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Office of Budget and Planning

Budget Construction Training
March 2021

Agenda

- **Discuss Budget Construction (BC):**
    - Objectives, terminology and assumptions
    - Schedule and deadlines
    - Expectations for submissions

- **Walk through BC**

- **Review FAQ**

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Objectives of BC

Allows each Unit to strategically plan for financial activity for the following fiscal year

Provides University leadership with a picture of anticipated activity for each Unit, which ultimately formulates the overall University Operating Budget

Ensures that Units are in agreement with anticipated transfers and aligns the budgets properly

Automates the way Units load budgets into the next fiscal year within KFS

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Terminology

University Supported Permanent Funds – Loaded into your account on July 1st in object codes 4100 (FY Permanent Budget) and 4101 (FY Fringe Rate Adjusted Perm Budget).

Permanent Transfers – Transfers that will impact your current fiscal year available balances as well as your University Supported Permanent Funds for the following fiscal year.

Permanent Funding – Combination of University Supported Permanent Funds and permanent transfers in and out of accounts.

One-Time Transfers – Transfers that will impact your current fiscal year available balances but will not impact your University Supported Permanent Funds for the following fiscal year.

University Supported Perm Funds **±** Perm Transfers **=** Following year Perm Funding

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Assumptions

Budgeting Fringe Benefits

- FY21 Fringe Rates have been established by the Office of Budget and Planning, and updated fringe amounts will be automatically calculated in BC in the Expenditure tab based on requested salaries.
- For 2-Ledger accounts, the perm funding for any fringe increase will be loaded into BC in object code 4101 before BC opens.

Budgeting Collective Bargaining Increases (CBIs)

- In the absence of a Collective Bargaining Agreement, no CBIs should be budgeted.

Information is also available at https://budget.uconn.edu/fringe-benefit-rates/

Schedule and Deadlines

Dec 2020	Jan 2021	Feb 2021	March 2021
• **Dec 31st**: Deadline for Perm TFs		• **Feb 12th**: Position data pulled from CORE	• **March 8th**: BC opens

April 2021	May 2021	June 2021	July 2021
• **April 16th**: Completed BC submissions due • **All month**: Units and Office of Budget and Planning reconcile budgets	• **May 1st**: BC closes • **Beginning – Mid May**: Office of Budget and Planning prepares materials for University leadership	• **End of June**: Board of Trustees receives budget	• **July 1st**: FY22 Budget is loaded into KFS

Expectations for Submissions

- ❑ Final submission should be submitted by Lead BC Processor

- ❑ Total 2-Ledger permanent funding per Unit funding must equal control total, even if funding is moved between accounts

- ❑ All accounts must be projected to end with a balance greater than or equal to $0

- ❑ Accounts need to include a beginning of year projected fund balance

- ❑ Transfer reconciliation needs to be completed and tie to Budget Construction. Each Unit must work with outside Units sending/receiving funds to ensure offsets are reflected in submissions. Descriptions and amounts must match

- ❑ Transfers within Units must net to zero

- ❑ All 2PLGs should be deleted

- ❑ Submissions should include explanations for any significant variances in expenses/revenues from the prior year

- ❑ General expenses can be budgeted in Budget Only summary object codes that are available (e.g. SUP1 – Supplies Pool, TRV1 – Travel Pool, etc.)

Budget Submission Checklist is also available at https://budget.uconn.edu/operating-budget/about-budget-construction/lets-get-started/

Navigating the BC Module

- **Account Search options**

- **BC Document Basics**
  - **Revenue**
  - **Expense**
  - **Projected Fund Balance**

- **Budgeting for Salaries**

- **Adding a "To Be Announced", or TBA, position**

- **Running a report**

FAQ: BC Background

Which types of accounts do I need to budget for during BC?

Units should budget for each of their OPTUI, OPOTF, OPAUX, RFNDO and RFNDA accounts.

How was my 2-Ledger permanent funding calculated?

