



## Guidelines for Moving Budgets, Revenue & Expenditures within UI General Ledger

Office of the Provost

Below are basic guidelines regarding which system to use when moving funds/expenditures. Please note controls have not been built in all systems to prevent a user from initiating entries that are inappropriate. In some cases, Accounting and Financial Reporting (AFR) will randomly audit transactions to ensure users are using the systems appropriately. Please refer to these guidelines when making entries and contact [Accounting and Financial Reporting \(AFR\)](#) with questions you may have.

### Moving Budgets/Allocations –

- **General Education Fund (GEF) 050** - All entries to move budgets/allocations within the GEF during the fiscal year should be done via the **Budget Management (Web Budget)** application. Budget Management reallocations will appear within the “Allocation” column of the GLDSS Summary Reports.
  - **Additional Guidelines:**
    - Transfer journals (IACT 35xx/75xx) **should not** be made within the GEF or between GEF and other funds using GLJE Transfer. Effective February 2014 Note: the General Ledger Journal Entry (GLJE) application does NOT allow for transfer entries in Fund 050.
    - Departments **should not** process a GLJE standard entry with an expense IACT (6xxx) in an effort to “move” funds outside the GEF.
      - Examples:
        - If you have a free balance of \$50,000 within a GEF MFK, you **shouldn’t** process a GLJE with an expense IACT to essentially “move” this balance outside of GEF. In this case, it may be more appropriate to process a WebCV to bring actual expenses into the GEF to spend down your balance. Departments should always keep in mind the principle of matching revenue earned with related expenditures. It is **not** appropriate to move expenses from one account into another simply to spend down the balance if the expenditures do not relate to that budget/allocation activity.
        - If you are providing GEF support to fund an activity in another area – it is not appropriate to transfer GEF money outside of the GEF. In this case, it would be more appropriate to move actual expenses to your funding source.
    - These guidelines are important because GEF funds are to be used within the current fiscal year, therefore, funding should be provided when the expense is incurred. Noncompliance occurs when funding is provided before expense is incurred, i.e., building balances outside of GEF with GEF funds.
- **Non-General Education Funds** – For units who “budget” within the General Ledger on non-GEF funds, the Budget Management application can also be used to make adjustments throughout the year.
  - **Additional Guidelines:**
    - Posting to Grant funds (500 and 510) is not allowed in Budget Management.
    - For other non-GEF funds, it is at the discretion of each Org unit as to whether they “budget” non-GEF funding within the GL or whether they move revenue via a WebCV or cash (Free Balance) via the transfer GLJE. Therefore, initiators should check with their Collegiate Business Officer before using budget management for non-GEF MFKs.



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- The Budget Management application is restricted to intra-fund postings, requiring the “Fund” being used on the “To” and “From” side of an entry is the same. For example, do not use Budget Management to move budget from Fund 050 to Fund 240 or from Fund 450 to Fund 240.

