# **Procedures Concerning Budget Transfer Forms**

### **Budgets at Seattle University**

The university's fiscal year is the consistent unit of time for which the institution provides detailed accounting of revenues and expenditures in the form of financial statements. Seattle University's fiscal year runs from July 1 through June 30<sup>th</sup> of the following year and is always named by the June 30<sup>th</sup> year.

Seattle University's operating budget is a financial plan spanning a fiscal year that reflects both: (1) the revenues that the university expects to earn in performing its normal activities (i.e. operations) and (2) prioritized expenditures necessary to perform those activities. Revenues (i.e., primarily tuition) earned through regular operations are considered unrestricted and can be used at the institution's discretion. Other sources of revenue such as gifts, grants, etc., can only be used as stipulated by the donor/grantor; thus these revenues are considered restricted.

Fund accounting is used to provide clear distinction between restricted and unrestricted revenues and activities. The first two digits of the university's thirteen-digit financial coding structure define the appropriate fund number. The university only budgets its operating revenues and expenses in funds 11 (Non-Law), 12 (Law), 21 (Bookstore), and 23 (Auxiliaries). Budgets cannot be transferred between funds with the exception of the 11 and 23 funds.

A budget is a spending threshold for an activity housed within an operating cost center and distributed amongst one or several account lines. Most expenditure budgets are set to an annually recurring amount (i.e., the "base budget") at the start of each new fiscal year and may be adjusted throughout the fiscal year.

A budget transfer changes the spending threshold of accounts by reallocating budget elsewhere within the cost center or to another cost center entirely. Base budget transfers change the cost center's ongoing, permanent budget allocation and can be processed from July — October in one fiscal year. Current year or one-time budget transfers can be processed throughout the fiscal year and are used to make a one-year-only adjustment to the current fiscal year budget allocation.

The University Budget Office (UBO) processes budget transfers and can answer your questions about them. Financial reporting of budgets and budget adjustments are made through the Seattle University Data Delivery System (SUDDS), primarily the GL Budget Summary and GL Budget Detail Reports. The UBO offers assistance with all budget related matters and SUDDS financial reports. Visit the UBO website at <a href="http://www.seattleu.edu/university-budget-office">http://www.seattleu.edu/university-budget-office</a>, contact <a href="mailto:ubo@seattlue.edu">ubo@seattlue.edu</a>, or call Kerry Keller-Ash (x. 2206) for further information.

Budget transfers do not affect actual expenditures, which are financial events in which currency changed hands (e.g., deposit, invoice payment, reimbursement, journal entry, etc.). To fix incorrect accounting of actual expenditures use the journal entry form found at <a href="http://www.seattleu.edu/Controllers-Office/forms-references/forms">http://www.seattleu.edu/Controllers-Office/forms-references/forms</a>.

### **Budget Transfer Form**

## 1) Working With the Budget Transfer Form

- A) The Budget Transfer Form is an Adobe Acrobat form available on the UBO website at <a href="http://www.seattleu.edu/university-budget-office/Budget-Transfers-Policies/">http://www.seattleu.edu/university-budget-office/Budget-Transfers-Policies/</a>. The form is accessible and alterable using both basic Adobe Reader and Adobe Acrobat software. If you do not already have Adobe Acrobat Reader installed on your computer, you can download it free of charge at <a href="http://www.adobe.com/downloads/">http://www.adobe.com/downloads/</a>.
- B) The electronic Budget Transfer Form has been created to allow for digital signatures which require saving the document to your personal archive. Instructions for creating an electronic signature can be found on the UBO website at <a href="http://www.seattleu.edu/university-budget-office/Budget-Transfers-Policies/">http://www.seattleu.edu/university-budget-office/Budget-Transfers-Policies/</a>.

### 2) Authorization

- A) No budget transfer will be processed without approval of an authorized financial officer for the cost center whose budget is being reduced. This authorization is provided by digital signature.
- B) Authorized financial officers are those individuals that have an Authorized Signature Form on file with the Controller's Office.
- C) Budget transfers are governed by the Policy on Transferring Salary Dollars available on the UBO's website: http://www.seattleu.edu/university-budget-office/Budget-Transfers-Policies/.

## 3) Budget Transfer Fields

- A) Type of Transfer [Required]
  - i) The default setting is Current Year. Choose the type of transfer you are requesting by clicking in either the "Base" box or the "Current Year" box.
  - ii) Note on different types of Transfers
    - (a) Current Year Transfers change the budget for the current fiscal year only and can be submitted from July 1 through July of the following fiscal year.
    - (b) Base Transfers must be done after July 1 and before October 31 in the same fiscal year. These changes to budget are permanent.

## B) Fiscal Year [Required]

- i) The default setting is the current fiscal year.
- ii) Note on Fiscal Year: In the first few weeks of a new fiscal year, the University Budget Office accepts transfers for both the previous and current fiscal year. Please be sure to change the default if you are requesting a transfer for the previous fiscal year.

- C) Budget Decrease (credit) fields & Budget Increase (debit) fields [Required]
  - Provide the fund number (2 digits), cost center number (6 digits), and account code (5 digits).
  - ii) Type the amount by which you want to change the budget in whole dollars only. (Budgets are spending thresholds, thus it is unlikely that cents are necessary to budget reallocation. If that level of detail is required, you most likely need to submit a journal entry to the Controller's Office.)
  - iii) The Total Budget Decrease and Total Budget Increase fields will self-populate as a sum of the change fields above them. The total decrease must match the total increase.
  - iv) Note on Decrease and Increase fields:
    - (a) Transactions that establish or increase budgets are reflected as debits in all financial reports. Credit transactions are used to decrease budgets. Contact the UBO for more information if necessary.
    - (b) It is helpful to include descriptions for the cost center and account codes so that those reviewing your budget transfer may be able to catch errors before the transfer is distributed or processed. However, this field is not required by the UBO.
    - (c) There is space for 9 credit and 9 debit transactions. Additional transactions should be placed on a separate Budget Transfer Form. If you routinely need more lines to complete complex budget adjustments, contact the UBO (<a href="mailto:ubo@seattleu.edu">ubo@seattleu.edu</a>) for assistance.