The amount of funding in object code 4100 is the permanent funding received during the prior fiscal year (FY18) plus or minus permanent transfers. The amount of funding in object code 4101 is the additional permanent funding needed to cover the change in fringe rate for the employees that are billed to a given account. 4100 and 4101 amounts will be pre-populated when BC opens by the Office of Budget and Planning.

If I have a question while I am completing BC, what should I do?

Questions can always be directed to your assigned Budget Analyst. The following resources may also be helpful:
1. BC Homepage: https://budget.uconn.edu/about-budget-construction/lets-get-started/
2. BC Manual: https://budget.uconn.edu/wp-content/uploads/sites/1441/2021/03/Budget-Construction-Training-Manual-FY22.pdf

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FAQ: Logistics

I have not yet finalized transfer of funds agreements with other Units. Do I need to include these potential transfers in my budget and Transfer Reconciliation Form?

Including potential transfers in your budget does not finalize agreements. If you believe a transfer may happen, you and the other Unit should both include the transfer. **However - please ensure that you do not include any transfers in your budget from/to an outside Unit that was not included in their submission as well**. **It is up to the two Units involved to determine if the potential transfer should be included.** If the other Unit opposes including the transfer, you should exclude the transfer from your budget as well. This does not mean the transfer will not happen, it just means that it is not included in the initial forecasted budget. A Budget Adjustment can be submitted during the following fiscal year to budget for the transfer once it is agreed upon.

Do I need to add a prior year fund balance to each individual account?

No. You can input the aggregate projected prior year fund balance for all accounts on one account, but then you should leave all other accounts blank. Also keep in mind - you must enter a separate total for each sub-fund type.
- *Ex: You can input the aggregate projected prior year fund balance for all OPOTF accounts in one OPOTF account, and then input the aggregate projected prior year fund balance for all OPAUX accounts in one OPAUX account.*

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FAQ: Budgeting Specifics

What is a 2PLG and why am I seeing this object code in my expenditures?

If you make an adjustment to your budget for a salary, the system will offset that adjustment by adding a new "2PLG – Temporary BC Salary Offset" line to the Expenditure tab.

If multiple salaries are adjusted, the total adjusted amount will accumulate and display the impact of all changes on the one 2PLG funding line, including the impact to fringe benefit amounts. This provides users with the ability to track the total changes made, thus limiting the risk of making significant data entries. Once you have reviewed the 2PLG amount and confirmed the impact of your changes, you should select "delete" on the 2PLG line to remove this funding line.

How do I add a Fringe Benefit expenditure for a new position I am adding?

You do not need to. Budget Construction will automatically calculate the appropriate fringe benefit amount based on the object code that you added. Fringe benefits will also automatically be calculated for other Personal Service expenses, such as a cell-phone stipend or a longevity benefit.

I have been told I should no longer budget my expenses in object code 6000 – General Expenses. Where can I find the Budget Only object codes that roll up expenses by type?

These budget only object codes, such as SUP1 – Supplies Pool or TRV1 – Travel Pool, can be found at the following link: http://media.budget.uconn.edu/2017/02/FY18-General-Expense-Object-Code-Levels.pdf and Appendix C.

FAQ: Troubleshooting

Budget Construction is not allowing me to enter a new object code expenditure, even though it is not already visible on the screen. Why is this?

If there is a funding line that does not have an amount in the Base Budget column but does have amounts in the Prior Year Actual Amount or the Current YTD Actual Amount columns, BC hides this funding line. To view these object codes, select the "Show Zero Requested" button.

When I type in my account number in the Budget Construction Selection screen, and select "load document", why do I only have "Read Only" access?

The BC document may be at a level above or below your access level. If so, you may need to "pull up" the access to your level, or have the BC Processor for the given Unit "push down" the BC document to your level. For help, contact your Budget Analyst or refer to the BC Manual.

Why do I keep getting locked out of my account, and how do I prevent this from happening?

