the individual Faculty member's access to such basics as adequate storage space for student work or office equipment. For example, CSUSM lecturers typically share office and cabinet space and do not have access to Refresh computers and other standard equipment. Simultaneously, lecturers' institutional service activities are frequently acknowledged with professional development funds that prove difficult to spend. Department Chairs/Program Directors and Deans' Offices should work collaboratively with lecturer Faculty to facilitate Faculty members' ability to spend professional development funds they have earned through such activities as committee participation. As a matter of practice, Faculty members should be informed of the source(s) of their professional development funds (stateside, Auxiliary, etc.) at the time they are awarded.

Definitions & Requirements from Academic Affairs:

- Any items purchased with university funds are intended for university business, and all spending requests must be focused on that expectation.
- Any items purchased with professional development funds are the property of CSUSM and must be returned to CSUSM for proper decommissioning, disposal, or reuse per applicable policies.
- Professional development funds must cover the entire cost of the item(s). Co-mingling of funds is not allowed; e.g., items cannot be purchased with 50% professional development funds and 50% personal funds.
- University Procurement processes must be followed, and any personal reimbursements must comply with the Direct Pay Guidelines.
- Technology purchases and COVID-related purchases require approval from the Dean/Supervisor BEFORE purchasing and/or requesting from IITS.
- Professional memberships or subscriptions are allowable if directly related to professional development; Supervisor or Department Chair approval is required.
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PROFESSIONAL DEVELOPMENT: Professional Development is defined as pursuit of knowledge or skill through study, research and/or creative activities, professional travel, conferences, workshops, or courses that directly support and develop a person's professional growth in their discipline or career. Appropriate expenditure may include supplies, equipment, books, professional memberships or subscriptions, and other costs related to professional development. Hiring students to assist with research, scholarly and/or creative activities is permissible. All purchases must follow CSUSM procurement policies.

This document addresses purchases; Faculty wishing to use professional development funds for payments (e.g., gift cards, cash payment for research) will need additional approvals. Note that Institutional Review Board (IRB) approvals are separate from and do not guarantee spending approvals.

Above language was Approved by the Academic Senate - 4/7/21

- **It is recommended that Budget Coordinators send a monthly email to all Faculty confirming spending and balances of their own funds (Prof development funds, grants, etc). Standard language in email monthly might include:**
 - This email provides current expenses and balances of your funds.
 - Please confirm you agree with the balance or notify me of any discrepancy asap.
 - Please expense funds by March 31 as much as possible.
 - Notify me of any travel requests, student hiring, or other purchasing needed, etc. as early as possible.
 - Current Professional Development language and guidelines or link to the website
 - Please use the Spending Request on the website for all requests to expense Professional Development funds

FISCAL YEAR BUDGET PROCESSES:

- A 'Mid-Year' budget report is due to Academic Affairs at the end of January stating projections through June 30 with a zero balance unless there is a request for a mandatory carry forward or funds are agreed to be swept by AA. The projection should be as accurate as possible. Budget Supervisors should work with the Budget Coordinator in November to confirm projections are accurate since many faculty are gone over the holidays. Academic Affairs will provide the guidelines and due date for the report.
- If Dept./Unit has Student Course Fees (Non-Discretionary Fees), Budget Supervisor and Budget Coordinator review and confirm student/course fees are reconciled and expensed in compliance with the CO Executive Order(s), or submit proposal for adjustment of fees, if needed. **Training is available and required for compliance on course fees, please ask if you have not received it.**

- **Reminder, Fiscal year funds should be spent in the year allocated as much as possible.**
 - 48500 Carry forward request should be rare (other than mandatory such as Student Course Fees and CPO's) and must be approved by the Division.
 - Lottery requires a formal restoration request from the Budget Office, no more than 80% of allocation should be restored and must provide justification for not expensing in the year received. Provide copy to Unit & Division Analyst.
 - Travel accruals should be rare, only travel that is split over June/July, with few exceptions. **Accruals must be approved by email through the Unit Analyst who will forward to accounting.**
- Departments with auxiliary funds (Corp or Foundation Projects) should also be reconciled monthly; However, auxiliary funds are not included in the stateside annual processes.

