I. Receipt Budget Structure
II. Financial Aid Structure (56xxx)
III. Scrub for Unallowable Charges on State and F&A Funds
IV. Review State Appropriated and Appropriated Receipt Budgets, Balances and Cash
   • Budget & Balances
   • Encumbrances
   • Precollected Receipts
V. Trust Fund Cash Balances
   • F&A (including carryover requests – if applicable)
   • Educational and Technology Fees (including carryover requests)
VI. Future Year
   a. Future Budgets
   b. Salary Reserves
VII. Payroll Suspense
I. Receipt Budget Structure – Two Options for checking receipt budgets. You can use WRS reports to look at your appropriated receipt projects, but it can be cumbersome since revenue lines are rolled together. You may want to consider the query in Option 2 below.

A. 1. Option 1: WRS Reports.
      - Unit/College – Select your 2 digit Unit/College
      - Funding Group = 16030
      - Department Breakdown = Choose 4 or 6 digit, Continue
      - Department = ALL
      - Program Code = ALL
      - Class = Select all of the 5 digit classes to pull appropriated receipts.
      - Department levels – Your choice depending on the level of detail needed.
      - Sort – Department, Funding Group, Program
      - As of today
      - View report
   b. When the report has run, in the Grand Total Summary Section, drill on Current Budget for Total Revenues to see budgets in the detail level accounts. Drill on FYTD Activity for Total Revenues to see actuals by detailed account. Compare budget to actuals to determine where additional budget structure is needed.

2. Option 2: Budget Query (Recommended)
   a. Under Monitoring Tools & Reports select Query, then Query Manager (Rpt).
      - Query Name is BUD_DETAILED_PROJECT_BBA
      - Run to EXCEL
      - When prompted:
        o enter current FY
        o Accounting Period=12 will pick up all activity thus far
Enter 6 digit dept id or use wildcard, for example, 160102 or 1601% or 16%

b. When the report downloads to EXCEL, delete the first line which has no data and add Filter. Filter the Account column for all revenue accounts (begins with “4”). Column J shows the amount of budget structure over or under realized for each project and revenue account.

B. If receipts are over realized, submit a paper budget revision to increase budget structure. In the justification, be sure to explain the activity that generates the revenue. Expense budget must also be increased for the same amount. Expenditure and revenue budgets should always equal in appropriated receipt projects. The deadline for submitting a paper budget revision to the Budget Office is June 7th.

C. If receipts are significantly under realized, submit a paper budget revision to decrease structure. This will allow us to use the structure for another unit without having to go to OSBM for approval.

II. Financial Aid Structure

A. Check financial aid budget structure by running WRS reports or by using the Budget Query (see options 1 & 2 under Receipt Budget Structure). If using WRS, drill on the 56000-56999 line to compare budget with actuals by detailed account. If using the BUD_DETAILED_PROJECT_BBA query, filter on all 56xxx accounts to see BBA’s for each project and account.

B. Only the accounts listed below should have budget balances. Those marked with an asterisk should only be used by the Office of Scholarships and Financial Aid.

*56510 Appropriated Grants
*56518 Distance Education Grant Funds
56519  Oth Non-serv Schshps & Fel
*56540  Acad Enhance Scholarship
*56545  NC State Tuition Assistance Gr
56570  Traineeships
56575  Grad Assist Tuition Awds
56581  UNC Campus Scholarships
56590  Oth Educatl Grants (budget pool for all 56590-56599 expenses)
56905  Non-employee Awards (budget pool for all 56901-56959 expenses)
56960  Educ Serv Agrmnt Pymts (budget pool for all 56960-56979 expenses)
56990  Other-oth Contr Grants (budget pool for all 56980-56999 Subcontracts expenses)

C. Online budget revisions may be processed to flex 56XXX budget. They will route to the budget office for approval.
(Reference also Attachment 2)

