

GeorgiaFIRST Budget Structure: Commitment Control

GeorgiaFIRST Budget Structure

The purpose of this job aid is to provide an overview of the GeorgiaFIRST Financials Commitment Control module budget structure.

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I. Introduction

Budgeting functionality in PeopleSoft's General Ledger software is used to monitor budgetary expenditures and revenue accumulation within the General Ledger, Expenses, Purchasing, Accounts Payable, and Accounts Receivable modules.

On the expenditure side, PeopleSoft allows users to track and control Pre- Encumbrance, Encumbrance, and Expenditure activities by using the Commitment Control module. On the revenue side, Commitment Control tracks realized and collected revenue against revenue estimates. Special budgets can also be created for Grant (sponsored project) budgets. The GeorgiaFIRST model databases have been configured to check funds and update budgets based on the structures outlined in this document.

By configuring the system with specific budget keys and translations (required fields) and control values (ChartField listing), Commitment Control will identify specific line distributions as requiring budget checking procedures and then update appropriate budget lines.

II. Account Trees

For account values, Commitment Control relies on a hierarchical structure called a Tree to determine how budget lines are set up and where accounting transactions should look for funds. The ChartFields coded on an accounting transaction will not look identical to the budget

line that the transaction references because budgets are created and maintained at a higher level than transactions. These 'levels' and their definitions are recorded in the Account Budget Translation Tree.

Tree Manager

SetID: 27000 **Last Audit:** Valid Tree
Effective Date: 01/01/1901 **Status:** Active
Tree Name: BDXLATE_ACCOUNT Budget Translation - Accounts

[Save As](#) [Close](#) [Tree Definition](#) [Display Options](#) [Print Format](#)

000000 > 700000 > 714000
[Collapse All](#) | [Expand All](#) [Find](#) First Page ◀ 39 of 227 ▶ Last Page

- 000000 - All Accounts
 - 400000 - Revenues
 - 500000 - Personal Services
 - 600000 - Travel
 - 700000 - Operating Supplies & Expenses
 - 702000 - Purchases for Resale
 - 703000 - Cost of Goods Sold
 - 704000 - Cash Over/Short
 - 712000 - Motor Vehicle Exp
 - 714000 - Supplies and Materials
 - [714001 - 714999]
 - 715000 - Repairs And Maintenance
 - 717000 - Utilities
 - 719000 - Rents- Non-Real Estate
 - 720000 - Insurance And Bonding

All budgetary accounts (those that begin with a 4, 5, 6, 7, or 8) must appear on this tree. The value found at the highest level of the tree (**All Accounts**) is 000000, which is used for validation purposes. The next level is the **Appropriation Level**. Here we find the accounts at the 400000, 500000, 600000, 700000, and 800000 levels. All expenditure budgets will require lines at this level for Appropriation Budgets. Stepping down to the next level, we find **Summary Accounts**. Accounts at this level are used on Revenue Estimate, Project, and Organizational (Department) Budgets. All other detail accounts, those where accounting transactions are posted, fall at the lowest 'node' on the tree, where the leaf icon appears.

Note: Normally, the detail account values are maintained in ranges so institutions do not have to update the Account Rollup tree when a new account is defined.

III. Types of Budgets

The GeorgiaFIRST Financials model supports the following types of budgets:

1. Appropriation Ledger Group (APPROP)

- Highest level of budgeting. The Fund Code, Department, Program, Class, and Budget Year are entered at the detail level. The Account is entered at the Appropriation level (500000, 600000, 700000, 800000, 900000).
- Establish budgets for money authorized for expenditures for a specific purpose during a specific period of time.
- Institutions “control” spending in this budget. If a budget or spending authority does not exist in the Appropriations budget, financial transactions will not pass budget checking and will not be processed.
- The Appropriation Budget is the parent of the Organization Budget.
- Commitment Control is configured to allow Personal Services transactions (500000) to pass budget checking even if there is insufficient spending authority.
- Since the Appropriation Ledger Group is controlled, budgets must exist (even if the amount is zero) for any Chartfield combination an institution desires to charge.

2. Organization Budgets Ledger Group (ORG)

- Often called a departmental budget, it is used to break Appropriation budgets into ‘operating’ budgets at a lower level of detail.
 - Note: **The GeorgiaFIRST Financials community has decided on different standards for Personal Services budgets vs. Non-Personal Services Organizational budgets.** Organizational Budgets will be established for Personal Services accounts, or all accounts that begin with 5. Organizational Budgets with a zero-dollar amount (\$0) will be created for Non-Personal Services accounts, such as Travel – 6xxxxx, Supplies – 7xxxxx, and Equipment – 8xxxxx Accounts.
- The Fund Code, Department, Program, Class and Budget Year are entered at the detail level in addition to the Summary Account.
- Organization Budgets “track” spending. If budget or spending authority does not exist, the transaction will be processed and a warning message will be logged in the Commitment Control Exception tables.
- Organization Budgets are the children of the Appropriations Budget.
- The Organization Budget cannot exceed the Appropriation Budget for the same Chartfield combination.

