

FY22 Year End Guidance from the Budget & Planning Office

- CLEAN UP SPEEDTYPES
- TRANSFER BALANCES TO RESERVES
- WHAT DOES CARRYFORWARD HAVE TO DO WITH ANY OF THIS?
- FY23 SET UP

CLEAN UP SPEEDTYPES

What does this mean?

- ▶ Simply put - - Match Budget to Actuals.
 - ▶ Pay close attention to Revenue and Transfer Budgets. These accounts must not have a balance at year end.
 - ▶ Adjust salary lines first.
 - ▶ Clean up should be by Account code.
- ▶ Approval of Year End BJE's are more timely and efficient when line descriptions are descriptive.
 - ▶ Please attach the appropriate supporting documents.
 - ▶ Examples: Tracking spreadsheets, emails, and Operating Summaries
 - ▶ Shorter BJE's (14 - 16 lines) are approved faster with less confusion and push back for questions. This also allows for maximum adjustments to be made.
 - ▶ Departments will be able to complete BJE's through second close. Afterwards, if any adjustments are necessary, please notify the Budget Office.
 - ▶ Between the second and third close, only the Budget Office will be working in the Budget Ledgers.

TRANSFER BALANCES TO RESERVES

- ▶ Balances should be moved to the appropriate Fund 72.
 - ▶ The Budget office will contact you for outstanding budget balances that should be moved.
 - ▶ Optimally, all balances should be moved to reserves. This allows for the balances to be at your disposal immediately for the beginning of the next fiscal year.
 - ▶ Remember, a BJE to transfer to reserves is necessary with the Actual Cash Transfer journal entry.
 - ▶ The BJE and the JE may be completed simultaneously. Please attach the print version to the BJE and/or JE even if it does not have an “Approved by.”
 - ▶ Tip: When moving balances to Fund 72s, have a plan for its use. This will make Spending Plan templates easier to complete.

STRATEGIES FOR CARRYFORWARD

- ▶ Carryforward is the amount of balance left in the speed type at year end.
 - ▶ The balance will come back as temporary funds next fiscal year.
 - ▶ No matter where the balance originated, the funds will carryforward to account 460000.
 - ▶ Exceptions - Financial Aid and KFL
 - ▶ Considering the past few years, departments may not receive carryforward until January or later.
 - ▶ All Carryforward funds must first be approved by Chancellor's Cabinet. After their approval, the Budget Office completes the BJE.
- ▶ To utilize balances immediately the next fiscal year, it is best to transfer balances to your Fund 72s.
 - ▶ Transferring balances to reserves at year end will give access to those funds as soon as the ledgers open for the new fiscal year.
 - ▶ Due to timing, leaving budget balances on the books at year end, may show deficits in speed types.

FRIENDLY REMINDERS

- ▶ Please include detailed descriptions in your line descriptions and the long description.
- ▶ Attach appropriate supporting documents.
- ▶ The longer the BJE, the more likely the Budget office will be to contact you for clarification. This prolongs the process for you and the Budget office.
- ▶ You will notice a more Budget Team approach when approving your BJEs this year. We are all here to help ease the year end process. Please reach out to any one of us should you have questions or concerns.

Wrapping Up FY22

- ▶ Start your Year End Clean up now. To minimize stress and mistakes from being rushed, let's start early.

Points to Clarify

- ▶ When completing a cash transfer, it is acceptable to submit both the actuals JE and the BJE at the same time. Please attach the “print version” of the JE to the BJE.
- ▶ Start by cleaning up positions. Everything else is easy after this. Next, clean up by account, then make your cash transfers to reserves.
- ▶ Please limit BJE's to 14-16 lines. Approvals will be faster. Also, there is much more room for error and confusion in a many lined BJE. We look at every line. One mistake will delay the clean up of many speed types.

LOOKING FORWARD TO FY23

- ▶ FY22 continuing budgets will “rollforward”.
 - ▶ Increases and/or decreases will be completed before the ledgers are opened.
 - ▶ Please do not submit BJE's before the ledgers are open.
 - ▶ If any adjustments are needed, please contact the Budget Office
- ▶ Spending Plans will be required.
 - ▶ Transferring balances to reserves that will have a specific purpose in the future will need to be documented in Spending Plan templates.
 - ▶ Spending Plans will be due to the Budget Office in September.
 - ▶ These Plans will be approved by the Chancellor's Cabinet.
- ▶ The Board of Regents will meet at the end of June to approve our FY23 budget.
- ▶ Beginning in August, the Budget Office will have monthly meetings with financial administrators for updates and questions on process changes for the new budget model.