Financial

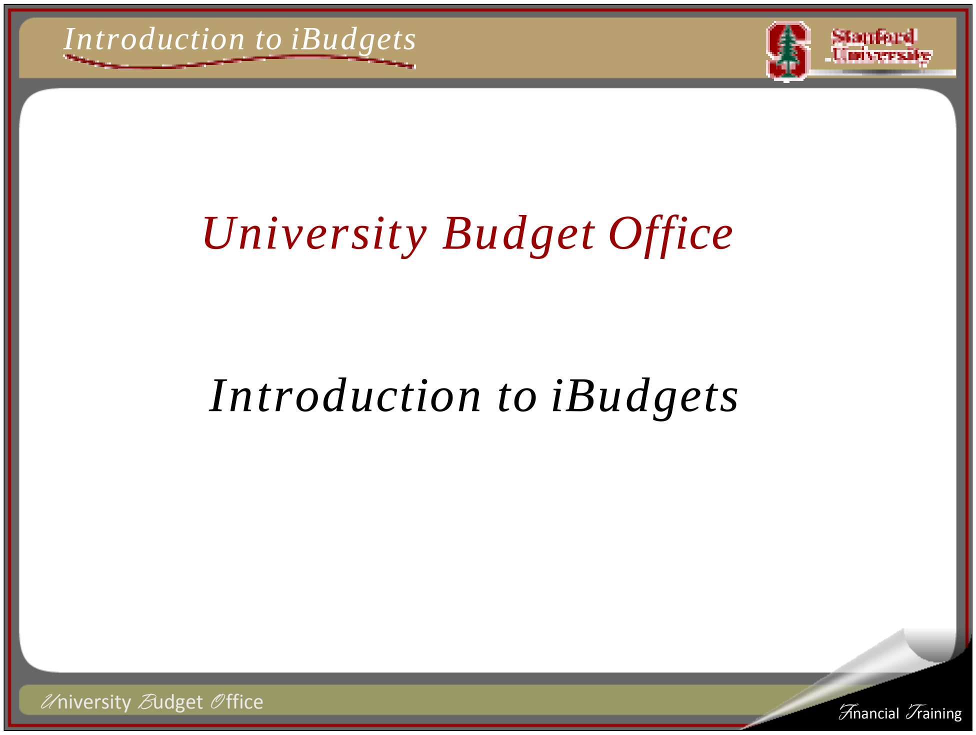
Training

Introduction to iBudgets

UBO 0865

Course Book

Universtiy
Budget
Office



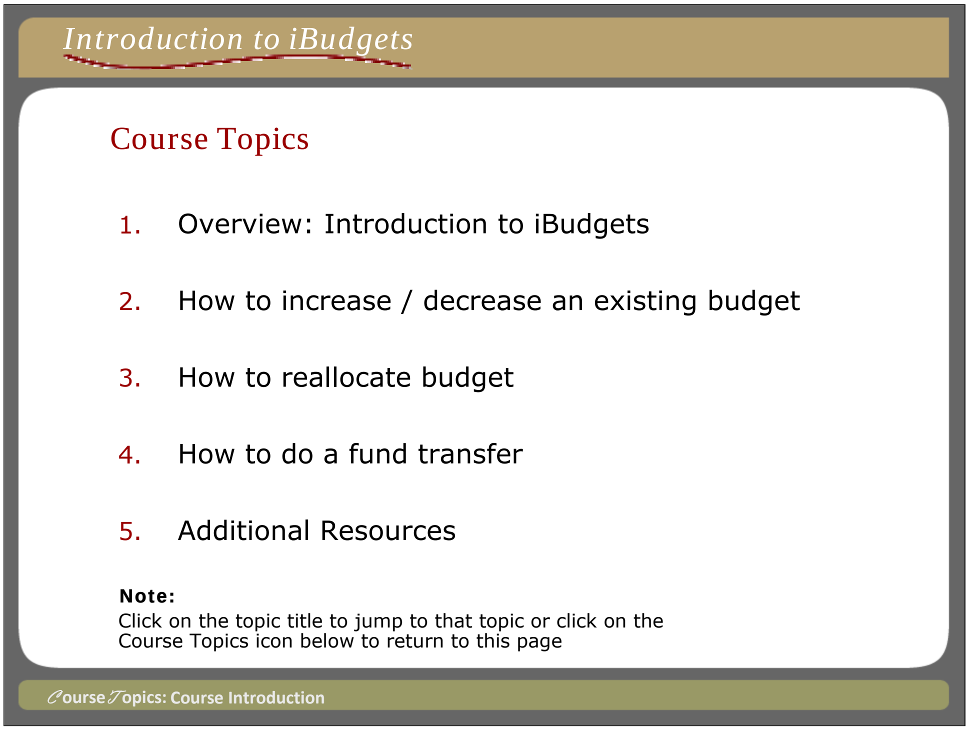
Welcome to this online class on iBudgets.

My name is____________ and I will be your online instructor.

You can control the speed of this presentation using the control bar at the bottom of this window. You can also jump to a slide by clicking on the title of the slide from the table of contents on the left. Finally, the resources tab at the top right contains course materials that you can download.

Are you ready to begin?

Let’s start.



This class will discuss the function of and how to use iBudgets. Although at times we will refer to roles and access levels different from yours, you may need to know all aspects of iBudgets since your role may change in the future.

This course is organized into five topics:

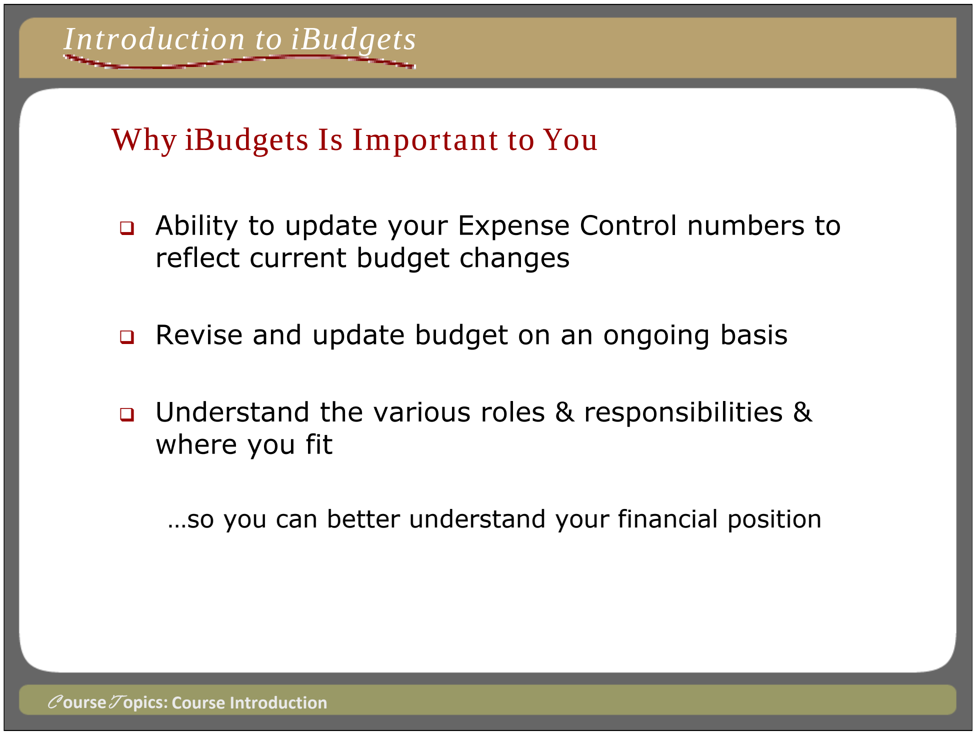
- Overview: Introduction to iBudgets
- How to increase or decrease an existing budget
- How to reallocate budget
- How to do a fund transfer
- Advanced resources

After the course lecture, there is a required exercise and quiz for you to complete. We recommend that you complete the course lecture and exercise before trying the quiz.

While the quiz does not automatically grant you a level 2 authority (you will need to follow the procedures that we will cover in the course), it does provide you with common situations that a level 2 or higher may encounter. These situations are designed as a learning extension beyond what is covered in the class to provide practical application of the policies coved. If you encounter a wrong answer, we provide you with a detailed explanations

This course has several elements to help you learn:

- Slides provide you with key concepts and information
- Course book provides supplemental reference material
- Web links take you to web sites and more information about an item



iBudgets allows you to update your Expense Control numbers to reflect budget changes. The ability to continually update budget information helps you better understand your financial position.

Introduction to iBudgets

Topic 1: Overview: Introduction to iBudgets

University Budget Office

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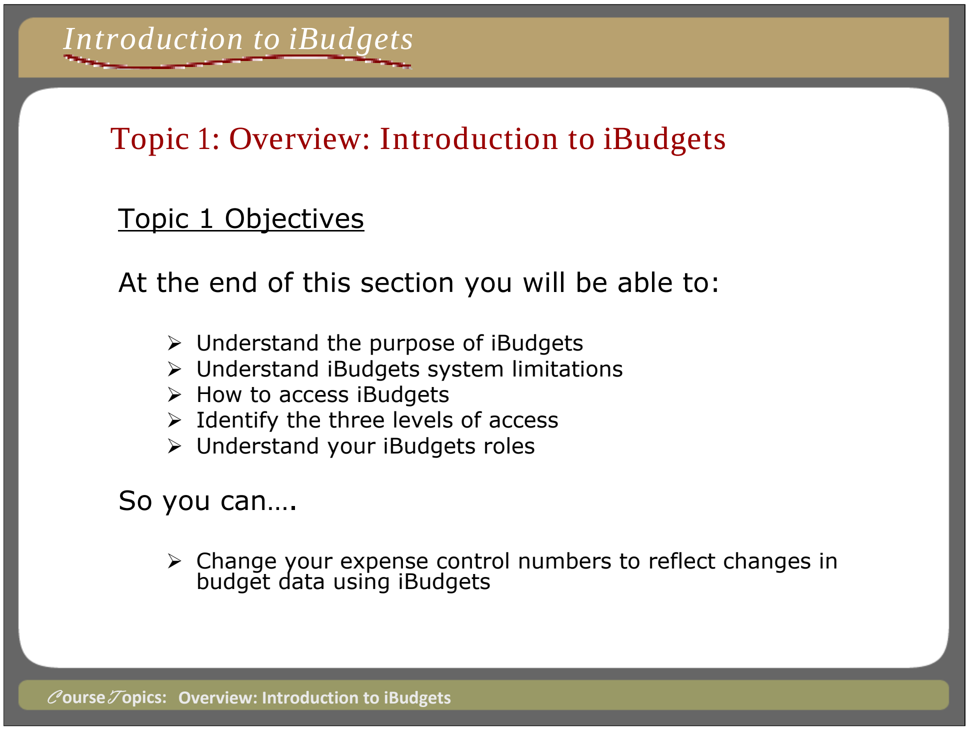
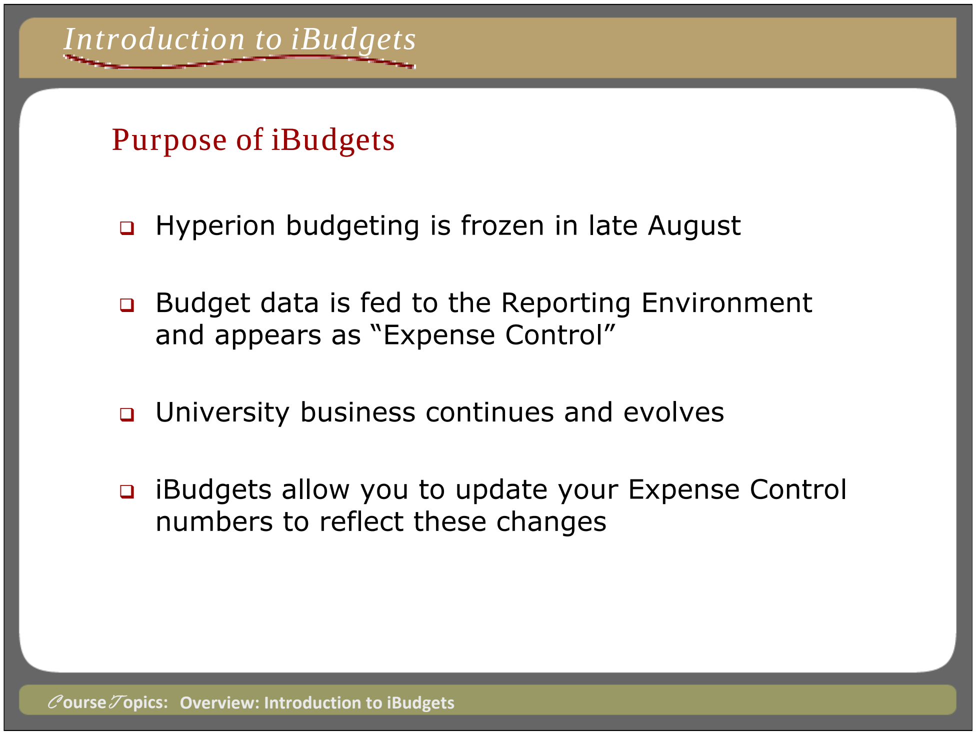


Let us begin with our first topic, introduction to iBudgets. We will discuss the purpose of iBudgets and your iBudgets roles, how to access iBudgets, identify the three levels of access, and explain iBudgets system capabilities.

