Workday Job Aid - Budget Amendments

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I. General Information about Budget Amendments

What is a Budget Amendment?

A budget amendment increases and decreases budget in order to move budget from one ledger account to another within a cost center, or between cost centers, or to adjust the budget because of an updated revenue forecast.

This Job Aid

This guide to the budget amendment process is for unrestricted operating budgets in funds 10-16 and gifts funds 60-61. It is not for grants or agencies.

Need Help?

- Workday Support - Contact itservicedesk@montclair.edu.
- Operating Budget questions - Contact Office of Budget and Planning
- Grant budgets - Contact Grants Accounting
- Agencies - Contact General Accounting

Workday Roles Permitted to Create (Initiate) Budget Amendments:

- Cost Center Finance Specialist
- Cost Center Manager
- Division Manager

Budget Amendment Rules

- Budget amendment date must be within the current fiscal year.
- Budget amendments must balance (i.e. decreases = increases).
- Transfer budget only within the same fund (e.g. Fund F10).
- Disallowed transfers: Personnel, Capital Projects, Mandatory Transfers, and Reserves. Exceptions: You may use 55005 Temporary Employees, 55006 Mentors to Student Teachers, 55011 Supplemental Pay Non-Instruction, 56005 Graduate Assistantship, 57005 Student Employee-Ug, 57010 Student Employee-Grad, and 58006 Salary Saving, and 90005 Carryforward Reserve.

Preparation Before Creating a Budget Amendment

Run the Operating Budget Variance (R002) report and review ledger account pools where budget is available to transfer, to other pools that need budget for purchasing.
II. Create a Budget Amendment

A. Budget Amendment Structure

In the main Search field, enter Create Budget Amendment and select Create Budget Amendment for Organization. In the Organization field, enter or search for your Cost Center.

Now enter the Budget Structure, Company, and Budget Name.

For expense budget (ledger accounts beginning with 5 through 9) use the selections shown below, but be sure to update the Budget Name to the current fiscal year.

For revenue budget (ledger accounts beginning with 4), use the selections below. Budget Name must equal current fiscal year.
Leave **Populate Existing Budget Lines** blank, or pre-populate the budget lines with the ledger account(s) and/or worktags you wish to amend. Leave **Budget Period** blank.

Click **OK** and complete the additional required fields.

**Amendment Date**: Leave the default current date.

**Description**: Provide a reason such as *Fall 2022 New Student Orientation supplies*.

**Amendment Type**: choose only from the following options:

- *Temporary Changes* – Affects only the current fiscal year.
- *Permanent Changes* – Affects the current fiscal year **and** next fiscal year.

**Balanced Amendment**: Check this box to be alerted if the amendment is unbalanced.
B. Budget Amendment Lines

Scroll to **Budget Amendment Lines** to enter the budget increase and decrease details. If you used **Populate Existing Budget Lines**, locate the lines you wish to amend and enter the **Amount Change**, using these guidelines:

For **expense** budget (ledger accounts beginning with 5 through 9):
- To decrease an **expense** budget, enter a negative number (-112.00), a Credit.
- To increase an **expense** budget, enter a positive amount (112.00), a Debit.

For **revenue** budget (ledger accounts beginning with 4)
- To decrease a **revenue** budget, enter a positive number, which is a Debit.
- To increase a **revenue** budget, enter a negative number, which is a Credit.

If you did **not** Populate Existing Budget Lines, click the **+ (Add Row)** to add 1 line for each ledger account + worktag combination you want to increase or decrease. Enter the following for each line:

**Period** – Select the current fiscal year.

**Ledger Account/Summary** – Select the ledger account (e.g. 60110:Books).

**Worktags** – Enter the **Cost Center** (or another “driver” worktag category such as Gift).

**Amount Change** – Enter the increase or decrease amount per the above guidelines.

**Note**: For a cost center outside your security access, the current budget and spend columns will be blank. The amendment will route to that cost center manager for approval.