**CSU San Marcos
Academic Affairs Budget Planning Calendar**

Month	To Do	Comments	Stakeholders
July	Carryforward requests confirmed to AA after close of fiscal year	Send updated workbook to AA Director	Unit Administrators, Budget Analyst
July	Confirm final base in Data Warehouse	Finalize/update BBR salary lines, etc.	Budget Analyst
July	Cash Trust fund budgets and signature addendums due- Training/guidelines provided	Excel template and guidelines provided by BO	Unit Administrators, Budget Analyst, AA Director
July	Non-discretionary/Student Course Fee forms due- Training/guidelines provided	Excel template and guidelines provided by BO	Unit Administrators, Budget Analyst, all staff and managers over non-discretionary fees, AA Director
August	Budget Allocation Memo to units	Based on budget request approvals and BO allocation memo to AA	AA Administrators (AA Summary and Unit Detail)
August	CREATE FINALIZED BUDGET: Final BBR due from units (48500 funds only) Use PREBBR analysis and update	Reconciled to zero in base and one-time, including AE&SS base allocation (if any)	Unit Administrators, Budget Analyst
September	Budget Upload to DataWarehouse by BO	Confirm all funds uploaded/restored including promotions/equity/GSI	Budget Office/Budget Analyst
September	MONITOR OUTCOMES AND ANALYZE VARIANCES	Shadow budgets prepared/projections through end of year completed, monthly reconciliation requirements.	Budget Analyst
September	Budget Orientation provided to staff/MPPs over budgets by AA Director	Will send copy of all materials to Unit admin and analyst	Budget managers and Budget staff
December	ADJUST BUDGET, EXPECTATIONS OR GOALS	Mid-year projection adjustments and analysis to prepare for mid-year report due in January, expense funds by March 31 if possible	Unit Administrators, Budget Analyst
January	Mid-year report due to AA	Excel template and guidelines provided by AA/Include carry forward projection	Unit Administrators, Budget Analyst
February	DEFINE GOALS AND GATHER DATA: Prepare PRE BBR Analysis including all projected needs for the next FY (new TT/staff hires, additional OE&E, etc)	Excel template and guidelines provided by AA	Unit Administrators, Budget Analyst
March	Budget Planning and Consultation Meeting with AA	Units to prepare budget plan/review with AA	Provost, Vice Provost, Director of Ops, Unit Administrators, Budget Analyst
April	Call for annual Budget Request	Excel template and guidelines provided by AA	Unit Administrators, Budget Analyst
April	Third Quarter budget projection adjustments	Review major changes, salary lines fully funded	Unit Administrators, Budget Analyst
April	Carryforward Projection Request	Excel template and guidelines provided by AA Director	Unit Administrators, Budget Analyst
May	AA Budget request submitted to Budget Office	Consolidate unit templates and review with Provost and Vice Provost	AA Administrators
May	Lottery fund restoration request	Use forms on BO website and update new FY signature authorizations with AA	Budget Analyst
June	Close fiscal year processes	Monitor FAS closing calendar	Budget Analyst

SAMPLE OF MONTHLY BUDGET RECONCILIATION REPORTS:

Budget Coordinator Monthly Reconciliation Steps:

- Reconciles Shadow Budget to Data Warehouse, fixes any errors and updates projections in Shadow Budget
- Submit both Shadow budget AND Data Warehouse report to Supervisor by 10th of month following close of general ledger
- Supervisor and Budget Coordinator: Review and sign report, indicating confirmation and agreement of balances and projections through ADOBE
- Archive signed reconciliation in AA Portal unit reconciliation folders for audit purposes
- Summary by Faculty Name Pivot Reports can be provided monthly to each Faculty
- Summary by Category Pivot Reports can be created also