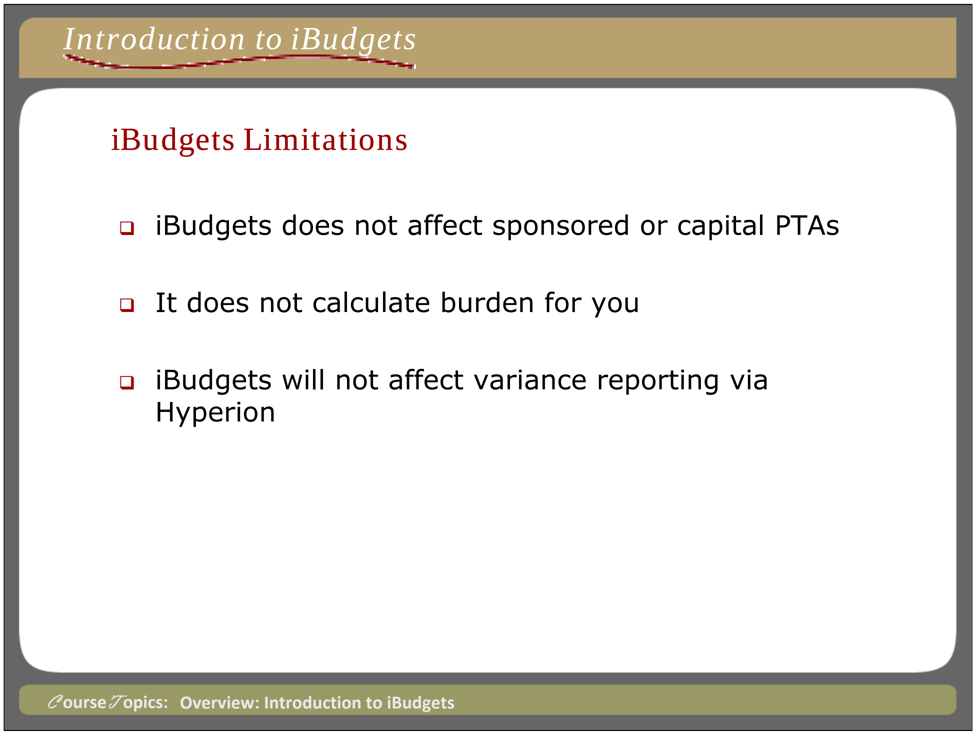
So you can change your expense control numbers to reflect changes in budget data using iBudgets.



After Hyperion budgeting is frozen in late August, budget data is fed to the Reporting Environment (e.g. Reportmart3) and appears as "Expense Control" .

We all know that after this "budget snapshot" is frozen in time, University business continues and evolves. We will discuss various types of changes that occur.

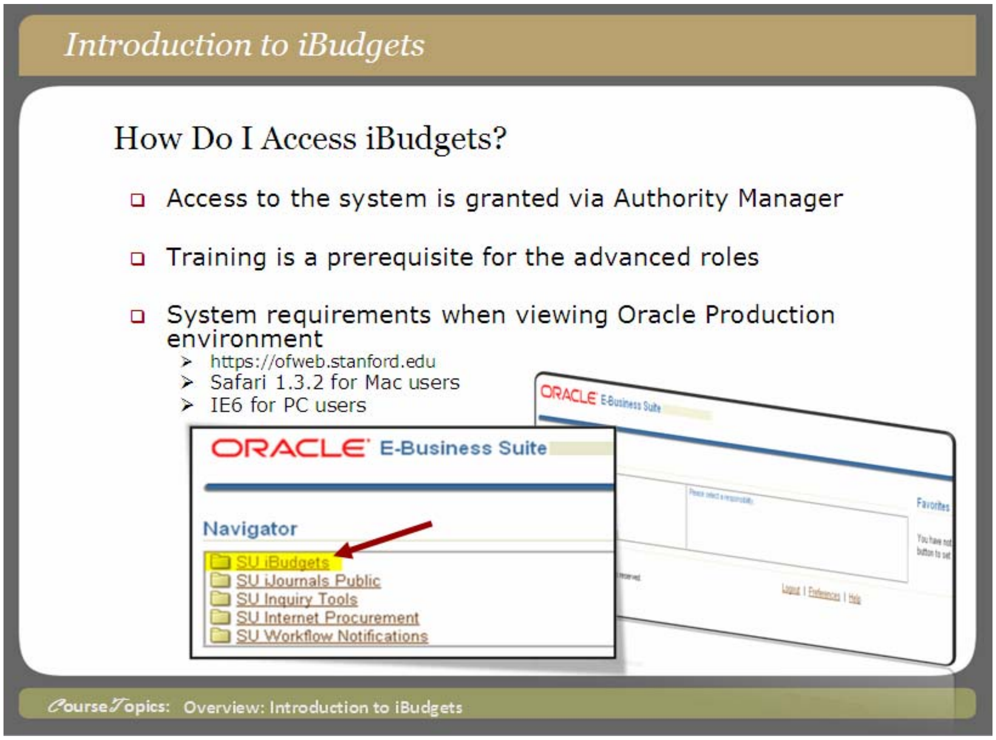
If you want to update your Expense Control numbers to reflect these changes, you should use iBudgets.



You cannot use the iBudgets system for sponsored or capital PTAs.

iBudgets will not calculate burden for you. You will need to calculate and enter any related fringe benefits, vacation accrual, infrastructure charges, indirect charges, etc. yourself.

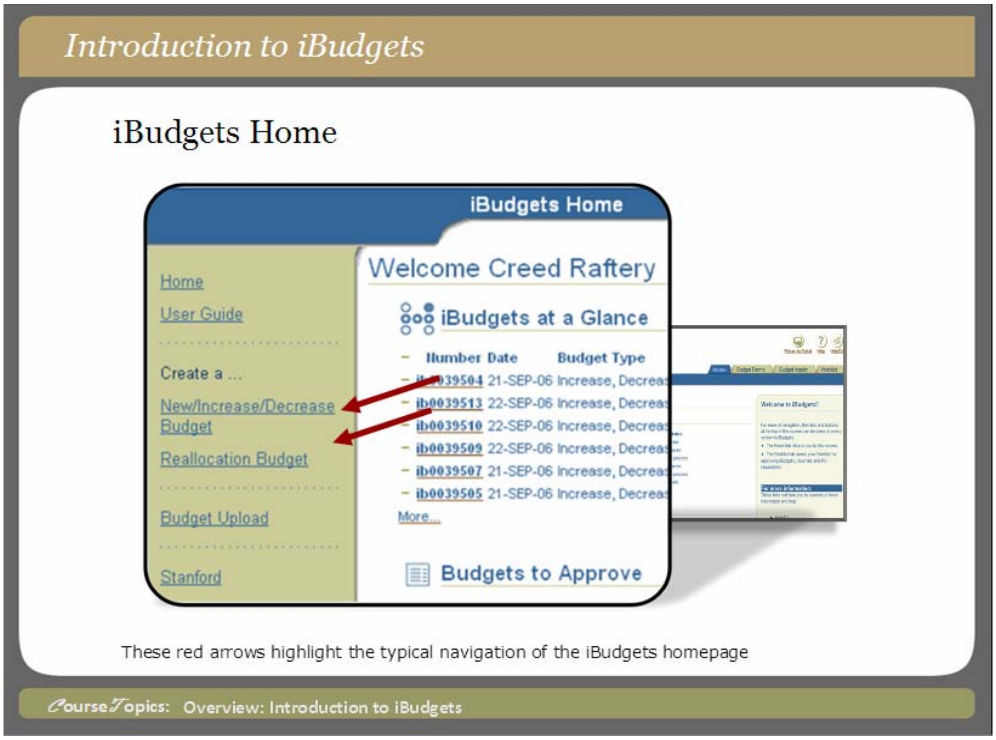
iBudgets will not affect your official budget unit level variance reporting. Your official unadjusted Hyperion budget is held as a snapshot for comparison to your Actuals.



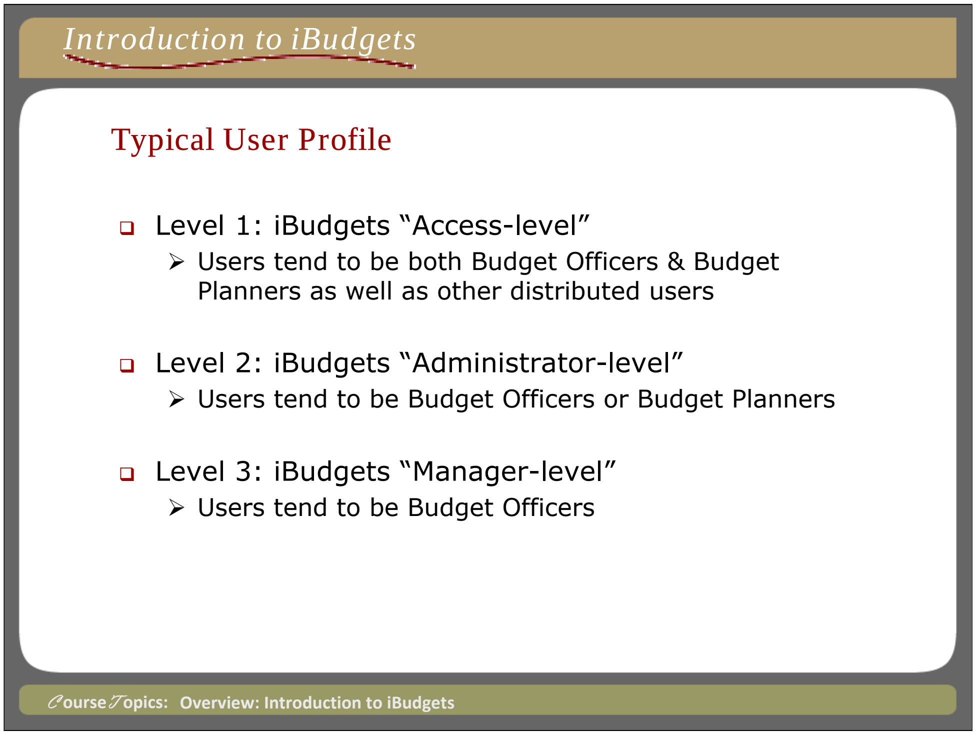
Access to use the system is granted via Authority Manager.

Training is a prerequisite for the advanced roles and is recommended for all user levels. After proper Training, go into Oracle Production environment at: https://ofweb.stanford.edu.

Remember, If you are using a Mac for iBudgets, please use Safari 1.3.2 or if you are using a PC for iBudgets, use IE6.



These red arrows highlight the typical navigation of the iBudgets homepage. We will cover these two areas in more detail as we progress through the course.



There are three levels of user profiles:

Level 1: iBudgets “Access-level” is the most common. Users tend to be both Budget Officers and Budget Planners as well as other distributed users. This level of access is granted by your department’s finance or budget officer.

Level 2: iBudgets “Administrator-level” is less common. Users tend to be Budget Officers or Budget Planners. This level of access is granted by the University Budget Office.

Level 3: iBudgets “Manager-level” is least common. Users tend to be Budget Officers.

Here is more definition of these profiles.

Introduction to iBudgets

Level	Privilege Name	Features	Functions	Authority Manager Steps	Training Needed ?	Training Contact
1	Access	Fewest	May initiate all types of iBudgets journals	Granted by your manager in Authority Manager	iBudget training recommended	Creed Raftery 5-1220
2	SU Budget Administrator		Level 1 capabilities, uploads with normal routing, and limited Fund Transfers with routing	Granted by the University Budget Office (Andrew Harker)	Cost Policy & iBudget training required	Lisa Forgatsch 5-9830 & Creed Raftery 5-1220
3	SU Budget Manager	Most	Level 1 & 2 capabilities, uploads with no routing, and additional Fund Transfers with routing	Granted by the University Budget Office (Andrew Harker)	Cost Policy & iBudget training required	Lisa Forgatsch 5-9830 & Creed Raftery 5-1220

Course Topics: Overview: Introduction to iBudgets   Click Next button to continue   Next

This chart shows privilege access levels and their functions, Authority Manager steps, what training is needed, and who to contact for training.

