BUDGETS

How are funds reallocated within the parent pool?

Funds are not being reallocated within pools. For Unrestricted Fund budgets, the parent Pool available budget amount is simply the sum of all the available budgets of the Child accounts. For Grants, the budgets are entered at the Parent level. In both cases, the budget is spent as a percentage of the average actual amount. This approach would cause the Parent Pool to become negative. Commitment Control will issue a budget error so the Pool does not become deficient. All budget checks, pre-encumbrances, and encumbrances and expenses are being handled at the Parent level and reported at the Child level.

Does the FMS System allow for budget transfers?

Budget transfers are not allowed. To move budget funds within the FMS System, the pool amount must be changed. A budget error occurs if the new budget amount cannot be calculated.

Are budgeting policies the same as before FMS went live?

Yes, the fundamental policies regarding accountability spending within budgets remains the same. One change is that budget pools allow for spending with less need for budget transfers.

What is Commitment Control?

The sub-module within the General Ledger module of FMS, that controls and tracks budgets.

How are budgets controlled?

Every budget is stored with a Business Unit, Fund, Department ID, and Account. Grant and capital budgets also have a Project ID. Your purchases must use the same Business Unit, Fund, Dept ID, and if appropriate Project ID as the budget. If not your transaction will trigger a budget error.

Requisitions (Pre-Encumbrance), PURCHASE ORDERS (Encumbrance) and Actual Expenses are commitments against your budget. The budget is reduced by the amount in each of these transactions, leaving an available budget for future expenditures.

Transaction Details Query – will provide a summary view of all transactions that take place in budgets, actuals, requisitions and PO’s.

BUDGETS

Drill down to Source documents in Budgets Overview – Users with designated access may drill down into the numbers that appear in the Budgets Overview and view pages from the source documents.

What does a budget error on a transaction mean, and what do I do?

A budget error message means that there is an insufficient budget in the parent pool of the child account you entered. Take the following steps:

Check ALL the chartfields (Fund, Dept ID, Account, Project ID, etc.) you entered and correct any chartfield that does not match the chartfield string where you actually have budget. Run the budget check again. Note: Never use accounts beginning with 1, 2, or 3 which are for Assets, Liabilities, and Net Assets respectively, and are to be used only by staff in the Finance & Administration division.

If you are using the correct Fund and Dept chartfields, but the parent budget of the Account is zero, you will need to transfer budget from a child account of a different parent pool, to the child account you are purchasing against.

If you have no budgets from which to transfer, or if the transfer is denied, you may not proceed with the purchase as it would cause overspending of the budget.

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What if I’m a requisitioner, get a budget error, but do not have rights to view budgets?

Requisitioners should be in communication with the Department Manager or other fiscal staff member before making a purchase, and if there are questions about the budget availability.

Will I be able to see budgets?

Department Managers and other fiscal staff as designated by their division/college may view budget variance reports for unrestricted operating funds in the sources below:

PeopleSoft - Report 101 – refreshed weekly

Adaptive Insights* reports – refreshed weekly

Adaptive Insights* is a separate system used for MSU’s budget process and reporting.

Who will approve Budget Journals?

Department managers and divisional/college budget managers will enter and submit for approval.

What are Commitment Control Trees?

Commitment Control defines the child to parent hierarchy or “roll-up”. For Unrestricted Operating budgets, the tree name is: BC_ACCT__NONPR. “BC” stands for budget-check. If you have access to Tree Viewer, you can view online. If not, you may get a prompt asking if you have access.

Must there be budget in the child account that I’m using for a purchase?

No. There must be adequate remaining budget in the total parent pool that the child account belongs to. So if you have enough budget in the sibling accounts, your purchase transaction will pass.

What is Commitment Control?

The sub-module within the General Ledger module of FMS, that controls and tracks budgets.

What is a Budget Journal?

All new and revised budgets and budget transfers are created by entry of a budget journal. Journals are approved before they are posted. Journals are approved before they are posted.

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