**Attachments (optional)** – Click the **Attachments** tab to upload a document.

When finished entering the amendment, click **Submit**. It will route to the first approver.
III. Approve a Budget Amendment

After the initiator submits the amendment, the standard approval workflow is:

- Gift Manager and/or Cost Center Manager(s)
- Division Manager (only if a transfer is made between two divisions)
- Budget Manager (Office of Budget and Planning)

**Approvers** receive items for approval in their Workday Inbox. In the left panel, click the item you wish to review. At right, **review** the “Description” and scroll down to review the budget line details, before taking any action. See action options on the next page.
Approvers can Approve, or Send Back to add comments on changes the requester needs to make, or select the ellipsis (3 dots) and choose Deny to terminate the request.

Approvers may also select Add Approvers to queue up the Division Manager as an additional approver. Select the Division Manager, then click Submit.

New topic starts on the next page.
IV. Find Budget Amendments

If you know the budget amendment ID such as BDA-00018238 type the ID into the main Workday search field. If not, search for Find Budget Amendments for Organization.

In the Organization field, search My Organizations to select the cost center. Division Managers can instead select their Division. Narrow your search using the other fields.

Click OK and a list of budget amendments displays. Note the Status of each:

- **Available** – approved, completed
- **Draft** – not submitted and open to editing by users with access
- **In Progress** – still not fully approved
- **Cancelled** – cancelled
- **Denied** – denied amendment
Click the magnifying glass in the far-left column. **View Budget Amendment** displays, along with two tabs, **Budget Amendment Entries** and **Process History** (approvals).

See *Copy, Copy and Reverse, Edit, or Cancel* instructions on the next page.
V. Copy, Copy and Reverse, Edit, or Cancel

A. Copy, Copy and Reverse

See section IV to find a budget amendment that was previously completed. At the View Budget Amendment page click the ellipsis (3 dots) and select Copy if you want to simply repeat the same amendment. Or select Copy and Reverse which creates a duplicate and flips the debits and credits. Copy and reverse restores budget to where it was before the original budget amendment was done. Note: You cannot reverse a budget amendment if there is insufficient budget remaining in the budget pool.

With the new amendment opened, write a new Description and choose the Amendment Type (Temporary or Permanent). For Copy and Reverse the amendment type must match that of the one you are reversing. Submit for approval.

B. Edit a Budget Amendment

You can edit (make changes to) an amendment that is in Draft status (not submitted). First, see section IV. Find a Budget Amendment. Click the ellipsis of the appropriate amendment. Select Budget Amendment and click Edit from the pop-up window.
From the Edit Budget Amendment page, make the necessary changes and **Submit**.

**C. Cancel a Budget Amendment**

Budget Amendments can only be canceled if they are still in **Draft** or **In Progress** status. Find the budget amendment (see section IV). Click the 3 dots and select **Cancel**.
On the **Confirm Cancel Budget Amendment** screen, click **OK**.

![Confirm Cancel Budget Amendment screen]

*New topic starts on the next page.*
VI. Carryforward Budget Amendment

For self-supporting funds only, F11-F14 and F60-F61. Carryforward is available in the amount of surplus in the revenue center’s prior year ending net asset balance. Carryforward is allocated as a current year expense budget increase. Follow section II. Create and Submit a Budget Amendment. However, include the following particulars:

In Create Budget Amendment for Organization, write a Description containing the word “carryforward” and a reason. Select Temporary Changes as the Amendment Type.

For Budget Amendment Lines:

Add a budget line for each ledger account needed (e.g. 70401 Equipment Expense). Select the cost center that generated the surplus, and enter positive amounts.

Next, add a line for ledger account 90005-Carryforward Reserve and worktag CC10714-Institutional Budget Reserve. In the Amount Change field, enter a negative amount equal to the sum of the positive amounts in the other lines. Do not submit.
Important: You will not be able to submit the amendment. By design, the system will issue an error due to multiple funds (e.g. F10 and F12).