Introduction to iBudgets

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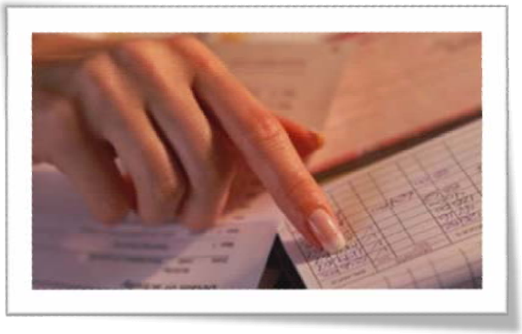
Topic 2: How to Increase / Decrease An Existing Budget



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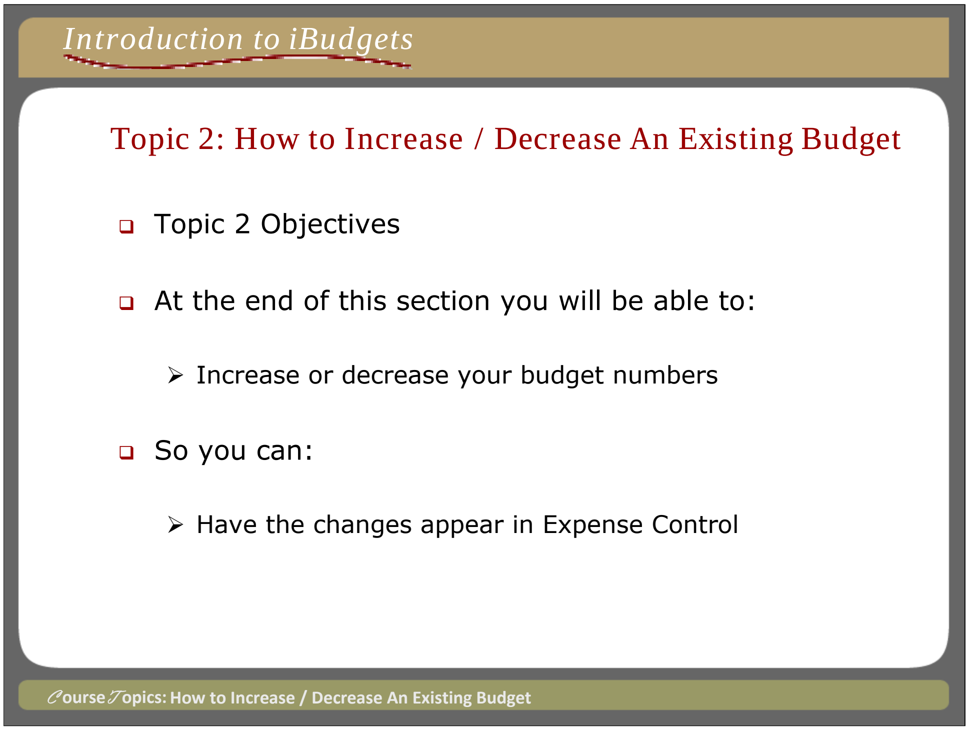
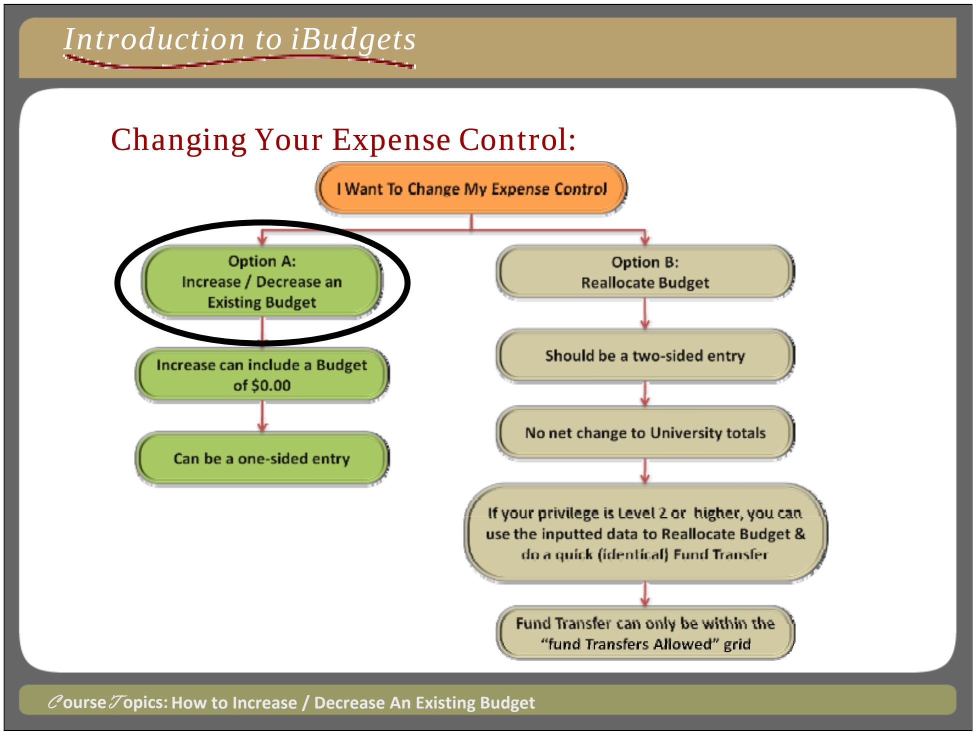
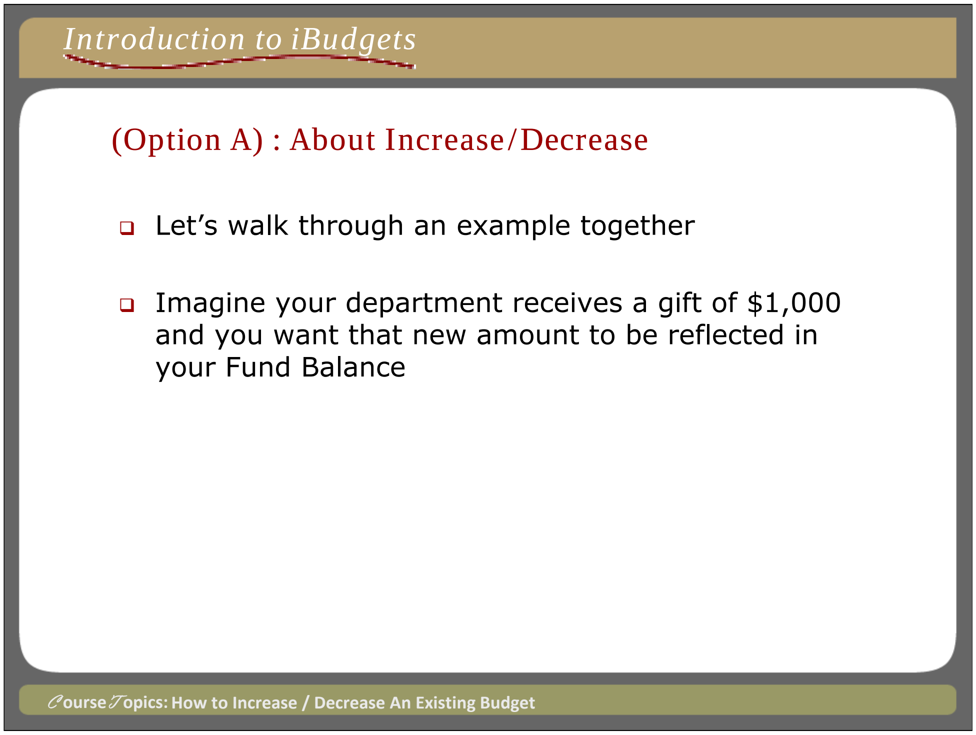


Now let us move to our second topic - how to increase or decrease an existing budget. At the of this section, you will be able to increase or decrease your budget numbers so you can have changes appear in Expense Control.

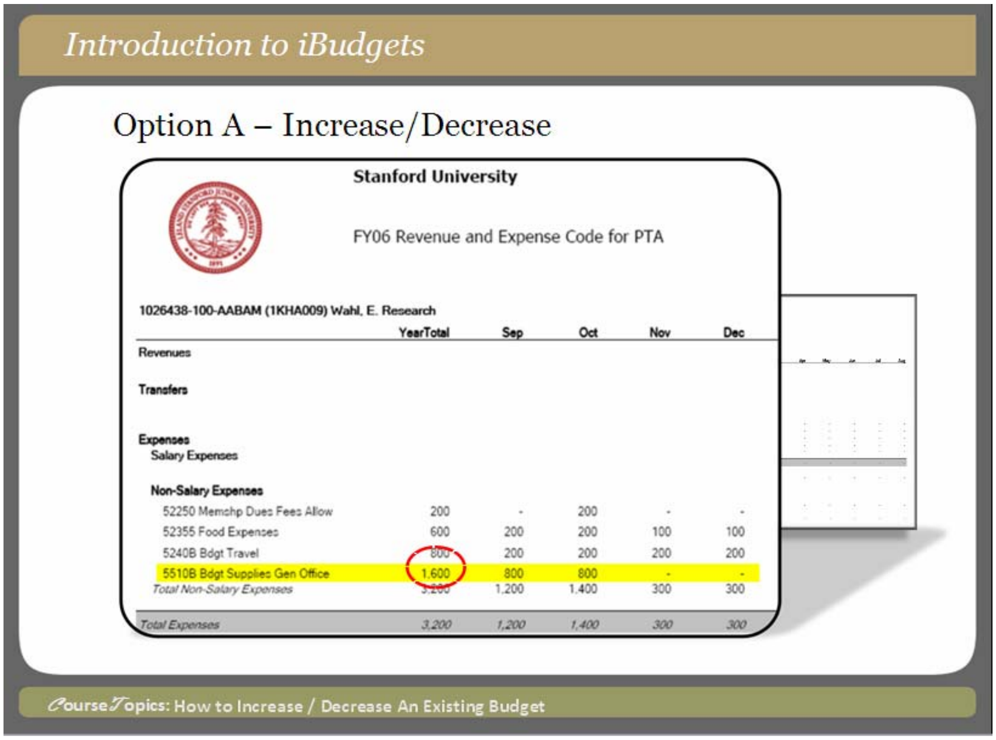


The chart illustrates a conceptual process to perform different options in iBudgets. In this section, we will look at Option A and take you through the steps (shown in green) to increase or decrease an existing budget.



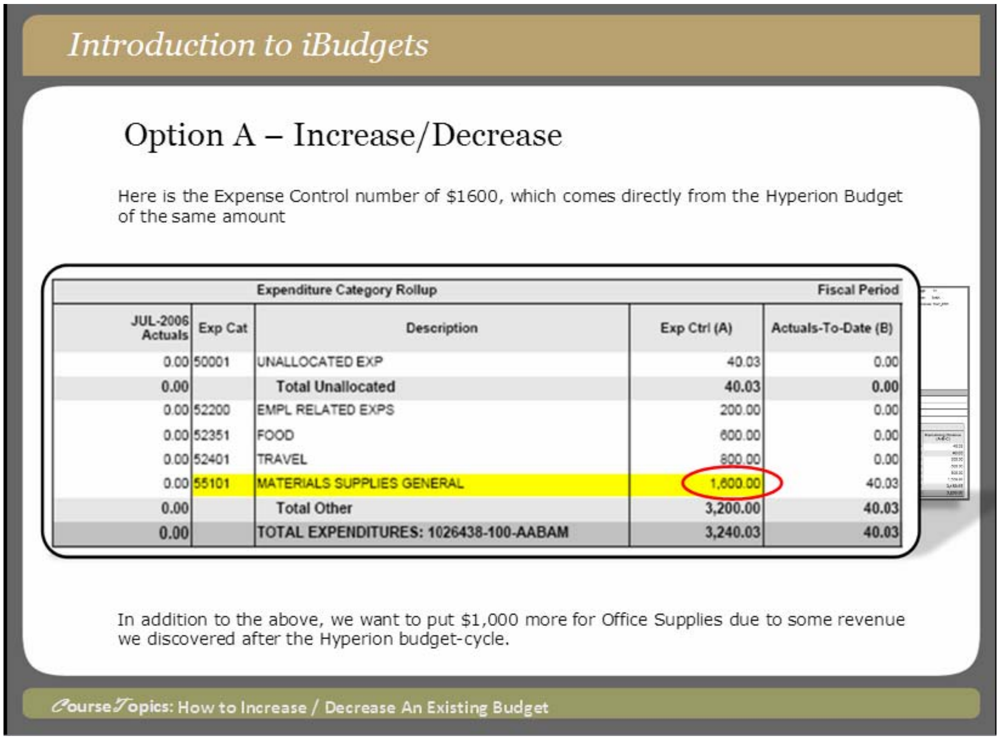
Let's walk through an example together. Imagine your department receives a gift of $1,000 and you want that new amount to be reflected in your Fund Balance.

The iBudgets system will not verify the gift was received. If you want "Expense Control" to reflect this gift, you must update iBudgets to reflect the funding changes.



Imagine this is the original Hyperion budget…and we want to change the circled amount for supplies from $1600 to $2600 to reflect these recent funding changes.

The screenshot above is the Hyperion data which was built by your department. Other options to review your budget include ReportMart3, which we show next.

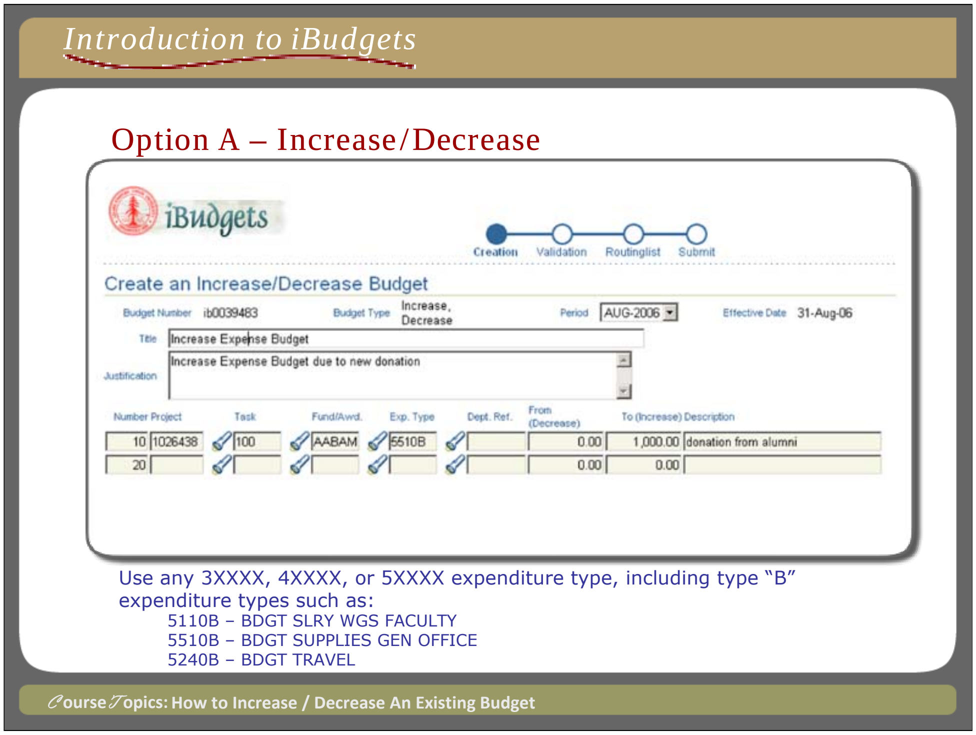


JUL-2006 Actuals	Exp Cat	Description	Exp Ctrl (A)	Actuals-To-Date (B)
0.00	50001	UNALLOCATED EXP	40.03	0.00
0.00		Total Unallocated	40.03	0.00
0.00	52200	EMPL RELATED EXPS	200.00	0.00
0.00	52351	FOOD	600.00	0.00
0.00	52401	TRAVEL	800.00	0.00
0.00	55101	MATERIALS SUPPLIES GENERAL	1,600.00	40.03
0.00		Total Other	3,200.00	40.03
0.00		TOTAL EXPENDITURES: 1026438-100-AABAM	3,240.03	40.03

This is ReportMart3 viewing Task View Fin_277 report of the budget.

