



<b>Issue Summary</b>	USG should configure the PeopleSoft delivered budget close process for the Project Grant ledger so that institutions don't have to roll forward unused budgets into the next budget year.
<b>Background</b>	<p>In the past (up until FY2009), the Office of Contracts and Grants (Post Awards) had to manually roll forward and establish the remaining grant budget balance as the beginning balance for the new fiscal year for all active or open grants.</p> <p>This business practice means creating journal reversal entries to zero out remaining prior year balances and creating budget journal entries to re-establish the new fiscal year remaining budget balances.</p>
<b>Risks</b>	<ol style="list-style-type: none"> <li>1. Changing the ledger calendar would.... <ul style="list-style-type: none"> <li>• require the budget period be reassigned on legacy balances (a minor conversion effort)</li> <li>• require regression testing the project grant processes and reports</li> <li>• need to be communication to auditors would have to be made aware of the change because year over year reports</li> </ul> </li> <li>2. Introducing a process to roll forward project grants remaining budget could introduce confusion unless training and communications are carefully managed</li> </ol>
<b>Possible Solution(s)</b>	<ol style="list-style-type: none"> <li>1. Configure the budget close process in PeopleSoft.</li> <li>2. Change the PROJ_GRT ledger group definition to where the budget reference and the budget period are derived to "CUM or ALL" so that budgets don't have to be rolled forward</li> <li>3. Do Nothing</li> </ol>
<b>Escalating Sub-team and Lead</b>	Fiscal Affairs – Vikki Williamson and Craig Golden
<b>Recommended Action</b>	Option 1 poses the least risk while automating the year end entries.



<b>Accounting Issues Committee Comments</b>	<p>AIC decided to form a committee to look into this recommendation further. The committee is comprised of the following individuals:</p> <ul style="list-style-type: none"><li>• Jim Jones – Medical College</li><li>• Kevin Howard – Fort Valley</li><li>• Antolina Pilgram – Valdosta State</li><li>• Wanda Aldridge – Gainesville State</li><li>• Craig Golden – Fiscal Affairs</li></ul>
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