D. **Remember, per the UNC Policy Manual, new financial aid programs cannot be established without specific approval by the Board of Governors. Also, student fees are not an allowable charge against state appropriations.**

III. **Scrub for Unallowable Charges**

A. Reference Documents
   - Spending Guidelines
     [https://controller.ofa.ncsu.edu/files/2018/05/Spending-Guidelines.pdf](https://controller.ofa.ncsu.edu/files/2018/05/Spending-Guidelines.pdf)
   - State Budget Manual
   - Chart of Expense Accounts
     [http://controller.ofb.ncsu.edu/expense-accounts/](http://controller.ofb.ncsu.edu/expense-accounts/)
B. Run WRS Report C3 – Chartfield Specific Balance by Account; Select 16030 and F&A; ALL Classes; Summary; Funding Group

C. Drill on Total Expenditures Fiscal Year to Date (FYTD) or drill on the appropriate expense lines to look for the following ineligible charges:

- **51530 - Employee Moving Expense**
  Can only be paid with foundation or discretionary funds. See page 8 of Spending Guidelines.

- **52205 - Food Products**
  - Generally speaking, state funds should not be used to purchase food items.
    Exception - See Section 5.8.3-5.8.5 of State Budget Manual.
    Send confirmation of exceptions to your budget analyst.
  - **Food is NOT ALLOWED on F&A – no exceptions**

- **52209 - Alcohol**
  Purchase of alcoholic beverages and “setups” is prohibited from state funds and F&A funds. See page 13 of Spending Guidelines.

- **533XX - Utilities**
  There should be no utilities expense booked to 533xx by a unit other than Facilities. The only exception is CMAST (Dept 0612; billed to CMAST project 224012.)

- **53901 - Awards and Banquets**
  Ineligible for state and F&A funds. Exception - See Section 6.1.6 on page 103 of State Budget Manual. Send documentation supporting exceptions to your budget analyst.

- **53921 - Food Service Agreements**
  Follows same requirements as 52205 Food Products. Send confirmation of exceptions to your budget analyst.

- **53996 - Entertainment Costs**
  Ineligible for state and F&A funds. See Chart of Account Description for 53996.

- **53997 - Fines and Penalties**
  Ineligible for state and F&A funds.

- **56962 – Stipends and Allowances**
Only allowed on state funds if it is for non-student services.

IV. **Review State Appropriated and Appropriated Receipt Budgets and Balances**

A. **WRS Report C3 – Chartfield Specific Balance by Account for State Appropriated Funds**
   - Unit/College – Select your 2 digit ouc
   - Funding Group = 16030
   - Department Breakdown = Choose 4 or 6 digit, Continue
   - Department = ALL
   - Program Code = All
   - Class = Select all 3 digit class numbers
   - Department Levels – Your choice depending on the level of detail needed.
   - Sort = Department, Funding Group, Program
   - As of today
   - View Report

After running the report:

If your Preferences are not set to automatically show the balance sheet, be sure to click on the gray bar at the top labeled “Show Balance Sheet”

Using the Report, verify the following *(reference Attachment 1)*:

1. No negative budgets in the Current Budget column.
2. Budget Balance Available is positive by program (purpose) and account (salary lines, contracted services, total operating expenditures, student aid, and transfers).
   a. 51900 - 51999 (Contract Services) is budgeted separate from 55999 (Operating Expenses) at 519x0.
b. 55999 – Budget level for expenditures from 52xxx to 55999. The exception to this is 53300 utilities (Facilities use) and 55600 (Libraries use).

c. Summer School (purpose 102) – remember Summer School is not covered by the benefits pool and final fringe benefit charges (account 51891) will post after the final payroll runs and must be considered when reviewing YTD expenditures.

3. Budget Balance available at the bottom of the page, after Change in Accts Receivable and Change in Accts Payable, is positive (see Attachment 1). If a negative BBA is caused by encumbrances that will not pay this fiscal year, please communicate this to your budget analyst.