Here is the Expense Control number of $1600, which comes directly from the Hyperion Budget of the same amount.

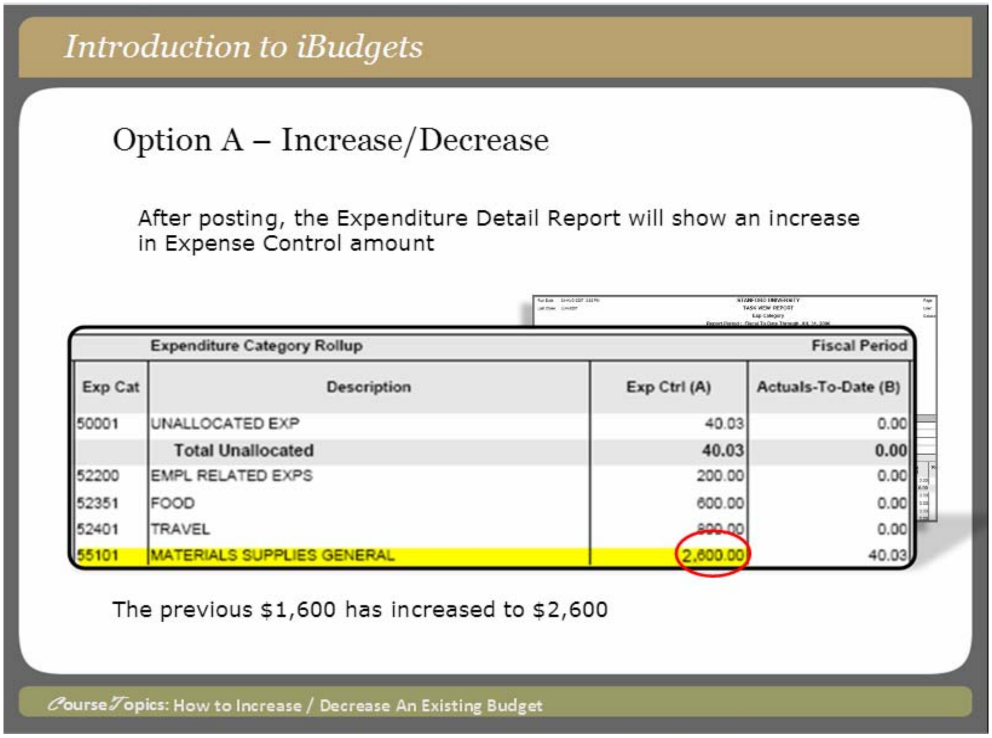
We want to add $1,000 more for Office Supplies due to some revenue we discovered after the Hyperion budget-cycle was finished.



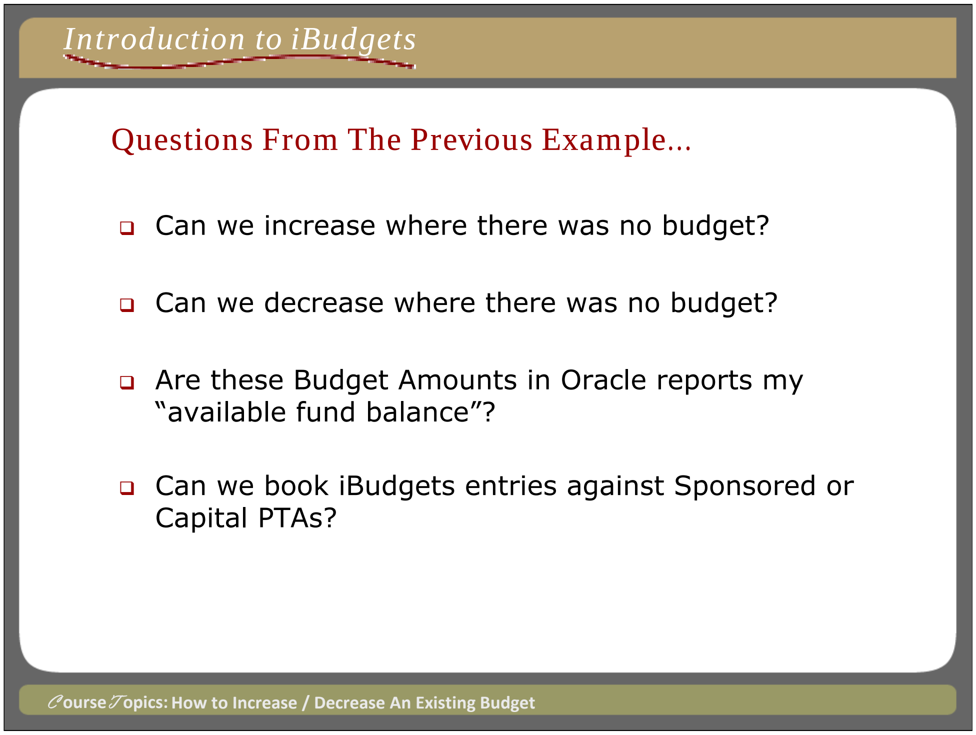
So how do we do this?

Go into iBudgets and enter the amount of the increase in the fields. A simple example is shown above.

The course exercise will provided a step-by-step of this process and allow you to try one yourself.



After posting, the Expenditure Detail Report will show an increase in Expense Control amount. Now we see the $2600 amount circled on the Task View Fin_277 report.

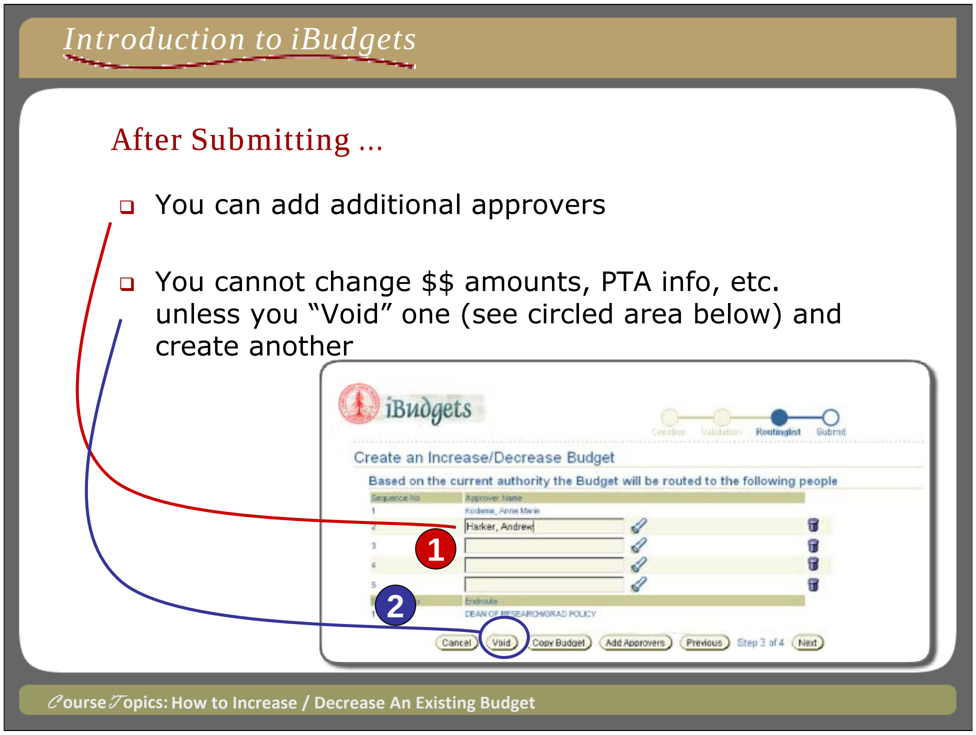


1. Can we increase where there was no budget?
   - Yes! You can increase from zero dollars to some amount.

2. Can we decrease where there was no budget?
   - No, you cannot have zero dollars and then remove $1000 from it, to create a negative $1000. It is not logical to have a negative budget.

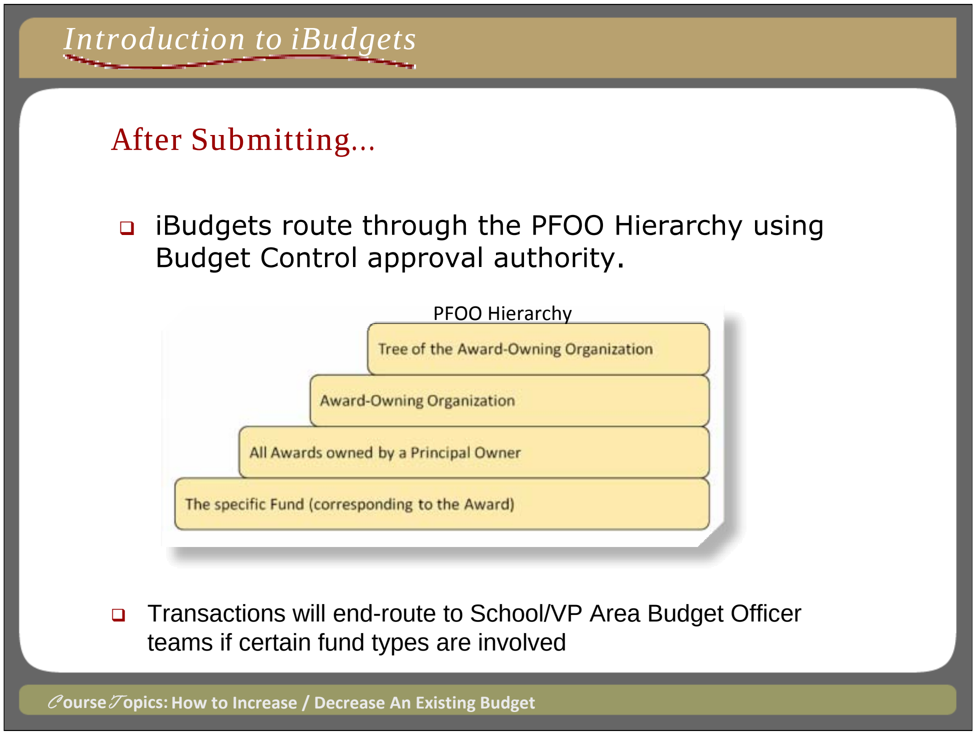
3. Are these Budget Amounts in Oracle reports my "available fund balance"?
   - No, they are memos in your Expense Control. They do not necessarily reflect actual funding. They do not reflect actual funding unless you enter an iBudgets transaction for every funding change.

4. Can we book iBudgets entries against Sponsored or Capital PTAs?
   - No, these are only entered by Office of Sponsored Research or the Capital Accounting group.



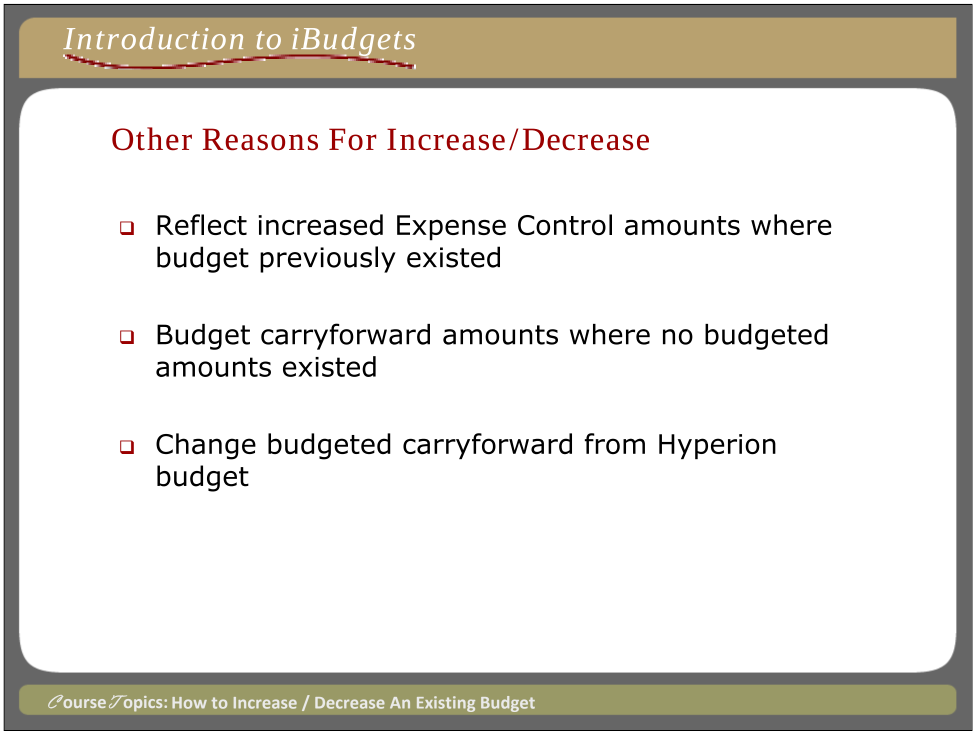
After submitting, you can add additional approvers as shown.

