INTRODUCTION

Budget entry is used to make individual manual changes to the accounts in a budget model. It is an extremely flexible tool that allows a budget to be built with notes to help in writing up assumptions.

FINANCE/Fiscal/Budget Entry
On the Search tab the current fiscal year will always populate – so when building next year's budget a change to this field is required.

Use the pull down menu on Model Id to select the model to work with.
Click **GO** (or Control G for a keyboard stroke), the system will return a list including every active account code combination along with the amount, if any, in the Model.

The list also displays a number of other columns:

❖ **Account Balance** which means various things depending on the account type–

  o Expenditure Accounts = Revised Budget less expenditures less encumbrances
  o Revenue Accounts = Revised Budget less revenues received
  o Balance Sheet Account = Actual balance

❖ Adopted Budget
❖ Revised Budget
❖ Actual Revenues
❖ Actual Beginning Balance
❖ Actual Expenditures

At the end of these columns of financial data the individual account components – fund, resource, year, etc. are displayed in separate columns which can be handy for exporting to Excel, or to sort the list by a specific element of the chart of accounts.

Drag any column to a different place by using the mouse to simultaneously left click and drag the column header. Each time a new search is performed the columns will revert to the default order.

Sort the order of the list by clicking on the column header of any column – click once for ascending order and again for descending order.

Export the list to Excel – once it is in Excel go to **Tools, Protection** and choose **Unprotect** before manipulating the file. If that file is left open, each subsequent ESCAPE export will create a new tab in the Excel workbook – and each sheet will need to be unprotected..

WORKING WITH BUDGET ENTRY

Amending the model budget:
Highlight the account to be amended and select OPEN or double click the row. A new window will open that will require either selecting and opening an existing line item to the account or selecting *NEW* to create a new line item. This feature builds the balance in any account by individual line item with a detailed description and comment

Once a line item is open, simply provide the budget amount to add as an Increase or Decrease and provide a description and or a commen, if desired. Enter only the budget amount. Save and close the line item and if you are done with that account line, save and close the account line.

Narrowing the list to specific account
Use the search tab to filter the search by account code component – and use the full array of combinations ESCAPE provides – so for example 1-3 in the object code field would return all account code combinations with objects beginning with 1, 2 or 3. Entering 9791,8 in the object field would return all beginning balance and revenue accounts.

Don't forget that all budget amounts are displayed as their positive value – so a revenue is a positive amount as is an expenditure. All changes are entered as INCREASES and DECREASES – therefore if you limit the selection to a resource code the list will not add up to zero – instead it should add up to 2 times the budgeted revenues plus beginning balance.

Adding a new account code combination
To add a budget amount to an account code combination that doesn't exist go to **FINANCE/Setup/Chart of Accounts/Accounts** and on the search tab select *NEW* – you then have a choice of entering the combination as a string with or without the dash delimiter or by individual component. The system will perform some validation of the account code combination and will alert you if the account code fails the validation in which case you should not save it. Instead, analyze what you are trying to do and look at the CSAM.

If you mistakenly enter an account that already exists (yellow triangle with exclamation point) the system will not allow you to save it.

When adding **salary accounts** only enter the salary account code combination and the system will create all the relevant benefit account code combinations. As you create new accounts you are building a list. Refresh the list by typing in the parameters of that account to the search tab and *GO* to see the benefit code combinations. The un-refreshed list being built can be helpful as sometimes you need to enter a similar combination – changing just one element in which case instead of selecting *NEW.* Select **COPY** and then change the one element.

After entering the account code combinations, go back to Budget Entry (keep both activities open and toggle back and forth as necessary), go to the search tab and **GO** to refresh the list and see the new combinations ready to use.

Adding 'manual' salary amounts

All districts have some salaries that will be paid as add-ons rather than positional pay. Some examples of these salary costs are stipends, substitutes, overtime and other extra-duty work. To add these **manual** salary amounts, enter appropriate search criteria, such as **1,2** in the **Object** field to produce a list of all salary accounts. Choose the appropriate salary account line and open it, add a **NEW** item, enter the salary amount to **Budget Amount** and then close section 3, employee information. Open section 4 Subject Gross and enter the salary amount to every payroll tax to which this salary line will be subject. Copy the salary amount and paste it to each subject line by entering the amount once in **budget amount**, highlighting it, pressing CTRL C to copy it and then go down to the first subject line, CTRL V to paste it, hit ENTER to move to the next line and CTRL V if appropriate or ENTER to the next appropriate line.