## D) Additional Explanation for UBO [Optional]:

- i) Type in here any succinct, extra information that may be helpful to explain the rationale for the transfer. This information may prove useful to you or your successor in the future. This information will also be searchable within the electronic archive.
- ii) Because the Budget Transfer Form is meant to be e-mailed, <u>do not</u> put sensitive information in this field such as total salary, identifying information, etc.

## E) Signature Fields [Required]:

- i) Note on Signatures: Depending on the circumstances detailed below, one to four signatures may be required to demonstrate appropriate authorization. Instructions for creating an electronic signature can be found on the UBO website at <a href="http://www.seattleu.edu">http://www.seattleu.edu</a> university-budget-office/Budget-Transfers-Policies/.
- ii) Cost Center Manager/Department Chair [Required unless signed by Divisional Budget Manager]: If an authorized financial officer has signing authority for ALL the cost centers detailed on the budget transfer, that person can authorize the transfer through a digital signature in the Cost Center Manager/Department Chair field. Although the UBO does not require a cost center manager's signature if the DBM has signed, internal process specific to your division may require a cost center manager signature as well. Please consult with your Divisional, School, or College Budget Manager.

- iii) Divisional Budget Manager: The signature of the Divisional Budget Manager is optional unless the budget transfer includes cost centers that span multiple financial officers. In that case, the signature of the Divisional Budget Manager of the budget that is being decreased is required.
- iv) Associate Provost/Dean/Key Administrator (or Designee): Though not required by the UBO, this signature field may be necessary to comply with authorization processes within your division, school, or college. Contact the senior financial officer in your area for further guidance on approval protocols.
- v) CFO, EVP, or Provost (or Designee): The signature of these senior executives is not required unless the budget transfer is an exception to the Policy on Transferring Salary Dollars (<a href="http://www.seattleu.edu/university-budget-office/Budget-Transfers-Policies/">http://www.seattleu.edu/university-budget-office/Budget-Transfers-Policies/</a>). Exceptions to this policy are granted via authorized digital signature of the Provost, Executive Vice President, Chief Financial Officer, or their designee(s).
- F) Name & Phone Number of Person who Prepared Form [Optional]: Although the UBO does not require this field it may be helpful to those reviewing and processing the budget transfer to know the originator in case questions arise.
- G) University Budget Office Use Only: DO NOT enter data in this section as it will be completed by the UBO.
- 4) Submitting a Budget Transfer: Once all required information and authorization is in place, email the completed transfer form to <a href="mailto:ubo@seattleu.edu">ubo@seattleu.edu</a> with "Budget Transfer" in the subject line. Include all individuals who should receive a copy of the final processed transfer in "cc:" field of the e-mail.
- 5) Processed Budget Transfers
  - A) Once a budget transfer has been received by the UBO, the Director of University Budgets will review the document for policy compliance and authorization. If the budget transfer is incomplete, lacks internal consistency, or does not have appropriate authorization, the budget transfer will be returned unprocessed. Completed and corrected revisions can be resubmitted to <a href="mailto:ubo@seattleu.edu">ubo@seattleu.edu</a>.
  - B) When the Director of University Budgets has reviewed and approved the transfer, she will route it to the Budget & Financial Analyst who will process and archive the transfer. Budget transfers are generally processed on a weekly basis.
  - C) After processing, the Budget & Financial Analyst will send an electronic copy of the processed budget transfer via email to all the parties copied on the original email requesting the transfer.
  - D) The "University Budget Office Use Only" section will be completed on all processed budget transfers. The "Adj #" field in this section will provide the description by which this transfer can be found in SUDDS financial reports, most especially the GL Budget Detail report.

#### 6) Additional Information:

A) Fringe Benefits: Budget transfers are governed by the Policy on Transferring Salary Dollars (<a href="http://www.seattleu.edu/university-budget-office/Budget-Transfers-Policies/">http://www.seattleu.edu/university-budget-office/Budget-Transfers-Policies/</a>). This policy limits reallocation of dollars between salary and non-salary lines. If an exception to policy is granted to allow for transfer into or out of faculty or salary account lines, a fringe benefit adjustment must be included in the transfer. Contact the UBO for assistance with this process.

## B) Permanent and Temporary Salaries:

- i) Faculty salary dollars are only *budgeted* to accounts 50005 (Inst-Religious) and 50010 (Inst-Lay Permanent), though faculty salaries can also be *expensed* from account 50015 (Inst Lay Temporary). Budget transfers into or out of account 50015 are not allowed, thus these requests will be returned for correction.
- ii) Staff salary dollars are only *budgeted* to accounts 51005 (Adm-Religious) and 51010 (Adm-Lay Permanent), though staff salaries can also be *expensed* from account 51015 (Adm Lay Temporary). Budget transfers into or out of account 51015 are not allowed, thus these requests will be returned for correction.

### C) Travel/Professional Development:

- i) Actual travel expenditures are recorded with the appropriate account codes (i.e., 61501 Airfare, 61502 Lodging, 61506 Conference Fees, etc.).
- ii) Though actual expenditure transactions will be recorded appropriately, fluctuating costs can make it difficult to project budgets within specific travel accounts. For ease of management, cost centers are allowed to budget total projected travel needs in the general travel account 61500 Travel/Professional Development.