You cannot change dollar amounts, PTA info, etc. unless you “Void” one transaction (see circled area) and create another.



iBudgets route through the PFOO Hierarchy using Budget Control approval authority. Increase / decrease entries are one sided entries and do not need to balance and will route to the appropriate approver. In the next section (reallocating a budget) reallocation entries will route to both the “to” side being credited and the “from” side being debited.

In addition, certain transactions will also route to school / VP Area Budget Officer teams for approval. In general, iBudget entries involving operating budget, service center or auxiliary awards will end route, while those only involving designated, endowment, gift or clearing awards will not.

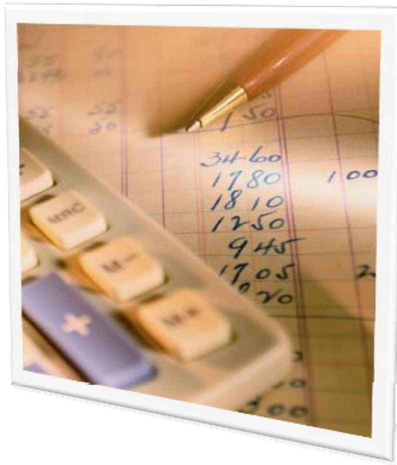


There are many other possible reasons to increase or decrease your budget numbers, including:

- Reflect increased Expense Control amounts where budget previously existed
- Budget carryforward amounts where no budgeted amounts existed
- Change budgeted carryforward from Hyperion budget

Introduction to iBudgets

Topic 3: How to Reallocate Budget



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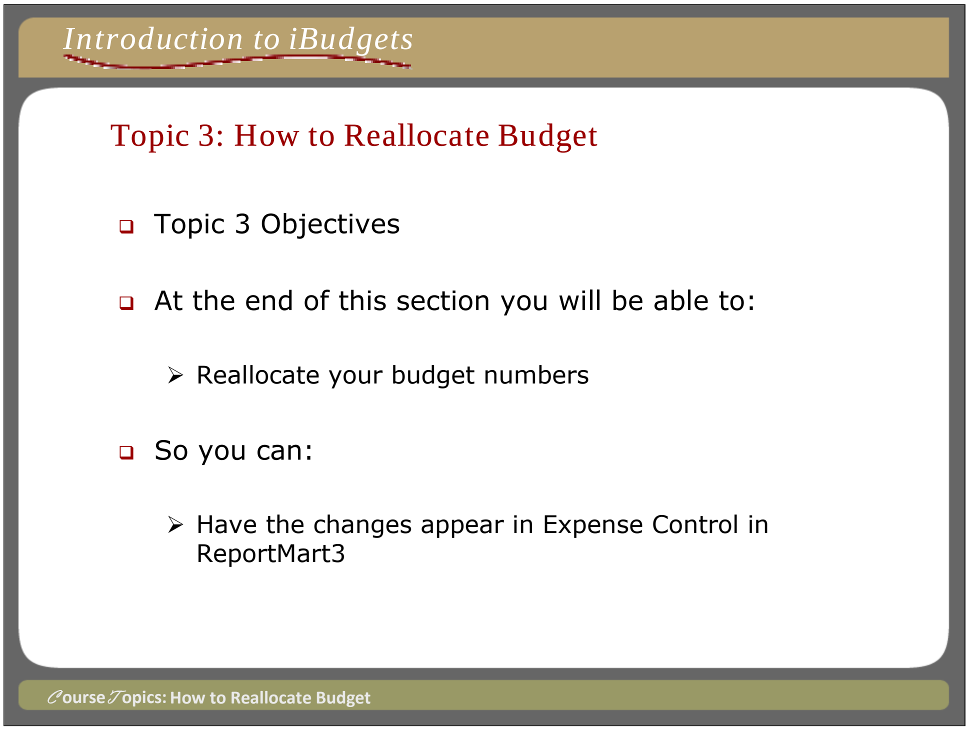
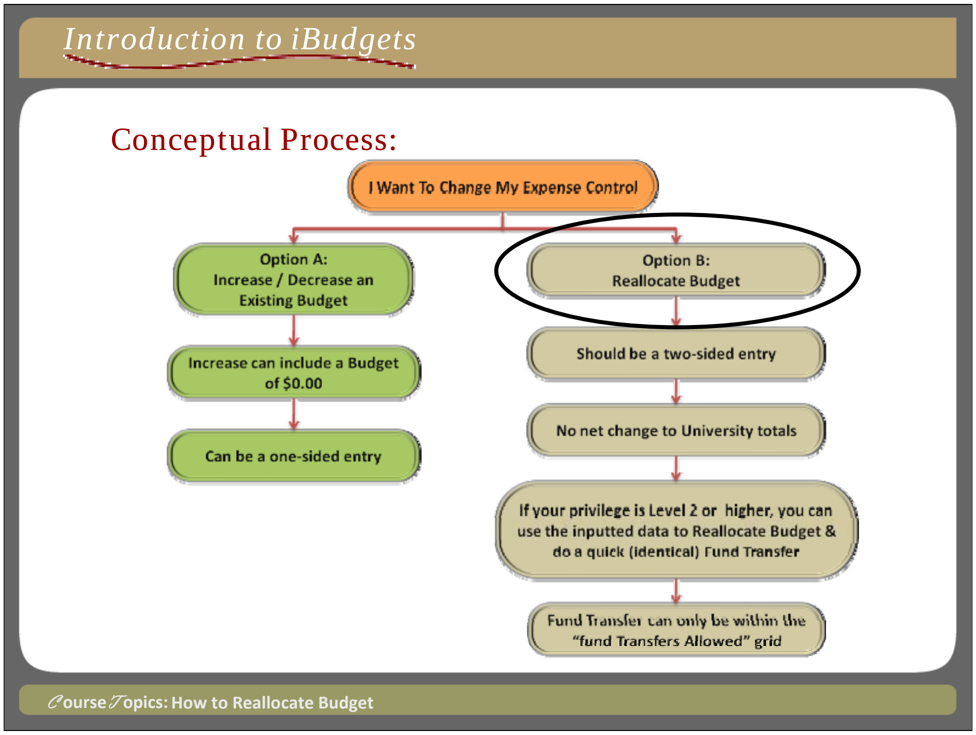
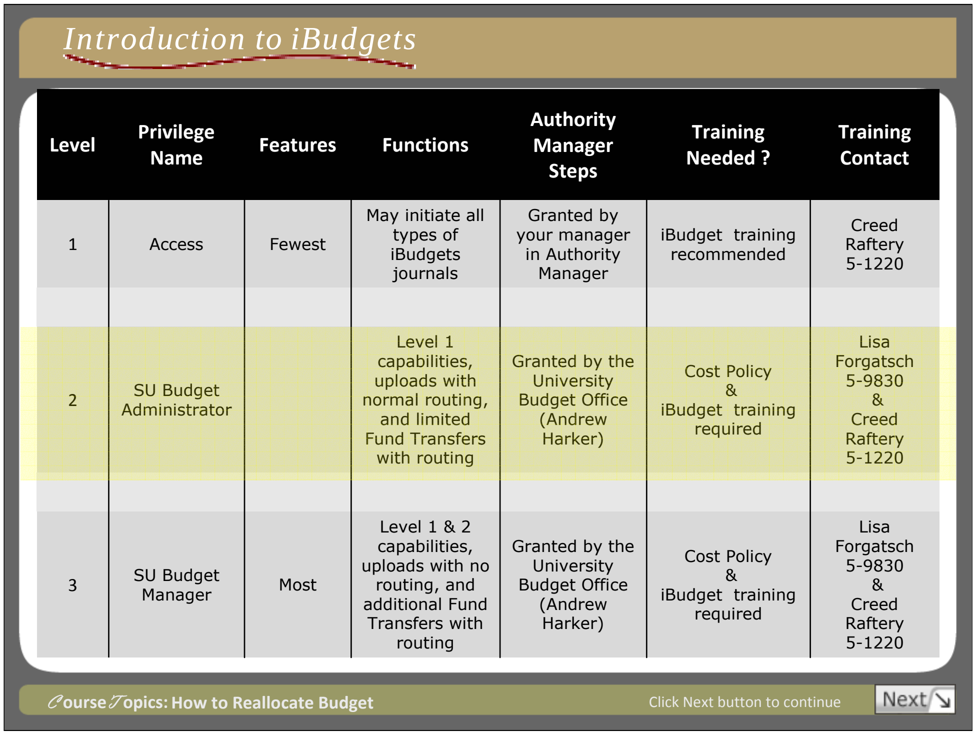


Now let us move to our third topic. This topic will discuss how to reallocate your budget numbers so you can have the changes appear in Expense Control in ReportMart3.



Once again we revisit this flow chart, which illustrates the two options for changing your Expense Control numbers in iBudgets. In this section, we will focus on Option B - how to reallocate a budget.



Introduction to iBudgets

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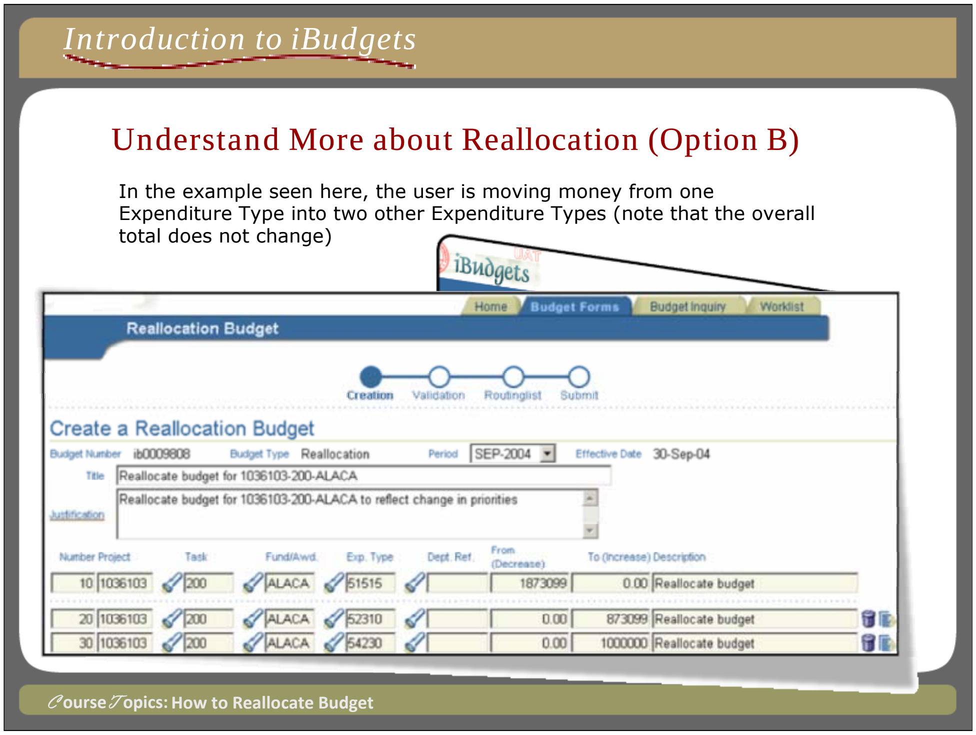
CourseTopics: How to Reallocate Budget

Click Next button to continue

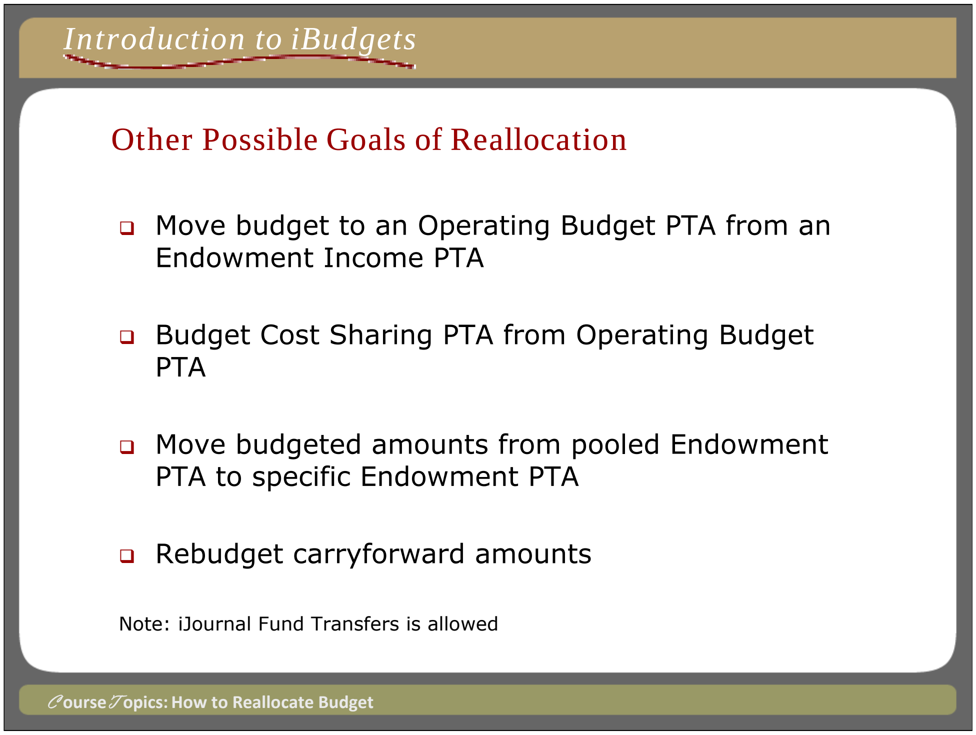
Next

Take a moment to review the chart. Review your role and the functionality associated with it.