### Moving Revenue/Cash (Free Balance) –

- **General Education Funds** – This is not applicable as Org 46 is the only Org unit allowed to have “revenue” within Fund 050 or 060. This is now controlled thru GL edits.
- **Non-General Education Funds -**
  - To move “**revenue**” that has already been posted to the General Ledger, a web change voucher via the WebCV application should be processed. For more detailed rules regarding the use of WebCV, please refer to the [user guide](#).
  - To move “**Cash (Free Balance)**” from one MFK to another – process a [GLJE “transfer”](#) entry.
    - If transferring cash (free balance) from one fund to another fund then the transfer iacctts ([35xx/75xx](#)) should be utilized.
      - **Examples:**
        - If you have a free balance of \$2000 on a Fund 240 account that you’d like to move to another MFK to fund a deficit, a GLJE transfer would be appropriate. Transfers will increase the expense column of MFK with the 75xx side of the entry and increase the revenue column of the 35xx side on GLDSS summary reports. (Note: Transfers are recorded in the Other Revenue/Other Deductions section of the MS2C report.)
        - If revenue was received on one MFK for several activities and you want to recognize the revenue in the other activity accounts, you could instead process a WebCV to move the original revenue transaction (IACT 4xxx) rather than processing a transfer. The effect of this entry on GLDSS summary reports is to reduce the revenue on one MFK and increase the revenue in another.
- **Additional Guidelines:**
  - **No** transfers GLJE’s should be processed within the GEF (050). An exception is allowed for the University Billing Office staff to post the movement of moneys between the GEF and the Loan Fund (530), using IACT’s 7530/3530, per prior agreement.
  - **No** transfers should be processed between a University Fund and an Agency Fund.
  - AFR monitors the activity from transfer IACTS at the fund level, then follows up on amounts in/out of [GEF](#), other [appropriated](#), and [Agency](#) funds.
  - Generally, gift funds (Fund 520/525) should **not** be transferred into another fund and other funds should **not** be transferred into gift funds. Transfers within gift funds are allowed as long as donor intent is maintained. For example, a collegiate unit might use discretionary gift funds to support a departmental initiative and transfer the funds from the collegiate gift account to the unique departmental gift account. Consult Grant Accounting before initiating transfers that impact fund 520/525.
  - Departments are **not** allowed to move revenue within grant funds (Fund 500/510). If you suspect an error, contact [Grant Accounting](#).

### Moving “expenditures” -

- To move **payroll expenditures** (IACT 5xxx):
  - The **preferred** method is to process a Change of Status (COS) form online thru the HR Transaction System. This is preferred so HR history reports align with what is reflected in the General Ledger and Cumulative Compensation (CumComp) for that individual.
  - A **second option** is to process a payroll change voucher via the [Pay CV](#) system. This should be used in **limited occasions** when a COS is not possible. For example, if the change involves a period that is shorter than one month and needs to be an exact dollar figure.
  - Things to remember:
    - For “monthly appointments”, processing a COS via the HR system will automatically trigger a Pay CV to be completed by Central HR.
    - For “bi-weekly appointments”, processing a COS via the HR system will **not** automatically trigger the Pay CV by Central HR. Pay CV’s for these type of appointments needs to be generated by/requested by the department.
- To move **non-payroll, expenditures** (IACT’s 6xxx):
  - **Non-Student Aid** Expenditures:
    - The preferred method to move expenditures from one MFK to another is by using the WebCV application. By doing so, the original transaction journal information is maintained for audit purposes.
  - **Student Aid** Expenditures (IACT 63xx):
    - The **preferred** method to move student aid expenditures is via the MAUI system. This is considered best practice to ensure that the subsidiary system aligns with the general ledger for that student. Questions related to moving student aid expenditures should be directed to the UI Billing Office.
    - The second option to move expenditures is by using the WebCV application.
      - Things to remember:
        - Student Aid expenses must be moved on a per student basis and will require the student’s University ID to be entered.
        - Reports generated via MAUI will not reflect the changes made thru WebCV.
  - Another method available is the GLJE “standard” journal entry. **This is meant to be kept to a minimum and should not be used for transactions impacting sponsored projects (funds 500 & 510).** If this method is selected to move expenditures, the initiator should maintain sufficient documentation that would enable an auditor to tie the total journal back to actual individual expenditures. The reason for this is to ensure the amounts moved were tied to actual expenditures rather than an attempt to shift “free balances”. This is especially critical in ensuring that our GEF state appropriated funding was used in the year it was allocated for appropriate purposes.

### Additional Guidelines -

- Because of possible implications to the UI Financial Report, corrections to **prior year expenditures** should not be posted after final close without explicit prior approval from the appropriate office: Gift/Grant funds (Fund 500/510/520/525) – consult Grant Accounting; all other funds - consult Accounting & Financial Reporting..



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- When transferring costs, units must keep in mind the UI [Cost Transfer Policies and Guidelines](#).
- Processing interdepartmental revenue via GLJE standard entries – Units charging other units for services should **always** use the “interdepartmental revenue” institutional accounts. AFR removes interdepartmental revenue when preparing the UI Financial Report. Therefore, to ensure that UI revenues are not overstated, units should always process interdepartmental sales & service revenues on “interdepartmental” IACTS.