

How do I know what type of Transfer I need to do?

- **Budget Transfer** 
- **Account Code to Account Code Transfer** 
- **Transfer between Funds to see expenses** 
- **Transferring Fund Balance only** 



Budgets:

General Fund Budgets must equal the Fund Balance or Cash in the General Fund. In the General Fund Budgets = Cash. The General Fund receives most of its revenue from Tuition and fees, State Appropriations and a smaller portion from departmental revenues such as Athletics and Public Safety. The Budget Office estimates the new years revenue and spreads it throughout the General Fund in May for the next fiscal year. Approximately 70-75% of that budget is used up in labor and benefits. The rest is spread between S&E, Scholarships, Equipment, Utilities etc. All FOAPS in the General Fund share one Fund Balance. All of the General Funds at Kendall share in one Fund Balance.

- ❖ Permanent Budget Adjustment Request (BAR forms) go to the Budget Office and then they are forwarded to Position Control to process.
- ❖ Budgets are for funding expenses and revenues, not for reimbursing.
 - Budgets are not for reimbursing another department for expenses.
 - Budgets are not for correcting deposits that were entered incorrectly.
 - Budgets are for supporting an activity such as Homecoming.
 - Budgets are used to help fund labor from a different General Fund FOAP.
 - Budgets do not adjust Fund Balance.

Budget transfers are done using BAR forms, Budget transfer forms or Budget uploads.

Non-General Fund Budgets are just a plan, they do not have to equal the fund balance. The Purchasing Module in Banner checks budgets for availability, and not the Fund Balance. Therefore, it is important to load budgets in Non-General Funds. Several Auxiliary funds use projected budgets in their FOAPS that are useful for planning and tracking. Designated funds load and adjust budgets as needed throughout each fiscal year.



Journal Entries – Transferring Cash (affecting Fund Balance)

Journal Entry Transfers between Funds:



Transferring to Reimburse or to Correct entries are done with a specific account code to a specific account code. To Reimburse for food charges should be entered as 7122 for the Debit and 7122 for the Credit. Correcting a deposit that was entered in the wrong FOAP would be entered as 5701 for the Debit and 5701 for the Credit. ***You want to capture the revenue or expense in the FOAP that it belongs.***



Transfers crossing different Funds to support using account codes 8200-8100.

This Journal Entry is used when you want to support or fund another FOAP but it is not a reimbursement. You would use this if you are supporting a speaker coming to campus that is being charged to a different FOAP. You want the expenses to stay in the FOAP that has hired the speaker, but you would like to help pay some of the expenses. This transfer will show on your FOAP as 8200 (Transfers Out). The hosting FOAP will see this transfer as 8100 (Transfers In). This type of transfer moves fund balance from one FOAP to another.



Transfers to move Fund Balance only using account codes 96XX-92XX. These transfers will not show actual revenue or expense in your FOAPs on FGIBDST. These transfers will show in Banner on FGITBSR. These are used when you are funding a Project FOAP or when you are moving Fund Balance from your M&R FOAP into a General Fund or another FOAP. *If the transfer either Debits or Credits the General Fund you will see a corresponding budget entry to move the budget accordingly.*



The Goal

The goal is to look at each of your FOAPs as it's own business. You want to accurately see any revenue and all the expenses that it cost to run each FOAP. You want to easily see the transactions that are in your FOAP by specific Account Codes.

Example: Pharmacy receives a \$3,000 deposit should have been deposited in Optometry. Doing a Budget transfer from Pharmacy to Optometry, would still show the deposit in Pharmacy's revenue. This would skew the profit and loss for both Pharmacy (too much income) and Optometry (too little income). The proper way to correct this is to do a Journal Entry using the exact account code that it was deposited into and move it to the same account code. *Debit G37000-5717 and Credit G36000-5717*. This allows both departments revenue to be accurately recorded.

Look at Funds like you would look at your personal bank accounts

General Fund Budget Transfers  *Buckets=General Fund shares 1 Fund Balance*

Example = Transferring from your Savings account to your Checking account that are both at the same Credit Union. In transferring the money, you have not changed the amount of money you have at the Credit Union, you have just transferred which account is holding it. These transactions will be seen on FGIBDST

Transfer between different Funds  *Jars = different Fund Balances*

Example= Each Fund is a different "Bank". You cannot transfer money from your Credit Union to your friend's account at Huntington Bank (without knowing their bank account number and routing number). You write your friend a check to deposit into their account. This transaction would affect each bank's fund balance. Use a Journal Entry with 8200-8100 account codes. These transactions will be seen on FGIBDST

Transfer Fund balance only



Example= If you want to close your checking account at Independent Bank and want to move the entire balance to your savings account at the Credit Union. You receive a cashiers check and deposit into your Credit Union account. You have not gained or lost any money, you just moved the money to a different account. Plant Funds and M&R Funds get moved this way by using a Journal Entry and account codes 96XX (Deduction to) – 92XX (Addition from). These transactions will be seen on FGITBSR



Things to remember:

- **You cannot do a Budget transfer when you are crossing Funds.**
- **You cannot do a Budget transfer between Big Rapids and Kendall.**
- **Do not mix a Budget transfer and a Journal Entry on one form.**
- **Do not use a Compound Journal Entry form with multiple descriptions.**
- **Do not mix Budget transfers and Journal Entries on the same upload.**
- **Keep in mind when using an Upload form that all entries with the same description (Year end Clean up) Banner will add all transactions together that are using the same FOAP and Same Description.**
- **Do not “net out” a correction or reversal, reverse entry and re-enter**

Labor Reallocations: Labor reallocations are corrections for changes to Labor that have already been posted to Banner. They are similar to Journal Entries, but a Journal Entry will only show up on the Finance module (FGIBDST). A labor Reallocation will correct the entry first in the Human Resource module, and then it will update all Labor Distribution forms and reports and then it will feed over to the Finance module. There is no need to enter the benefits on the Labor Reallocation form, because the benefits will happen automatically when the labor is moved.

All forms mentioned above that you would use for transactions can be found at:

MyFSU/Forms/ Accounting