Budget/Finance 101

INTRODUCTION TO BUDGET AND FINANCIAL MANAGEMENT/OPERATIONS
Finance
Fiscal Year

• July 1 to June 30

• Transactions Post Accordingly:
  • Revenue – in year in which services/goods were provided
  • Expense – in year in which goods/services were received and put to use
  • It is not when cash enters or leaves the door

• vs. Academic Year:
  • Sept – August (Fall, early-Spring/Spring, & Summer)
  • Crosses two different fiscal years
    • Summer term posts in new fiscal year
Chart of Accounts – Elements of the Story:

- **Fund** – Funding sources (unrestricted vs restricted)
- **Org** – Organizational Unit (the operational, decision-making, business unit)
- **Account** - Type of Revenue, Expense or Balance Sheet activity
  - Ex. Tuition, Fees, Salaries, Benefits, Supplies, Asset, Liability
- **Program** – Degree Program, Athletic Program or Non-program
- **Activity** – Project, event, function (materiality is important)
- **Location** – Building or Infrastructure location
  - Ex. Belknap, Grafton, Speare Admin Bldg, HUB, Memorial Hall, Rounds Hall, Zone 1
Budget Manager Role/Responsibility

• You will be held accountable for:
  • Being a good steward of PSU resources
  • Making sound decisions
  • Ensuring compliance with PSU/USNH policies and procedures & external agency requirements
  • Acting as a fiduciary of the University

• Failure to do so will have consequences
Resource Management
<table>
<thead>
<tr>
<th>Available Resources</th>
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<table>
<thead>
<tr>
<th>Funding Type</th>
<th>Spending Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Budget</td>
</tr>
<tr>
<td></td>
<td>General Fund (6U....)</td>
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<tr>
<td></td>
<td>Plant Funds (6X....)</td>
</tr>
<tr>
<td>Unrestricted</td>
<td></td>
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<tr>
<td>Restricted</td>
<td>Grant Funds (6#....)</td>
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</tbody>
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Reporting

- Web Intelligence (or WebI) is the USNH reporting tool
- New all-in-one report to be released soon:
  - **Budget Summary report** – provides a budget variance report for General Funds and incorporates a calculated year-end projection
    - In a profit/loss statement format
  - **Fund Balance report** – shows cash balances for internally-designated, restricted gift/endowment payout funds, and grant funds
- The report can be scheduled
- Group training sessions will be available
- Financial Service Centers are available for additional one-on-one training and assistance
Revenue highlights

- Units must be authorized by Central Finance to accept payments at PSU.
- Payments must be deposited within 24-48 hours
- Billing for items or services must be processed through the Non-student Billing Request form (located in myPlymouth portal)
Expenditure highlights

• Spend Restricted $ First (*USNH Policy*)

• Be prudent & weigh student impact before spending

• Some costs are centralized: telecom, postage, ecommerce charges (*more to come*)

• Some budget lines are managed centrally or special handling:
  • Faculty and Adjunct Faculty (ie TL) Positions
  • Student Labor positions
  • Longevity (related to Oper. Staff positions)
  • Professional and Technical (PAT) and Operating Staff positions (OS)

• Budget Lines Depts have control to move around freely:
  • Over-time
  • Adjunct Staff (hourly, non-benefited)
  • Goods
  • Services
  • Internal Allocations
Expenditure Cont’d

• Employees must be on Payroll before starting work.
• Dept must approve invoice before it’s paid
• Business Purpose is critical for non-personnel expenses - who, what, when, where, & WHY
  • Ex. Chemicals for lab in support of chemistry and biochemistry programs
  • Ex. Tent rentals for homecoming and family weekend
• Identify funding source (in words)
  • Ex. General Budget, Art Dept course fee fund, NASA grant fund
Budget Development and Planning
Annual Budget Development Cycle  (subject to change)

• Early Fall (Sept) – Guidelines Established/Communicated
• Late Fall (Nov)
  • Tuition, Fee, Room and Board Rates established
  • Initial Budgeted Enrollment Target established
• Late Winter (Feb)
  • Deadlines for Budget Reallocations
  • Existing Course fees Updates provided
• Mid Spring (May)
  • Budgeted Enrollments updated
  • New Course Fees provided