3. Project Expense Ledger Group (PRMST_EXP)

- The Project Master Budget is referred to as the cumulative project budget. Project Master Budgets can cross fiscal year and budget year boundaries.
- Only the Project ID and the Budget Amount are captured in the Project Expense Master Budget.
- The Project Master is the parent budget of the Project Grant Budget.
- The Project Grant budget cannot exceed the Project Master Budget.
- The Project Chartfield definition and corresponding synchronization process determine whether a project is “controlled” or “tracked” in the Project Expense Master Budget.

4. Project/Grant Ledger Group (PROJ_GRT)

- Control expenditures specifically for a grant (sponsored project).
- The budget is entered at the same level as the Organization Budget with the addition of the Project Chartfield.
- The Project Chartfield definition and corresponding synchronization process determine whether a Project is “controlled” or “tracked” when budget checked.
- The Project ID, Fund Code, Department, Program, Class and Budget Year are entered at the detail level in addition to the Summary Account.
- The Project Grant budget is the child of the Project Master Expense Budget.

5. Revenue Estimate Ledger Group

- Track revenues recognized and cash collected against estimated revenues
- The Fund Code, Department, Program, Class and Budget Year are entered at the detail level in addition to the Summary Account.
- Revenue Budgets are always set to “track.”
- The GeorgiaFIRST model makes no distinction between recognized and collected revenue.

6. Project Revenue Master Ledger Group (PRMST_REV)

- The Project Master Budget is referred to as the cumulative project budget. Project Master Budgets can cross fiscal year and budget year boundaries.
- Track revenues are recognized and cash collected against estimated revenues.
- Only the Project ID and the Budget Amount are captured in the Project Revenue Master Budget.
- The Project Revenue Master Budget is a sibling of the Project Expense Master Budget.
- The Project Revenue Master Budget is updated when a revenue transaction is charged in the General Ledger, Banner, or Accounts Receivable modules.
- Revenue Budgets are always set to “track.”

7. Detail Ledger Group (DETAIL)

- Contains all revenue and expenditure transactions.
- No budget entered.
- Replaces the encumbrance and pre-encumbrance balances that were stored in the LEDGER in v7.5.
- Only used for reporting.
- Captures all Chartfield values at the level they were entered.

IV. Appropriation and Organization Ledger Groups

Expenditures require two kinds of budgets: Appropriation Budgets and Organization Budgets.

For Personal Services Budgets, detail ‘target’ amounts will be included for Organizational Budgets. For the Non-Personal Services Budgets, the 6, 7, and 8 accounts, an Organizational Budget of \$0 will be established for each.

The figure below shows a summarized \$1 million sample budget for one entire department.

| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Description | Amount |
|----------------------------------|-----------|-------|---------|---------|-------|------------|---------------|---------|-------------------------------|------------------|
| APPROP | APPROP_BD | 10000 | 1001000 | 11100 | 11000 | 2008 | 2008 | 500000 | Personal Services | 870,000 |
| ORG | ORG_BD | 10000 | 1001000 | 11100 | 11000 | 2008 | 2008 | 511000 | Salaries - Regular Faculty | 600,000 |
| ORG | ORG_BD | 10000 | 1001000 | 11100 | 11000 | 2008 | 2008 | 512000 | Salaries - Part-Time Faculty | 100,000 |
| ORG | ORG_BD | 10000 | 1001000 | 11100 | 11000 | 2008 | 2008 | 521000 | Salaries - Prof/Admin | 70,000 |
| ORG | ORG_BD | 10000 | 1001000 | 11100 | 11000 | 2008 | 2008 | 522000 | Salaries - Staff | 40,000 |
| ORG | ORG_BD | 10000 | 1001000 | 11100 | 11000 | 2008 | 2008 | 523000 | Salaries - Grad Assistants | 30,000 |
| ORG | ORG_BD | 10000 | 1001000 | 11100 | 11000 | 2008 | 2008 | 524000 | Salaries - Student Assistants | 30,000 |
| APPROP | APPROP_BD | 10000 | 1001000 | 11100 | 11000 | 2008 | 2008 | 600000 | Travel | 20,000 |
| ORG | ORG_BD | 10000 | 1001000 | 11100 | 11000 | 2008 | 2008 | 640000 | Travel | - |
| ORG | ORG_BD | 10000 | 1001000 | 11100 | 11000 | 2008 | 2008 | 698000 | Travel - Allocations | - |
| APPROP | APPROP_BD | 10000 | 1001000 | 11100 | 11000 | 2008 | 2008 | 700000 | Supplies & Expense | 20,000 |
| ORG | ORG_BD | 10000 | 1001000 | 11100 | 11000 | 2008 | 2008 | 702000 | Purchases for Resale | - |
| ORG | ORG_BD | 10000 | 1001000 | 11100 | 11000 | 2008 | 2008 | 712000 | Motor Vehicle Exp | - |
| ORG | ORG_BD | 10000 | 1001000 | 11100 | 11000 | 2008 | 2008 | 714000 | Supplies and Materials | - |
| ORG | ORG_BD | 10000 | 1001000 | 11100 | 11000 | 2008 | 2008 | 715000 | Repairs and Maintenance | - |
| ORG | ORG_BD | 10000 | 1001000 | 11100 | 11000 | 2008 | 2008 | 717000 | Utilities | - |
| ORG | ORG_BD | 10000 | 1001000 | 11100 | 11000 | 2008 | 2008 | 748000 | Property Management | - |
| APPROP | APPROP_BD | 10000 | 1001000 | 11100 | 11000 | 2008 | 2008 | 800000 | Equipment/Capital Outlay | 10,000 |
| ORG | ORG_BD | 10000 | 1001000 | 11100 | 11000 | 2008 | 2008 | 702000 | Lease/Purchase of Equipment | - |
| ORG | ORG_BD | 10000 | 1001000 | 11100 | 11000 | 2008 | 2008 | 712000 | Motor Vehicle Purchase | - |
| Total Departmental Budget | | | | | | | | | | 1,000,000 |