Run the same as for state appropriated funds but select class 23376.

After running the report:

If your Preferences are not set to automatically show the balance sheet, be sure to click on the gray bar at the top labeled “Show Balance Sheet”

Using the Report, verify the following:

1. No negative budgets in the Current Budget column.
2. Budget Balance Available is positive by purpose and account (salary lines, benefits line, contracted services, total operating expenditures, student aid, and transfers).
   a. 51900 - 51999 (Contract Services) is budgeted separate from 55999 (Operating Expenses)
   b. 55999 – Budget level for expenditures from 52xxx to 55999. The exception to this is 53300 utilities (Facilities use) and 55600 (Libraries use).
c. Remember final fringe benefit charges (account 51891) will post after the final payroll runs and must be considered when reviewing YTD expenditures.

3. Budget Balance available at the bottom of the page, after Change in Accts Receivable and Change in Accts Payable, is positive (see #4 on Attachment 1). If a negative BBA is caused by encumbrances that will not pay this fiscal year, please communicate this to your budget analyst.

4. Pre-collected Receipts are receipts collected in the current fiscal year for programs which will be delivered in the next fiscal year, such as workshops and summer camp sessions. All unspent revenue is not considered pre-collected receipts. OSBM allows us to carry forward pre-collected receipts with appropriate justification. Please notify your budget analyst by June 5th if you anticipate having pre-collected receipts that need to be carried forward.

V. Trust Fund Cash Balances
      • Unit/College – Select your 2 digit dept. id.
      • Funding Group = F and A Receipts
      • Department Breakdown = Choose 4 or 6 digit, Continue
      • Department = ALL
      • Program Code = All
      • Class = All
      • Department Levels – Your choice depending on the level of detail needed.
      • Sort = Department, Funding Group, Program
      • As of today
      • View Report
If your Preferences are not set to automatically show the balance sheet, be sure to click on the gray bar at the top labeled “Show Balance Sheet”.

1. After running report, look at bottom line after encumbrances.
   • Remember final fringe benefit charges (account 51891) will post after the final payroll runs and must be considered when reviewing YTD expenditures.

2. Budgets must be positive or have a zero balance, by purpose code, after adjusting for any encumbrances that will not pay.

3. F&A Carry Forward Request – If there is an opportunity to carry forward F&A balances, a memo with instructions for making a request will be sent to Vice Chancellors and Deans from Provost Arden, Interim Vice Chancellor Peloquin-Dodd and Vice Chancellor Rebar. The memo for fiscal year 2019 will be sent out in May.

B. Educational and Technology Fees – Run WRS Report C3 – Chartfield Specific Balance by Account for ETF.
   • Unit/College – Select your 2 digit dept. id.
   • Funding Group =Auxiliary Sales and Services
   • Department Breakdown = Choose 4 or 6 digit, Continue
   • Department = ALL
   • Program Code = All
   • Class = 39
   • Department Levels – Your choice depending on the level of detail needed.
   • Sort = Department, Funding Group, Program
   • As of today
   • View Report

If your Preferences are not set to automatically show the balance sheet, be sure to click on the gray bar at the top labeled “Show Balance Sheet”

1. After running report, look at bottom line after encumbrances.
• Remember final fringe benefit charges (account 51891) will post after the final payroll runs and must be considered when reviewing YTD expenditures.

2. Budgets must be positive or have a zero balance after adjusting for any encumbrances that will not pay.

3. Carryover of ETF funds is not encouraged, however, if there are extenuating circumstances, you may submit a request to Barry Olson no later than June 5, 2019. Please coordinate with the member of the ETF Advisory Team from your college/unit.

4. If you plan to carry forward ETF funds, you will need to leave budget unspent in the amount of the carry forward request. If you have less budget unspent when the year closes than you requested to carry forward, the lesser amount will be carried forward. A one-time budget entry will be made next fiscal year for the carry forward amount.