Once you save and close this line item and then save and close the account line, the system will automatically calculate all the benefits.

We strongly recommend thinking through the account coding you use for these non-regular salary costs and use the SACS account code structure for certificated salaries in the 1000 series of 1*40, 1*50, 1*70 and the same pattern for the 2000 series of object codes for classified staff, which represent extra-duty, substitute, and overtime costs. In doing so, you will be able to build a budget model of these types of costs that can be copied from year to subsequent year – thus requiring minimal work in the future.

Setting budget lines to zero

Any account lines that have a revised budget amount to be reduced to zero must be specifically entered to the budget model as an account with a line item of zero. When you open an account in budget entry you must add a **New** line item to increase or decrease the budget. To remove a budgeted amount, add a new line of a negative amount exactly equal to the budget to be removed. Alternately, open the line item with a budget amount and type "0" in the amount field. We recommend the first method because it provides a better audit trail with details of the budget. Simply deleting the line item rather than setting the account balance to zero, will not result in the budget journal ESCAPE creates to post the model. ESCAPE has indicated that they will make the difference between an account that has no line items and an account that has a zero balance more transparent. Currently, the list in budget entry the model amount displays "0" whether the account has no line items or account line items totaling zero.

Check the budget model immediately after posting by running the Budget01 report to compare the model to the Revised budget. They should be one and the same. If the difference column reports anything else, simply reverse the posting of the budget model (Budget Management, Generate a list of models by hitting *GO,* Open the model, go to the Tasks button select "Unpost this model").
Now go to budget entry, generate a list of the entire model (hit *GO* on the search screen after specifying the model), drag the *Revised* column next to the *Model* column,

sort the *Model* column in ascending order (so zeros show first) and scroll down the list until you see an amount in the revised column against a zero in the model. Open the account and make sure the model is really zero.

Validating beginning balance
Validate the beginning budgeted balance in the model against the general ledger actual beginning balance by typing **9791** in the **Object** field on the search tab *GO* and then look at the total at the bottom of the list for the model amount and compare it to the actual beginning balance column total. ESCAPE's rounding function in the budget management process when copying amounts is to always drop pennies and round up – so $13.01 becomes $14. There will be a rounding difference. This can be corrected because the actual beginning balance column displays the amounts without pennies and uses conventional rounding – i.e. <0.50 rounds down and 0.50 and above rounds up.

VALIDATING REQUIRED BALANCING ITEMS
We recommend using budget entry to check the model for the following SACS object codes that must be in balance:

Contributions
Enter **8980** (Contributions **FROM** Unrestricted resources) in the **object** field and **01** in the fund field, *GO* and the list that is produced should add up to zero. Check other funds contributions by changing the fund number and *GO*.

Use the same procedure to check **8990** (Contributions **FROM** Restricted resources),

Cost Transfers – both direct and indirect
Enter **7310** (Indirect Costs) in the **object** field and **01** in the fund field, *GO* and the list that is produced should add up to zero.

Enter **7350** (Interfund Indirect Costs) in the **object** field and nothing in the fund field and the list should total zero

Enter **5710** (Transfers of direct costs) in the **object** field and check the list in Fund 01, and **5750** with no fund and again the list should total zero.

Interfund Transfers
Enter **761** in the **Object** field to get the total amount of interfund transfers out – note the number
Then Enter **891** in the **Object** field to get the total amount of interfund transfers in. The total out should be equal to the total 761.

PERS Reduction

PERS reduction is essentially a payroll tax that isn't sent on to the State. Instead it is credited to the offset object 8092 – the revenue limit PERS reduction – thus reducing State Aid. In ESCAPE the PERS reduction is being charged with each payroll run, and similarly if loaded into the budget from HR, the budget for PERS reduction payroll tax expense will be driven by salaries. PERS Reduction revenue amount should therefore be checked to ensure it is equal to the value of the PERS Reduction expense. To do this, on the search screen enter **38** in the **Object** field and *GO.* Note the total at the bottom of the list and then go back to the search screen. Type **8092** in the **Object** field and *GO* – amend the 8092 account budget to equal the total of the 3801 and 3802 accounts.

BALANCING THE REVENUE LIMIT

The total revenue limit is received from three different sources: Property Taxes, PERS Reduction, and State Aid which is the last resort to make up any shortfalls in the first two sources. After amending the PERS Reduction, and changes to local Property taxes, confirm State Aid in object 8011 makes up the difference.