Click **Save for Later** at the bottom of the budget amendment to place it in “Draft” status, and make note of the budget amendment number *(BDA-000____)*. **Email** the BDA number to budget@montclair.edu and ask the Budget Office to process the carryforward.

New topic starts on the next page.
VII. Salary Savings Budget Amendment

Position budgets cannot be directly transferred to another ledger account. However, you can allocate the savings on a vacant position with a “salary savings” budget amendment. Follow section II. Create and Submit a Budget Amendment, but enter the following particulars:

In the Create Budget Amendment for Organization screen, enter a Description: “Use salary savings from position #_____ to backfill the vacancy for ___ weeks, at ___ hours per week, at $___ per hour.” For Amendment Type, select Temporary Changes.

Add line(s) for how the savings will be spent. For each line, select the ledger account (e.g. 55005-Temporary Employees). In the Worktags field, enter the cost center receiving the funds. For Amount Change, enter the increase as a positive number.

In the Ledger Account Summary field, search for and select 58006-Salary Savings. In the Worktags field, enter the cost center of the vacant position. In the Amount Change field, enter the dollar amount equal to the total funding being requested. This should be entered as a negative number.
Click the **Submit** button to process the request.

**Alert**

1. **Budget Amendment Lines (Row 2)**
   
   Edit this amendment line so that Total Budget is greater than or equal to Current Spend. You can still submit the amendment if you leave this amendment line as is.

The system will display an **alert** because of the negative budget in 58006. But you are deliberately creating this negative budget, so click the **Submit** button a second time to move past the alert. This budget amendment is now pending approval.

*New topic starts on the next page.*
VIII. Create Revenue and Expense Budget Amendments

In a given fiscal year, when total actual revenue surpasses the total budgeted revenue, a cost center may increase the budget. This requires 2 separate budget amendments: one for revenue budget, and one for expense budget.

A. Amendment 1: Revenue Budget

To create a revenue budget amendment, follow the steps in Section II. Create a Budget Amendment, with the below specific entries:

Select 01-Revenue Budget Structure-Child.

Add a line for each type of revenue budget that needs to be increased. Make sure each line includes the appropriate Revenue Category in the Worktags column. Hint: Drill into the revenue actuals in report R002 to ensure you are selecting the correct revenue category. To increase a revenue budget, enter a negative number such as -2,000.00 in the Amount Change column.

To balance the amendment, add a line for account 39005: Budget Transfer Balancing Account. In the Worktags column, enter the cost center that has more revenue than budgeted. Use the drop-down menu in Worktags to select the Revenue Category: RC0248 Budget Transfer Balancing. In the Amount Change field, enter a positive number that is equivalent to the total of the revenue increases you entered in the other lines, such as 2,000.00.
Click the **Submit** button to process the request. **Important:** Now enter the expense budget amendment. See instructions below. Both amendments must be submitted before either will be approved.

## B. Amendment 2: Expense Budget

Create an **expense** budget amendment in budget structure:

![Budget Structure Diagram](image)

Add lines for each expense **ledger account** you will be spending against, as a result of the revenue increase. In the **Worktags** column, enter the same cost center that has the extra revenue and that was used in Amendment 1. In the **Amount Change** field, enter a **positive** number that is equivalent to the total revenue increase you entered in Amendment 1, such as **2,000.00**.

To balance the amendment, add a line for account **39005: Budget Transfer Balancing Account**. In the **Worktags** column, enter the same cost center that has the extra revenue and that was used in Amendment 1. In the **Amount Change** field, enter an equivalent **negative** number; in this case **-2,000.00**.

![Budget Amendment Lines Table](image)

Click the **Submit** button to process the request. Budget Office will confirm that a corresponding revenue budget amendment has been submitted.

After both the amendments are approved, you will be able to see the increase in the cost center’s revenue budget and an equal increase in the expense budget.