VI. Future Year
A. Future Budgets
   • Run WRS Reports for each fund type (State Appropriated, Appropriated Receipts, ETF and F&A) as shown above. When report is displayed, select “Show/Hide FTE/Future”. Submit budget journals to eliminate any negative future budgets ($s and FTE). If adjusting only the future budget use scenario FY29 on your on-line journal. If adjusting the current and future year use scenario CN24.

B. Salary Reserves
   • If an employee’s base source of funding is state appropriations, we recommend returning the employee to that source effective 7/1/19, so any legislative increases will be applied appropriately. If employees are working against a position while being paid from a temporary source, the work against flag should be removed.
• Permanent funding should be budgeted for all permanent SPA and EHRA positions (recognizing that 51310 budget provides funding for other salary lines in some cases). **See Attachment 2 for budget level accounts.**
  - Run Position Control Summary – Future Year report.
  - Clear any negative salary reserves ($s and FTE). **To correct negative salary reserves, a HR salary distribution action must be processed to put the position/person on another source, or a continuing (CN24) or future year (FY29) budget revision can be processed to fully fund salaries.** While it is best practice to monitor this all year long, it is most important when we pull salary and budget information for the annual December 1 report used by OSBM and Fiscal Research.

VII. Payroll Suspense - Review your departmental suspense project 3799xx and any projects with charges to payroll suspense account 51190. Clear all balances.

A. Run WRS Report P2 - Cash Balance by Project Report - on suspense Project ID 3799xx to see balances. (xx = 2 digit Department ID, except Department 24 = 31)

B. Run Labor Distribution Reports in HR to see detail labor charges. (Navigation: Human Resources, Commitment Accounting, Commitment Accounting Reports, Labor Distr Reports After 2012):
  1. Run on Project ID 3799xx (Sort Order by Empl ID or Name is recommended).
  2. Run separately on Account 51190 (Sort Order by Empl ID or Name is recommended).
  3. Select output type and Details. (Note: If you download to Excel and add subtotals by Empl ID or Name, you can see which ones do not net to zero.)
  4. Monitor HR cut-off dates for payroll distribution lockout.
5. Create redistributions in HR to clear suspense charges.

C. Any suspense that occurs in the June monthly or last bi-weekly payroll can be cleared by:

1. Creating an actuals JV in Financials before June close.
2. Creating redistributions in HR - which will run in July payrolls.
3. After ledger opens for July activity, copy the JV and reverse the entries. This JV will offset the redistributions that flow from July payrolls.
4. Note these redistributions will show up on next year's Labor Distr Reports (run id's will begin with prior year).

D. Remember the fringe benefit charges (account 51891) associated with the suspense project will not show on the Labor Distribution Reports but are included in the WRS Cash Balance. These fringe benefit charges normally clear out through the 51891 allocation process at the end of the month.

E. Any cash balance left on the suspense project at the end of the fiscal year will carry over into the next fiscal year and be harder to identify and clear.

F. The Controller's Office sends out reminders to Business Officers on clearing suspense project balances, and Jennifer Bell is available to assist with payroll suspense issues.
# Budget Levels for 16030, 16031, and 16032

<table>
<thead>
<tr>
<th>Account</th>
<th>Descr</th>
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<td>Resident Tuition</td>
<td>51110</td>
<td>Epa Regular Salaries BUDGET</td>
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<td>Res Chld Dec Law/Fire Tui Waiv</td>
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<td>Epa Premium Payments BUDGET</td>
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<td>Student Stores Rev</td>
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<td>Acad Inst/res Serv</td>
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<td>Motor Pool Rebates</td>
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<td>Other Contr Services</td>
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<td>Rental And Lease Income BUDGET</td>
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<td>Surplus Property Sales BUDGET</td>
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<td>Salary Reimburs - Dual Employ</td>
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<td>Distance Education Grant Funds</td>
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