To check total revenue limit simply type **80** in the **object** field and *GO* – the ensuing list should total the estimated RL. To check on property taxes alone enter **802-804** in the **object** field and *GO*.

REVIEWING OVEREXPENDED ACCOUNTS AND AMENDING THE BUDGET ACCORDINGLY

We recommend reviewing non-salary expenditures and salary expenditures separately. To find all non-salary expenditure account lines that are currently over-expended – based on the existing Revised Budget, rather than the model, enter **4-7** in the **Object** field and *GO.*

Sort the list to show all over-expended accounts at the top of the list by clicking on the **Account Balance** column header. This will sort the list in ascending order by Account balance, meaning the most over-expended account with the highest negative account balance will be at the top of the list. Analyze each account line to determine if the model budget should be increased to an amount at least equal to current expenditures plus encumbrances or if the actual expenditure has been mis-posted and will need to be moved with a journal entry.

To review salary and related expenditures enter **1-3** in the **Object** field and *GO.* Click on the **Account Balance** column header to bring all negative account balances to the top of the list. Theoretically if salaries have been loaded from HR, any negative balances will have been taken care of automatically with the budget management work. Issues in either salary or benefit accounts requires a little research which will be written up in a separate procedure.

Perform the same procedure to see if any revenue accounts have received more revenue than was budgeted – it will similarly show up as a negative amount. To do this, type **8** in the object field on the search tab *GO* and you will have a list of all revenue

accounts. Click on the **Account Balance** column header to return all over-received revenues to the top of the list. Analyze if the revenues have been mis-coded or if there should indeed be additional budget.

ANALYZING ACTUAL AMOUNTS
As you review the budget lines you, analyze the actual expenditures or revenues are to determine if the actual amount should be moved or budget increased. To review the details making up any actual revenues, expenditures, or balance sheet items select *FINANCE/Fiscal/Accounts* and on the search tab enter the account criteria that will bring up the account line(s) to be investigated. From the list select the account and open it and the form will show the detail of all transactions that have posted to that account.

BALANCING BY FUND, RESOURCE AND PROJECT YEAR
Once the review of all budget lines is completed, balance the budget by Fund, Resource and Project year. If the budget is not balanced, the model is posted, ESCAPE will balance it to the three CSAM-specified fund-accounting levels by creating a 9790 object account code combination with Fund, Resource and Project Year.

To balance the budget, go to *FINANCE/Fiscal/Budget Management* and *GO* on the search tab to return a list of the budget models. Highlight the budget model you wish to balance and click on the snapshot icon (looks like a magnifying glass) and select the Fund, Resource, Project Year option. The report that is produced will provide a single line for each individual Fund, Resource, Project Year combination. The columns displayed are Beginning balance, Revenues, Expenditures, Budgeted Reserves and Ending Balance, and Un-appropriated balance in the final column. The goal is to ensure that the final column is zero on all lines – if it is not, ESCAPE will create 9790 accounts equal to the un-appropriated balance for each subject row. Print the snapshot report, or keep a notepad going to jot down the remaining balance, or over-expended amount.

Toggle over to the **Budget Entry** activity and enter the resource code and if necessary fund and project year to be reviewed.

Determine where to budget the remaining balance – if it is a Fund Balance type grant (excess revenues in any year may add to ending fund balance without a SACS fatal error) add the balance to object 9780 until a use is determined. If it is a deferred revenue type resource (fund balance is not allowed – revenues can only be earned by incurring expenditures) budget the remaining balance to object 4399 with an appropriate function and if necessary goal, until an appropriate use is determined.

If the resource is over-expended, determine if an expenditure in any non-salary line can be reduced. If not, a contribution will be necessary. If a contribution is posted, remember to use object 8980 to show a contribution FROM an unrestricted (0000-1999) resource and 8990 to show a contribution FROM a restricted (2000-9999) resource. As soon as a contribution (positive amount) is posted to balance a resource also post the other side of the contribution as a negative amount in the resource that is providing the funds. In this manner 8980's and 8990's will balance.

If the contribution has to cross funds use object series 7611-7619 for the contributing fund and 8911-8919 for the receiving fund. The expenditure object in 7600 series must be accompanied by function 9300 – inter-fund transfers.

Once a resource is balanced toggle back to Budget Management, click back on the **LIST** tab and click on the snapshot icon selecting the Fund, Resource, Project Year sort to refresh the report. If successful, the balanced resource will now show 0 in the un-appropriated column. Continue until all lines are balanced. Use the model for a SACS extract – without posting it – and check the TRC.