In the next example, we will discuss roles linked to a Level 2.



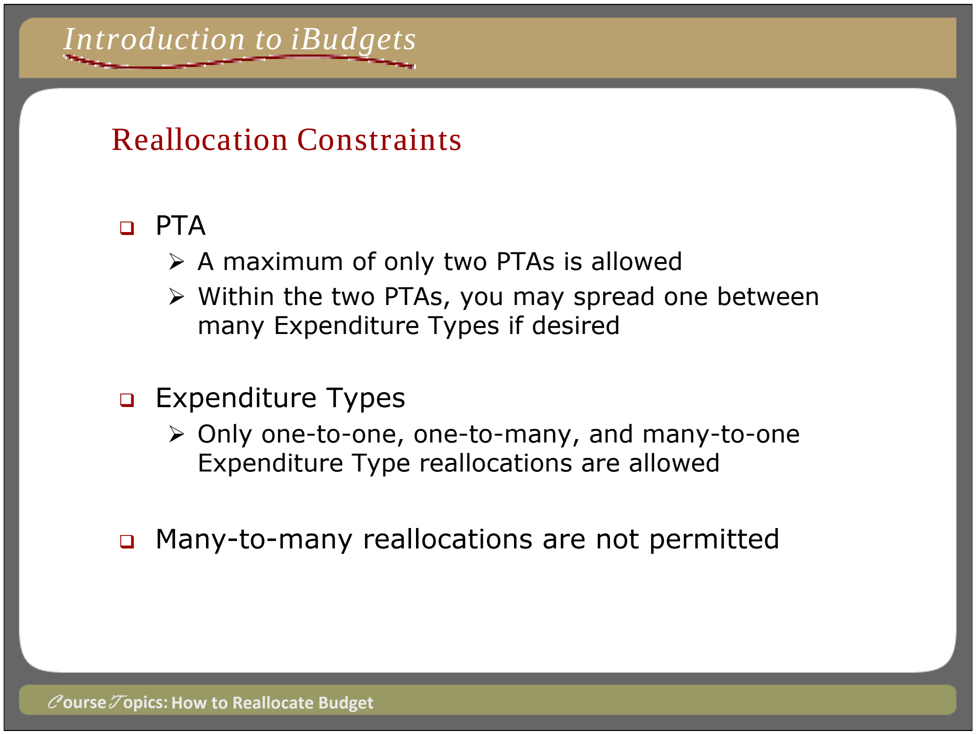
In the example seen here, the user is moving money from one Expenditure Type into two other Expenditure Types (note that the overall total does not change). The goal of this reallocation is to move the budget to a different Expenditure Type and / or a different PTA. The Expenditure Reports will show changed Expense Control amount.



Other possible goals of reallocation are to:

- Move budget to an Operating Budget PTA from an Endowment Income PTA
- Budget Cost Sharing PTA from Operating Budget PTA
- Move budgeted amounts from pooled Endowment PTA to specific Endowment PTA
- Rebudget carryforward amounts

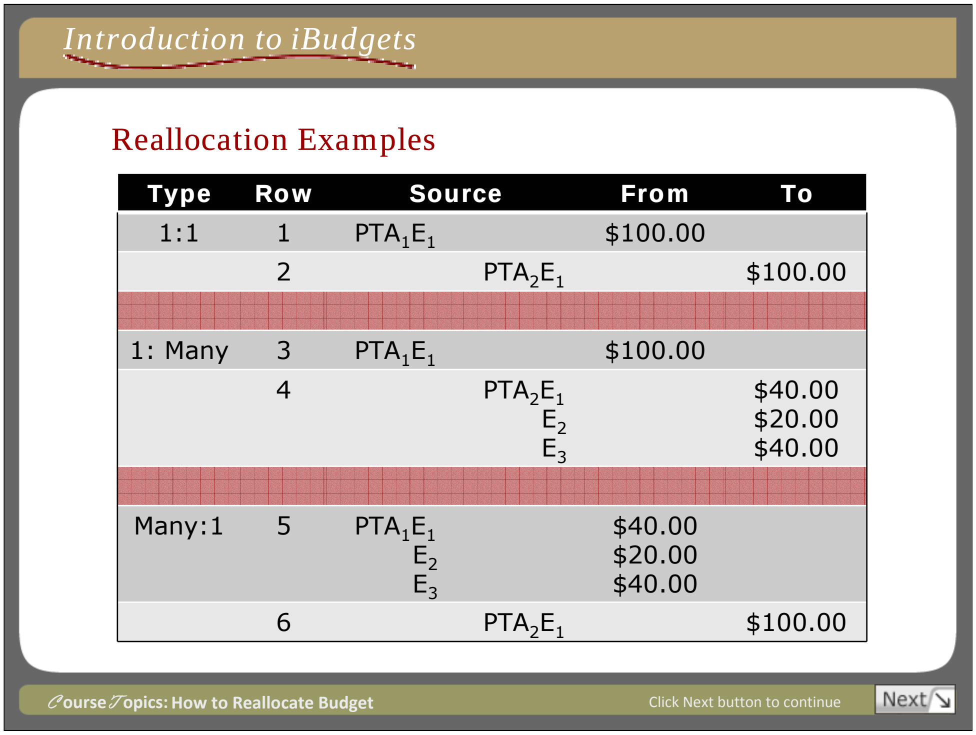
Note that iJournals Fund Transfer is allowed (if your level of functionality permits)



Reallocation constraints include:

- You may reallocate among a maximum of only two PTAs
- Within the two PTAs, you may spread one Expenditure Type between many Expenditure Types if desired
- Only one-to-one, one-to-many, and many-to-one Expenditure Type reallocations are allowed. The difference between one-to-many and many-to-one is simply which column you enter the amount on the first line: “from” or “to”
- Many-to-many reallocations are not permitted

Now let’s look at a visual representation of these rules.



Type	Row	Source	From	To
1:1	1	PTA_1E_1	$100.00	
	2	PTA_2E_1		$100.00
1: Many	3	PTA_1E_1	$100.00	
	4	PTA_2E_1 E_2 E_3		$40.00 $20.00 $40.00
Many:1	5	PTA_1E_1 E_2 E_3	$40.00 $20.00 $40.00	
	6	PTA_2E_1		$100.00

In the first row, we are reallocating $100.00 dollars from one PTA to another, shown in second row. This is called a 1 to 1 reallocation.

The next example illustrates a 1-to-many Expenditure Type reallocation. In row three, a PTA with 1 Expenditure Type is reallocating $100.00 dollars to a PTA with many Expenditure Types, shown in row four. Notice each Expenditure Type may have a different amount.

Finally, we see a many-to-1 reallocation example. In row five, a PTA with several Expenditure Types is reallocating a total of $100.00 dollars to a single PTA and Expenditure Type, as shown in row six.

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Topic 4: How to Do a Fund Transfer

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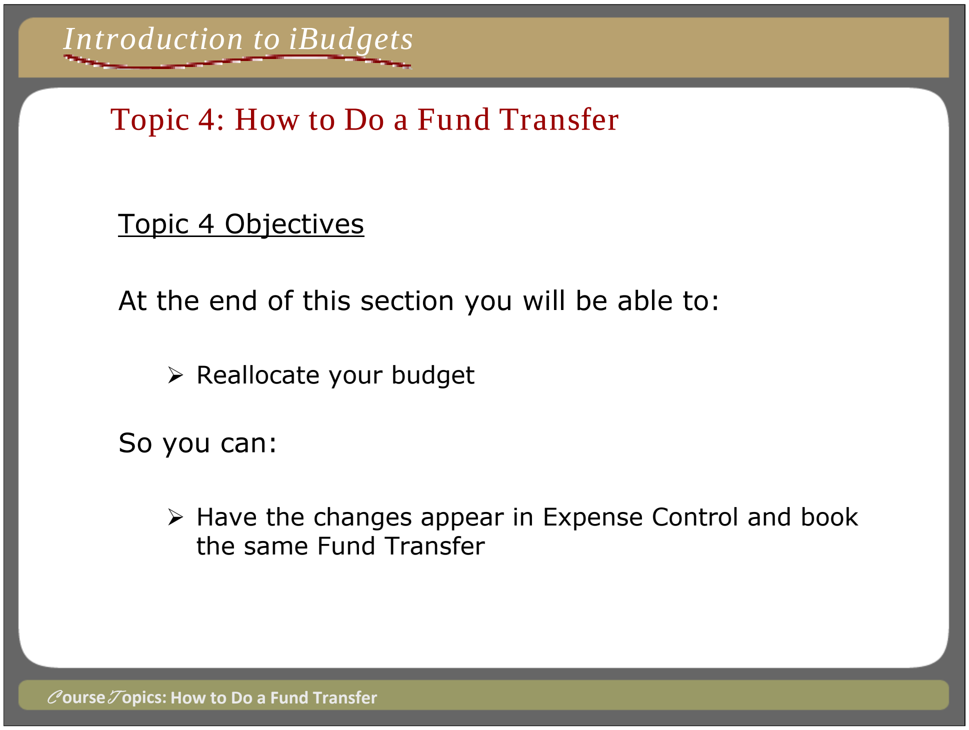
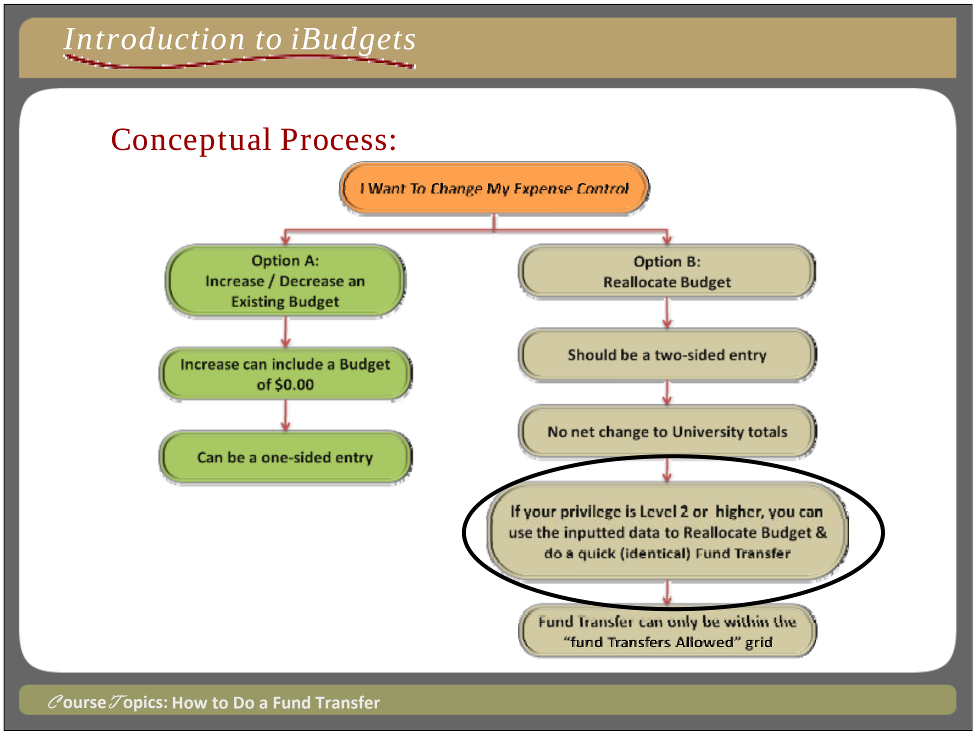
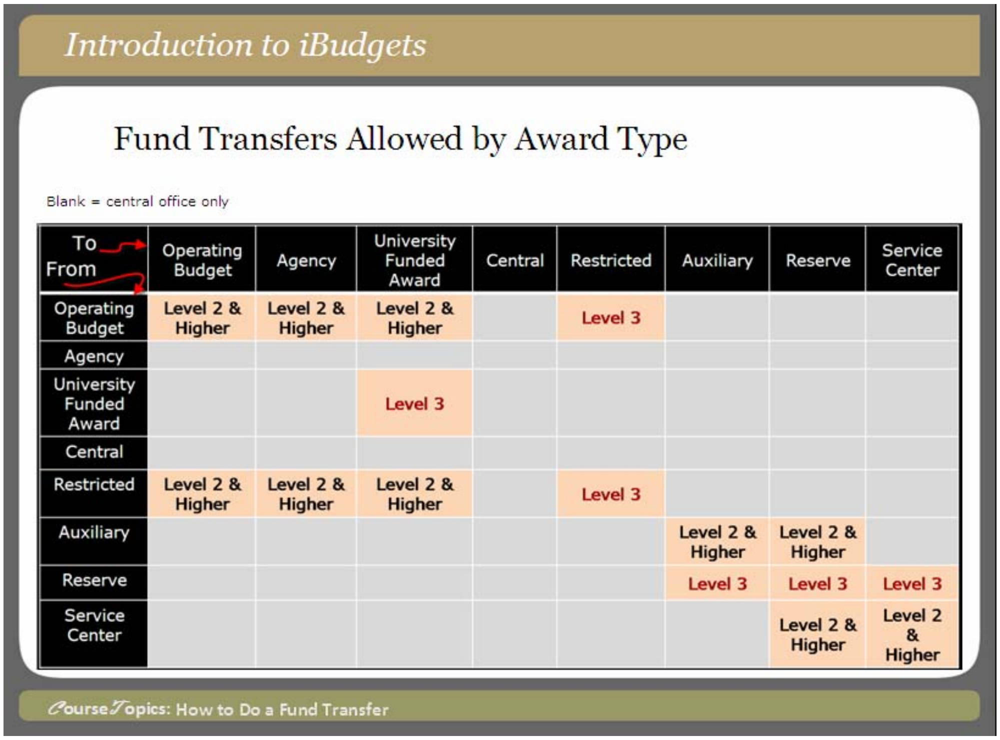


In topic 4, we will cover how to do a fund transfer. At the end of this section you will be able to reallocate your budget so you can have the changes appear in Expense Control and book the same Fund Transfer.

