

Budget Monitoring

After the General Ledger is closed each month, the person in each department who is responsible for budget matters should run two reports in People Soft:

- 1) Transaction Register for the month
- 2) Statement of Operations as of the end of the month

The Transaction Register

- The Transaction Register is a report that lists all the transactions that have been charged or credited to the department's account in the given month.
- At each month end, review the transactions listed on the Transaction Register to be sure that they are appropriate. The transactions will reflect purchase requisitions, small order forms, petty cash reimbursements, etc. If there are transactions listed that should not be there, investigate what they are and where they should have been charged. Initiate a journal entry to transfer the charges if needed.
- Except as noted below under Statement of Operations, salary and fringe lines will be monitored by the Budget Manager.
- Be aware that the transaction register may not reflect some transactions that are in process. As with a checking account that has outstanding checks at the date of the bank statement, you will need to consider these items when determining how much funding is actually remaining in an account.

The Statement of Operations:

- The Statement of Operations is a report that shows, in separate columns, the Permanent Budget, Temp Budget, Encumbrances, Actual Expenditures and Available Balance as of the date requested in the report parameters. It is organized by account categories, with subtotals for each category.
- EXAMPLE: Supplies is one of the categories. There can be individual lines within the categories, such as 0310 – Office Supplies, 0320-PC and laptops, 0330-Lab Supplies. These would add up to the subtotals for the category
- At each month end, review the category subtotal lines. If a subtotal for any category has a negative balance, a Budget Transfer Request should be initiated to transfer funding from another budget line that has a positive balance. If individual accounts in the category have negative balances, it's not necessary to move funding around, but there is no harm in doing so if it's helpful to you.

- In the salary and wages category, the only lines that need to be reviewed in the departments are the overtime lines (0112, 0132) the student employment lines (0150 and 0151), and release time line (0159). Generally, there is no overtime budgeted, so any that is charged will create a negative variance and will need to be covered by the department from another line.
- The remaining salary lines are ones that are monitored in the Budget Manager's Office. They will, in some cases (such as part-time faculty lines), show negative variances temporarily. But each line should clear by the end of the fiscal year. Fringe lines calculate automatically, so if a salary line shows a variance, the fringe line will as well.