18/19 Shadow Budget HISTORY

PERIOD 8

xxxx, Budget Analyst			DATE		TOTAL ROWS ON BOTH REPORTS MUST MATCH				
xxxx, Department Chair			DATE						
Values									
			Current Budget	Actuals	Encumbrances	Balance Available	Proj/Pend Current Budget	Proj/Pend Actuals	Projected Balance Available
Dept	Fund	Account #							
1234	44401	660003 SupSrv Other	0.00	977.83	0.00	(977.83)	0.00	0.00	(977.83)
		660820 Other Hospitality	0.00	321.95	0.00	(321.95)	0.00	0.00	(321.95)
		660859 Other Events	0.00	1,327.34	0.00	(1,327.34)	0.00	0.00	(1,327.34)
		660903 Budget - PY Balance	3,590.81	0.00	0.00	3,590.81	0.00	0.00	3,590.81
		44401 Total	3,590.81	2,627.12	0.00	963.69	0.00	0.00	963.69
	48500	601100 Salaries Acad - Serialized	0.00	6,160.18	0.00	(6,160.18)	0.00	0.00	(6,160.18)
		601300 Salaries Support Staff	81,486.00	54,324.00	0.00	27,162.00	0.00	27,162.00	0.00
		601302 Salaries Special Consultants	21,000.00	0.00	0.00	21,000.00	(6,000.00)	6,000.00	9,000.00
		601803 Salaries Acad Adjunct	0.00	3,070.00	0.00	(3,070.00)	0.00	2,930.00	(6,000.00)
		606002 Travel Out of State	0.00	0.00	0.00	0.00	0.00	2,248.00	(2,248.00)
		606801 Travel-In State Faculty	9,178.00	3,056.39	0.00	6,121.61	0.00	2,000.00	4,121.61
		660003 SupSrv Other	1,650.00	791.60	0.00	858.40	0.00	2,019.54	(1,161.14)
		660009 Professional Development	0.00	70.00	0.00	(70.00)	0.00	0.00	(70.00)
660820 Other Hospitality		3,907.00	0.00	0.00	3,907.00	0.00	0.00	3,907.00	
660835 Other Rental/Lease Equipment	2,200.00	1,102.92	0.00	1,097.08	0.00	400.00	697.08		
660859 Other Events	0.00	470.80	0.00	(470.80)	0.00	588.50	(1,059.30)		
48500 Total	119,421.00	69,045.89	0.00	50,375.11	(6,000.00)	43,348.04	1,027.07		
1234 Total	123,011.81	71,673.01	0.00	51,338.80	(6,000.00)	43,348.04	1,990.76		

18/19 DATA WAREHOUSE REPORT

Business Unit = SMCMP - Cal State San Marcos, Fiscal Year = 2018, Period = 8

Dept Fdescr	Fund Fdescr	Acct Fdescr	Current Budget	Actuals	Encumbrances	Balance Available
1234 - History	44401 - TF EL SpecialSessCampusPartner	660003 - SupSrv Other		977.83	0.00	(977.83)
		660820 - Other Hospitality		321.95	0.00	(321.95)
		660859 - Other Events		1,327.34	0.00	(1,327.34)
		660903 - Budget - PY Balance	3,590.81	0.00	0.00	3,590.81
		44401 - TF EL SpecialSessCampusPartner Total	3,590.81	2,627.12	0.00	963.69
	48500 - TF Campus Operating Fund	601100 - Salaries Acad - Serialized		6,160.18	0.00	(6,160.18)
		601300 - Salaries Support Staff	81,486.00	54,324.00	0.00	27,162.00
		601302 - Salaries Special Consultants	21,000.00	0.00	0.00	21,000.00
		601803 - Salaries Acad Adjunct Acad Yr		3,070.00	0.00	(3,070.00)
		601814 - Salaries SupStf Shift Diff		0.00	0.00	0.00
		606801 - Travel-In State Faculty	9,178.00	3,056.39	0.00	6,121.61
		660003 - SupSrv Other	1,650.00	791.60	0.00	858.40
		660009 - Professional Development		70.00	0.00	(70.00)
		660820 - Other Hospitality	3,907.00	0.00	0.00	3,907.00
		660835 - Other Rental/Lease Equipment	2,200.00	1,102.92	0.00	1,097.08
		660859 - Other Events		470.80	0.00	(470.80)
		48500 - TF Campus Operating Fund Total	119,421.00	69,045.89	0.00	50,375.11
		1234 - History Total	123,011.81	71,673.01	0.00	51,338.80