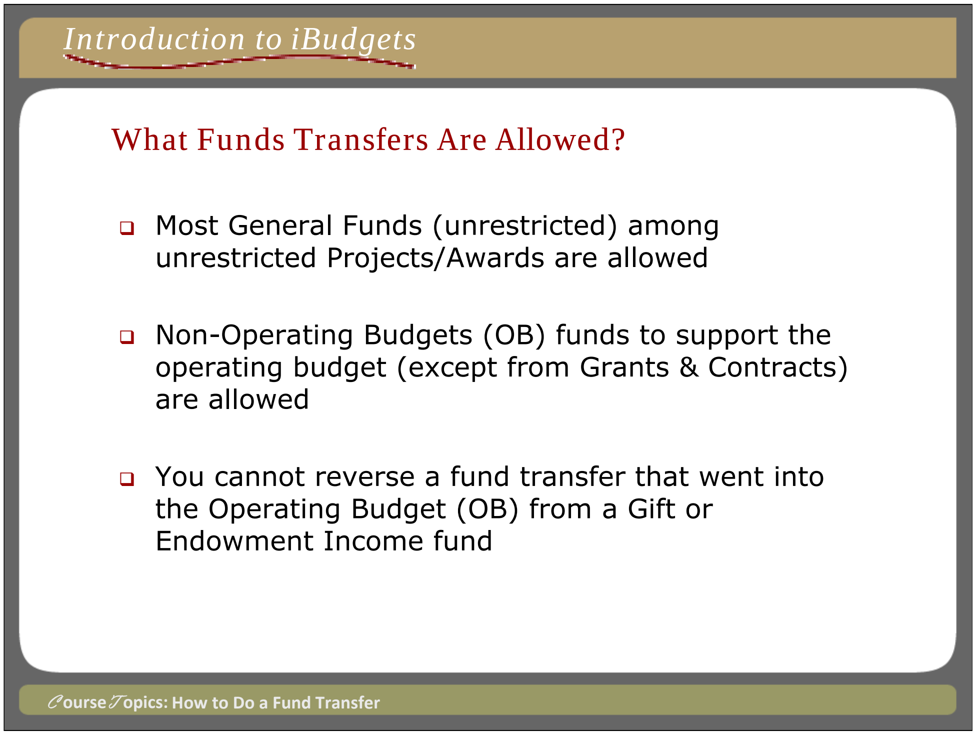


In this section, if your privilege is Level 2 or higher, you can use the inputted data to Reallocate the budget and do a quick (identical) Fund Transfer. For individuals with less than a Level 2 privilege, this section provides a useful understanding of the process.



To → / From ↓	Operating Budget	Agency	University Funded Award	Central	Restricted	Auxiliary	Reserve	Service Center
Operating Budget	Level 2 & Higher	Level 2 & Higher	Level 2 & Higher		Level 3			
Agency								
University Funded Award			Level 3					
Central								
Restricted	Level 2 & Higher	Level 2 & Higher	Level 2 & Higher		Level 3			
Auxiliary						Level 2 & Higher	Level 2 & Higher	
Reserve						Level 3	Level 3	Level 3
Service Center							Level 2 & Higher	Level 2 & Higher

Let us take a moment to see what Fund Transfers are allowed by Award Type. The gray cells can only be changed by the Central Office. Depending on your access level, you may be restricted to the type of funds you can transfer. For example, let us say that you are a level 2 and want to transfer funds from an Operating Budget to an University Funded Award. Is this allowed? Yes, it is. However, notice that only the Central Office can transfer Agency to University Funded Awards.

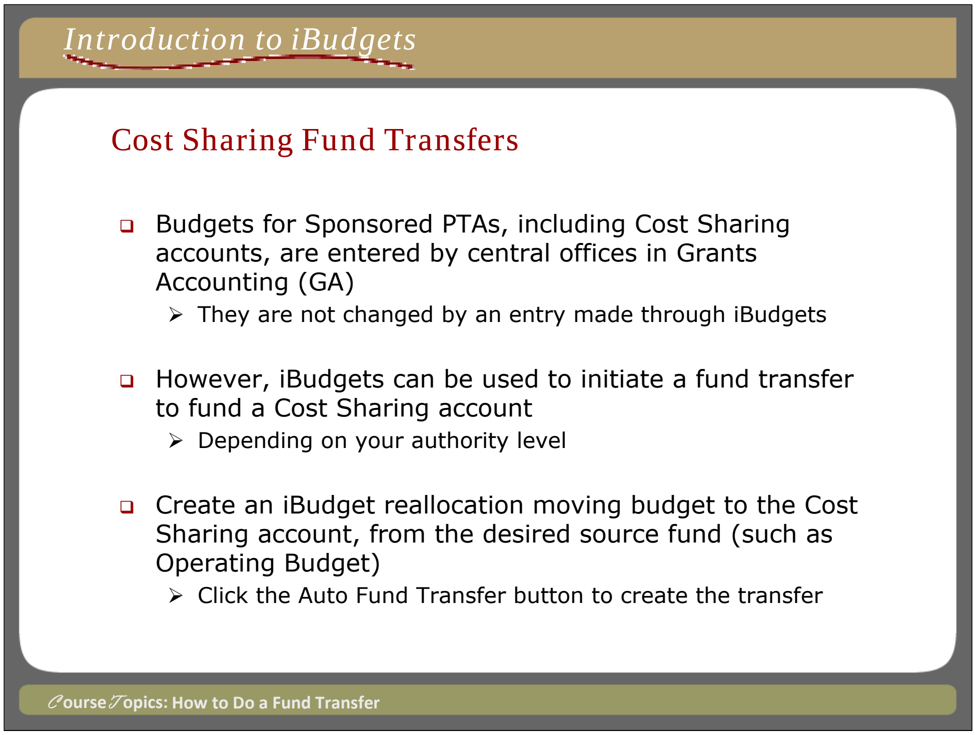


What Fund Transfers are allowed?

Most General Funds (unrestricted) can be transferred among unrestricted Projects/Awards including General Funds (Operating Budget) to Designated Funds. You cannot move funds *FROM* an operating budget *TO* a gift or endowment income fund.

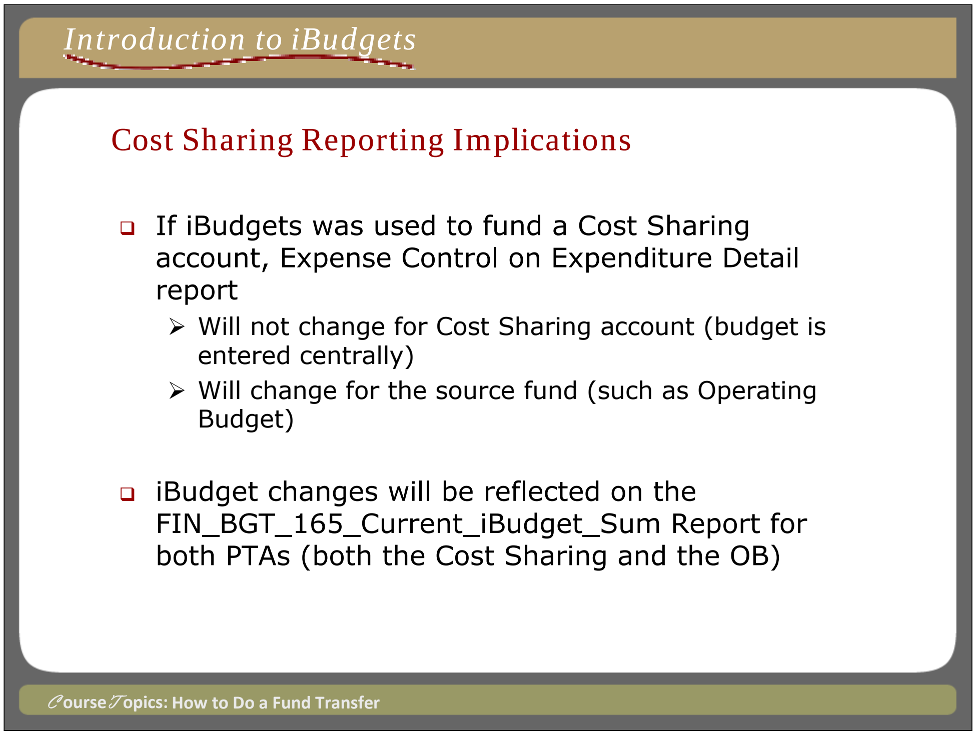
Non-OB funds (except from Grants and Contracts) can be transferred to support the Operating Budget, but must be in accordance with the terms of the gift / endowment.

You cannot reverse a fund transfer that went into the OB from a Gift or Endowment Income fund and you must contact your Funds representative to have them enter this reversal.



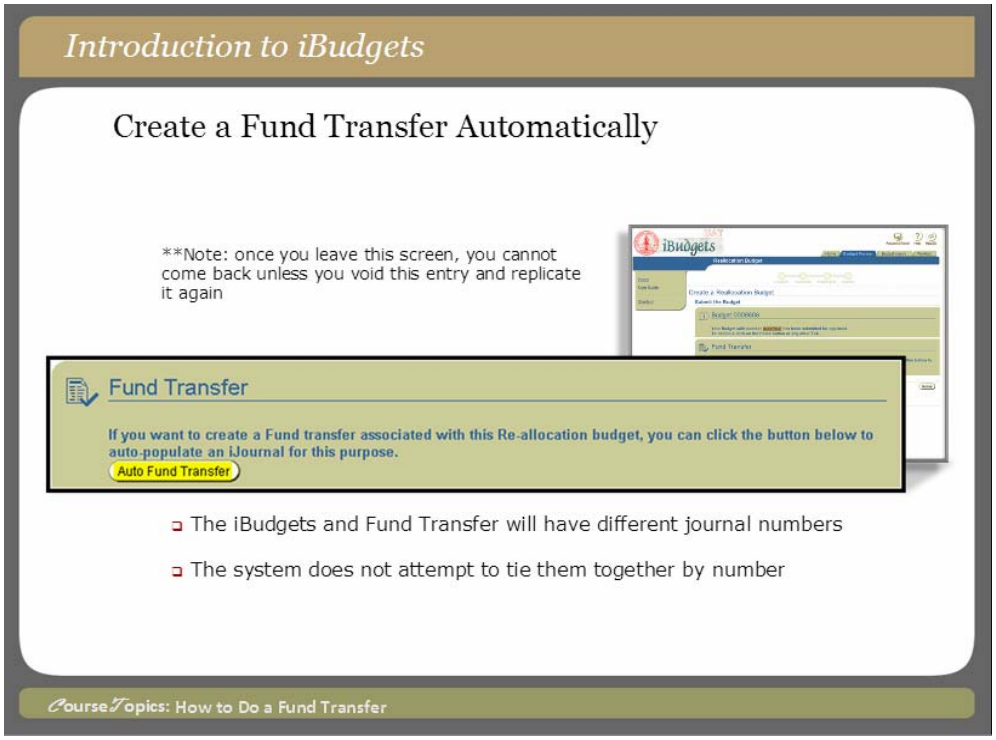
Cost Sharing account budgets are not effected by iBudget entries. They are entered into the Grants Accounting module centrally by the Office of Sponsored Research. However, if you have the right authority, iBudgets can be used to initiate a fund transfer to fund the cost sharing account.

Create the iBudget reallocation entry moving budget “to” the cost sharing account from the desired source of funding, such as an Operating Budget account. Then click the Auto Fund Transfer button. This will initiate the fund transfer as previously described.



Note that if you use iBudgets as a means to fund a Cost Sharing account it will have reporting implications. The Expenditure Detail report, or other reports that display Expense Control, will not be changed for the Cost Sharing account. The required cost sharing was already budgeted in that account. The Expense Control for the source fund (such as the operating budget) will be reduced. That fund no longer has the money to spend if it was transferred in order to fund the Cost Sharing account.