The most common reason users are locked out of an account in BC is from exiting a BC document incorrectly. To exit any page in BC, select the "close" button at the bottom of the screen, rather than closing the browser screen or using the "Back" button. All accounts are automatically unlocked overnight. If you need to access the account immediately, you may ask your Budget Analyst to unlock the account.

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This concludes the Budget Construction training. Please contact your assigned budget analyst if you have any additional questions.

Thank you!

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Appendix A

Correct Transfer object codes should be used during Budget Construction

2-Ledger - Permanent	Transfer In	Transfer Out
Within the Same School/College/Unit	3206	3306
Outside the School/College/Unit	3207	3307

2-Ledger - One-Time		
Within the Same School/College/Unit	3208	3308
Outside the School/College/Unit	3209	3309

Non 2-Ledger Accounts		
Within the Same School/College/Unit	3200	3300
Outside the School/College/Unit	3201	3301

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Appendix B

Sub-Fund Descriptions

Sub-Fund	Sub-Fund Description	Ledger	Fund Group	Restricted or Unrestricted?	Allowable Transfers To/From
OPAUX	Operating Fund – Auxiliary Enterprises	3	CU	Unrestricted	OPAUX; OPOTF; OPOTP
OPOTF	Operating Fund – Non-State/Tuition Fiscal Accts	4	CU	Unrestricted	OPOTF; OPAUX; OPOTP
OPOTP	Operating Fund – Non-State/Tuition Project Accounts	4	CU	Unrestricted	OPOTP; OPAUX;OPOTF
OPTUI	Operating Fund – State/Tuition Funded 2-Ledger Accounts	2	CU	Unrestricted	OPTUI
UNRSF	Unrestricted Sponsored Programs Fiscal Account	4,6	CU	Unrestricted	UNRSF; UNRSP
UNRSP	Unrestricted Sponsored Programs Project Accounts	4,6	CU	Unrestricted	UNRSP; UNRSF
RSNSF	Restricted Non-Sponsored Programs Fiscal Accounts	5,6	CR	Restricted	RSNSF; RSNSP
RSNSP	Restricted Non-Sponsored Programs Project Accounts	5,6	CR	Restricted	RSNSP; RSNSF
RSTSP	Restricted Sponsored Programs (TF's in RSTSP should be only be done by Sponsored Programs staff)	5,6	CR	Restricted	RSTSP
RFNDA	Restricted Foundation – Auxiliary	6	CR	Restricted	No Transfers
RFNDO	Restricted Foundation – Operating	6	CR	Restricted	No Transfers

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Appendix C

Budget Only Pooled Object Codes

Pooled Object Code	Pooled Object Code Description	Level Code
ANC1	Animal Care Pool - Budget Only	ANCR
DUE1	Dues And Memberships Pool - Budget Only	DUES
SUB1	Subscriptions Pool - Budget Only	SUBS
FEE1	Fees Pool - Budget Only	FEES
INS1	Insurance Pool - Budget Only	INSR
RNT1	Rentals And Leases Pool - Budget Only	RENT
SER1	Services Pool - Budget Only	SERV
SUP1	Supplies Pool - Budget Only	SUPP
TEL1	Telecommunications Pool - Budget Only	TELE
TRN1	Transp/Motor Vehicles Pool-Budget Only	TRNS
EMP1	Emp/Student Payments Pool-Budget Only	EEPM
OTH1	Other Expenses Pool - Budget Only	OTHX
FNA1	Financial Aid Pool - Budget Only	FINA
TRV1	Travel Pool - Budget Only	TRAV
ENR1	Energy/Utilities Pool - Budget Only	ENER
EQC1	Equipment Pool - Capital - Budget Only	EQCP
EQN1	Equipment Pool- Non-Capital -Budget Only	EQNC
EQL1	Equipment Pool - Library - Budget Only	EQLB

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Appendix D

Useful Links

List and description of active object codes:
https://accountingoffice.uconn.edu/oversight-of-kfs-object-codes/

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