Procard Audit in Data Warehouse instructions:

The California State University
Business Intelligence / Data Warehouse

Home
Home
Dashboards ▼

Financial Reporting

FIRMS GAAP

Transaction Inquiry

Tree Reporting

Transaction Inquiry

Home
Open PO Reports
Open Requisition Reports
Actuals Reports
Budget Reports

Select primary business unit for campus level
SMCMP - Cal S ▼

Report Index

[Open PO Reports](#)
Displays open PO reports and transactions with varying views based on filter selection

[Open Requisition Reports](#)
Displays open requisitions reports and transactions with various chartfield views

[Actuals Reports](#)
Displays actuals transactions activity

[Budget Reports](#)
Displays budget transaction activity

[Encumbrance Reports](#)
Displays encumbrance ledger activity

[Requisition Reports](#)
Displays requisition activity in the ledger

[Pro Card Transaction Report](#)
Displays Pro Card Transaction Detail Report

Column 1: PC Owner ▼
Column 2: Dept Fdescr ▼
Column 3: Fund Fdescr ▼
Column 4: Acct Fdescr ▼

Select Report View: Pro Card Transaction Details ▼

A Few Tips from the Auditors

1. ***Understand your signature authority.***

Before you sign an affiliation agreement or partnership with an outside entity, check with your campus procurement department. Even if no funds are changing hands, you probably don't have the authority to sign a memorandum of understanding or other agreement.

2. ***Don't sign or approve anything without reading and understanding it first.***

Even if it's your own travel expense claim that was prepared by your assistant, be sure it accurately reflects your expenses. If a faculty member is requesting approval for various expenditures, be sure you understand the nature of the purchase/expense, verify all required documentation is attached, and then determine whether it makes sense and is appropriate.

3. ***Get to know your college/department financial analyst and campus accounting personnel.***

Your financial analyst and campus accounting personnel can help you to understand your funding sources (general fund, lottery fund, extended education fund, instructionally-related-activities fund, etc.) and what expenses are appropriate for each type of fund.

4. ***Understand where and how cash is being collected in your college/department.***

Cash and checks are only allowed to be collected at official cash collection points approved by the campus VP/CFO, so if faculty are collecting cash or checks, you should know about it! They will need to be properly trained on how to safeguard and account for the funds collected; proper internal controls need to be in place and followed. Faculty may be collecting cash or checks for a variety of reasons, such as field trips, course materials, department events, sales of t-shirts and other merchandise, etc.

5. ***Off-campus bank accounts are not appropriate.***

Money should be deposited into campus or auxiliary accounts. As noted above, it's a good idea to work closely with your financial analyst and campus accounting personnel (and auxiliary personnel, when appropriate) to understand where funds should be deposited and maintained.

6. ***Familiarize yourself with applicable policies and procedures.***

A good understanding of policies and procedures, such as those related to procurement and reimbursement practices, helps eliminate confusion, create structure, and enforce uniform standards.

7. ***Advisory Services.***

Finally, if you want to identify solutions for business issues, or improve efficiency and effectiveness, you may want to talk with campus management about requesting advisory services from the division of Audit and Advisory Services (A&AS). An advisory service is a custom-designed review that typically includes the following attributes: an ad hoc management-requested review, limited scope, reported via memorandum restricted to campus management, and consultative in nature.

Contact Audit & Advisory Services at (562) 951-4430 for more information.

Remember – you are ultimately responsible for what goes on in your department/college!