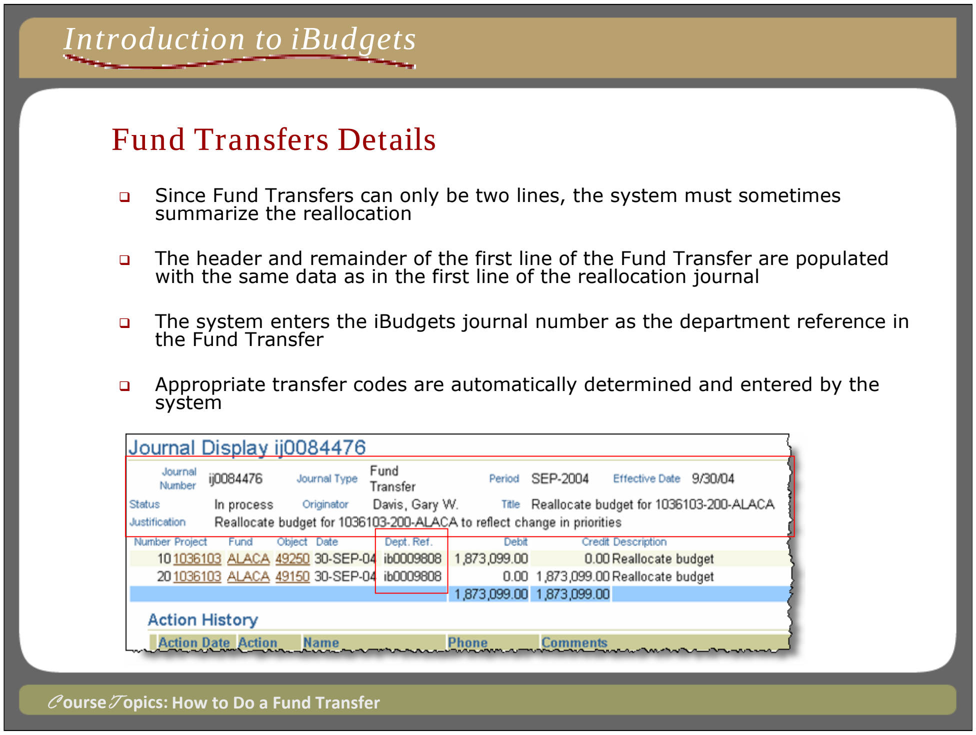
Report 165, the iBudget Summary report, will show the entry for both accounts.



How to create a Fund Transfer automatically.

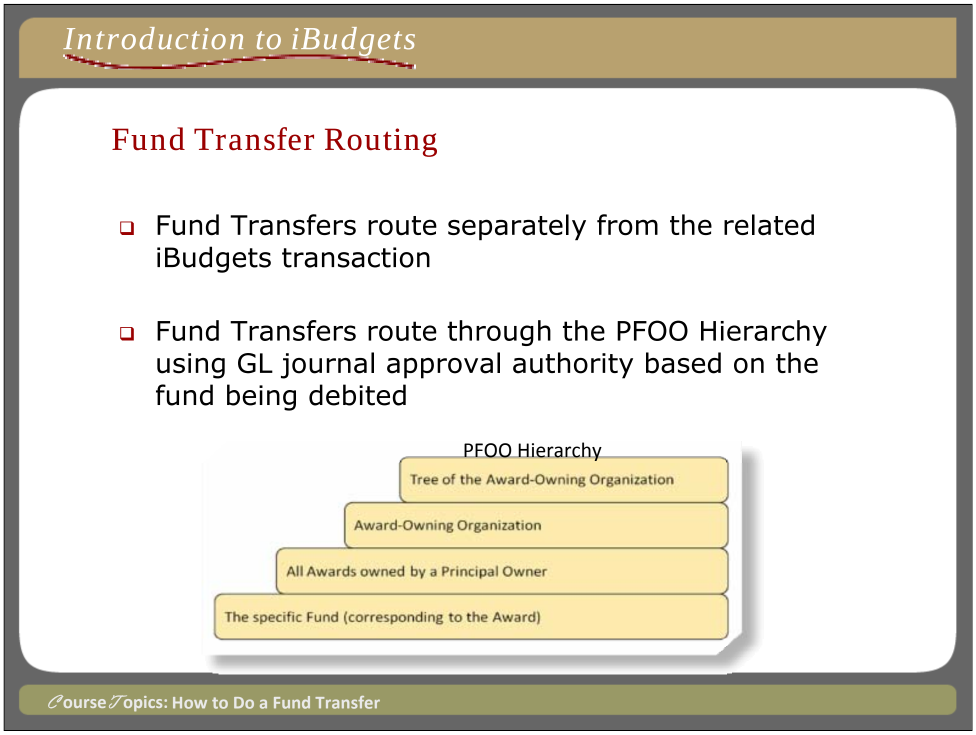
Step 1) Click on the "Auto Fund Transfer" button as show by the red arrow. If you use this function, be aware that the iBudgets change and Fund Transfer will have different journal numbers and the system does not attempt to tie them together by number.

Step 2) After you click the button, a new screen will appear showing the iJournal number for your reference. Please note that once you leave this screen, you cannot come back unless you void this entry and replicate it.



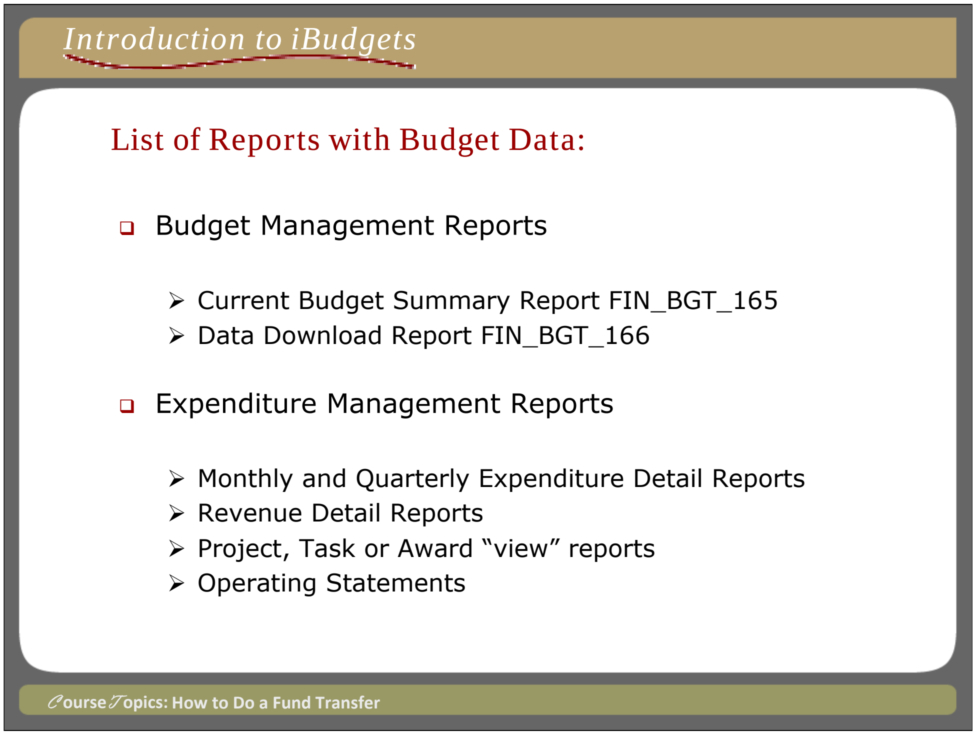
Since Fund Transfers can only be two lines, the system must sometimes summarize the reallocation. The header and remainder of the first line of the Fund Transfer are populated with the same data as in the first line of the reallocation journal. If the reallocation has only two lines, the data in the second line is also copied to the Fund Transfer. If the reallocation has more than two lines, the system sums the debits or credits for all of the lines after the first one and takes the line description from the first line.

The system enters the iBudgets journal number as the department reference in the Fund Transfer and appropriate transfer codes are automatically determined and entered by the system.



Fund Transfers route separately from the related iBudgets transaction. During routing, one could be approved while the other is rejected.

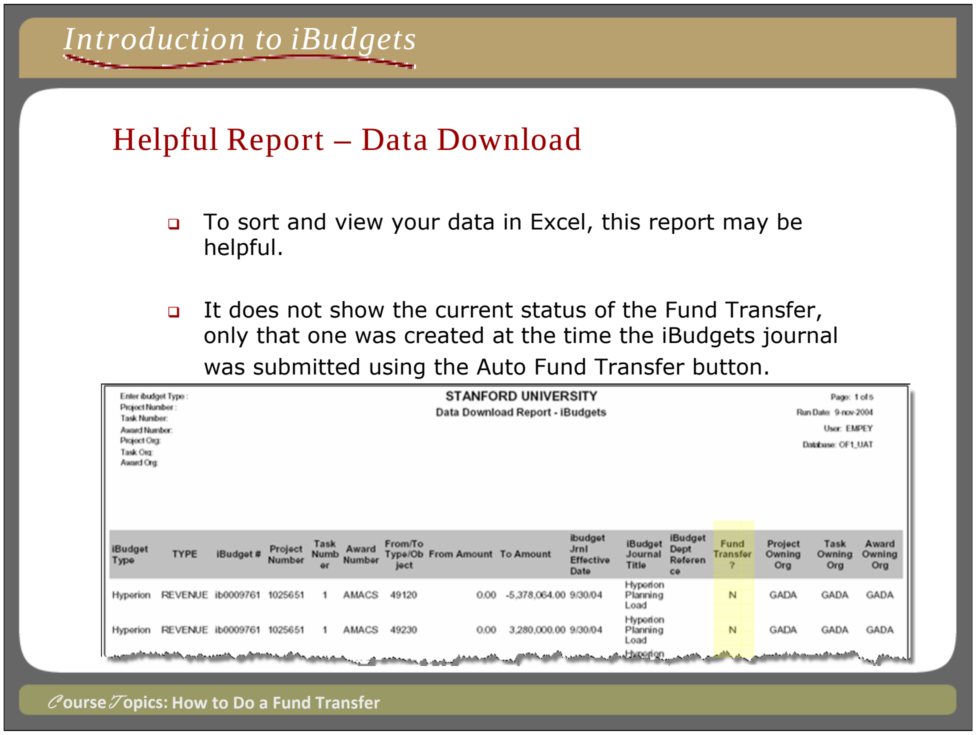
Fund Transfers route through the PFOO Hierarchy using GL journal approval authority based on the fund being debited. The chart shows this hierarchy process. The system will look for an approver on the lowest step possible and will climb the hierarchy until one is found.



Here are reports available in ReportMart3 that have budget data.

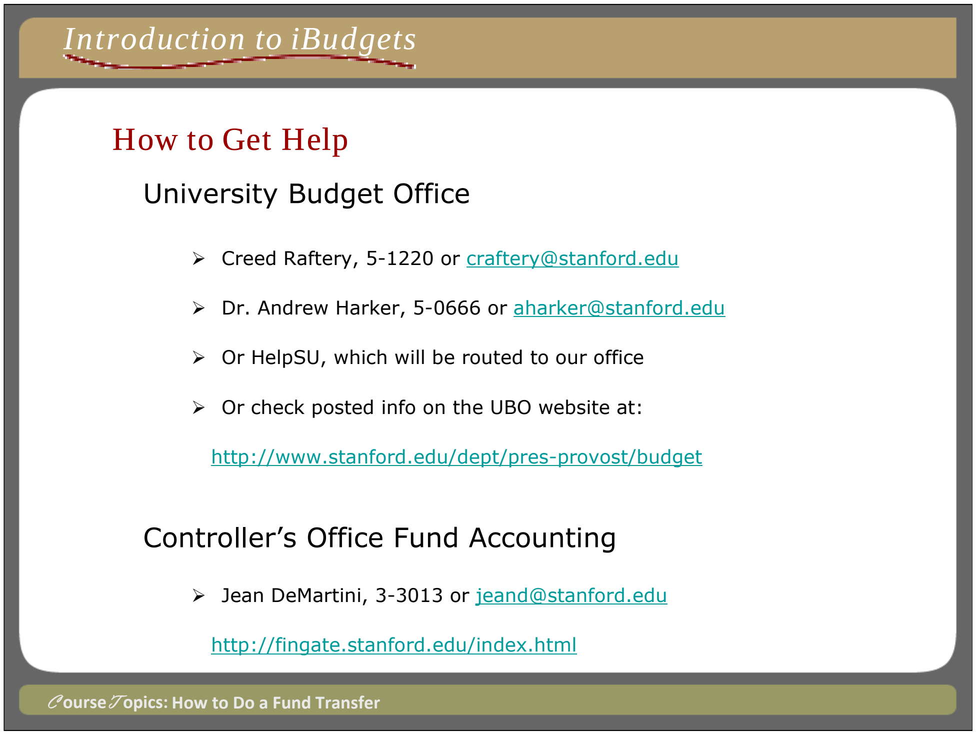
Note:

In Monthly and Quarterly Expenditure Detail Reports, budget information is located in the Expense Control column. For Revenue Detail Reports, the budget information is located in the Rev Control column. On Project, Task or Award “view” reports, the budget information is in the Exp Control column and on Operating Statements it is located in the Control column.



Here's a sample of the Data Download Report. To sort and view your data in Excel, this report may be helpful. It can be run by iBudgets Download Fin_166 report in ReportMart3.

Notice the Fund Transfer column. This indicates that a Fund Transfer was initiated with the iBudgets journal. It does not show the current status of the Fund Transfer, only that one was created at the time the iBudgets journal was submitted using the Auto Fund Transfer button.



You can get help by contacting the University Budget Office or opening a HelpSU request. For questions about fund transfers, please contact Fund Accounting. There is also more information posted on the UBO website located at http://www.stanford.edu/dept/pres-provost/budget/