The Appropriation Budgets are the default ‘control’ budget lines. Funds **must** be available at the APPROP budget level in order for a transaction to pass budget checking. The Organizational Budgets, denoted by the ORG lines, are established for tracking only on the 5xxxxx accounts. The \$0 lines for the Non- Personal Services accounts exist as targets only. Actual amounts will be posted against these budgets, but the system will check for funds only at the higher Appropriation level.

The remaining examples in this section break the departmental budget down into two components: Personal Services and Non-Personal Services. For Personal Services, Appropriation Budgets occur at a higher level than Organizational Budgets. This means that Appropriation Budgets should always equal the sum of the Organizational Budgets beneath them. Please keep in mind that Commitment Control will **never** stop expenditures for Personal Services accounts unless there is no budget defined.

Note: A zero dollar budget is considered a valid budget. If a transaction fails budget checking against the Appropriations Budget with a No Budget Exists Error, the corrective action is to add a zero dollar budget row.

Personal Services

The figure below shows a sample Personal Services budget for the Chemistry Department, number 1306000, which can only spend Personal Services money in three areas: Regular Faculty, Part-Time Faculty, and Professional/Administrative Salaries.

| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Description | Amount |
|--------------|-----------|-------|---------|---------|-------|------------|---------------|---------|------------------------------|--------|
| APPROP | APPROP_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 500000 | Personal Services | 10,000 |
| ORG | ORG_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 511000 | Salaries - Regular Faculty | 6,000 |
| ORG | ORG_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 512000 | Salaries - Part-Time Faculty | 2,000 |
| ORG | ORG_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 521000 | Salaries - Prof/Admin | 2,000 |

For the Appropriation, note the required fields or **budget keys**. The Program field is used with Appropriation Budgets and with Organization Budgets. On expenditure transactions, all fields (with the possible exception of Project) are required. Also note that the Organization Budgets total equals the appropriation budget of \$10,000. The sum of Organization Budgets **cannot** exceed Appropriation Budgets.

Transaction Example

As an example, let's take a look at a transaction against the Personal Services budgets above: a journal for \$900 in regular faculty salaries that comes into GeorgiaFIRST Financials from the Human Resources system.

A. Budgets Before Transaction

| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Description | Amount |
|--------------|-----------|-------|---------|---------|-------|------------|---------------|---------|------------------------|--------|
| APPROP | APPROP_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 500000 | Supplies & Expense | 10,000 |
| ORG | ORG_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 511000 | Supplies and Materials | 6,000 |
| ORG | ORG_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 512000 | Supplies and Materials | 2,000 |
| ORG | ORG_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 521000 | Supplies and Materials | 2,000 |

B. Transaction 1: A payroll journal entry for \$900 from HRMS

| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Description | Amount |
|--------------|--------|-------|---------|---------|-------|------------|---------------|---------|------------------------------|--------|
| ACTUALS | | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 511100 | Paper - Copier/Laser Printer | 900 |

C. Budgets After Transaction 1

| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Description | Amount |
|--------------|-----------|-------|---------|---------|-------|------------|---------------|---------|------------------------|--------|
| APPROP | APPROP_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 500000 | Supplies & Expense | 10,000 |
| APPROP | APPROP_EX | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 500000 | Supplies & Expense | (900) |
| ORG | ORG_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 511000 | Supplies and Materials | 6,000 |
| ORG | ORG_EX | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 511000 | Supplies and Materials | (900) |
| ORG | ORG_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 512000 | Supplies and Materials | 2,000 |
| ORG | ORG_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 521000 | Supplies and Materials | 2,000 |

Note in the example above that the journal (B) added \$900 of expense to our budget lines and reduced our spending authority in both the Appropriation and the Organization Budgets by \$900 (C).

Note: A separate process will be executed at a later time to update projected encumbrances for Personal Services budgets. The Encumbrance Projection process will project annualized expenditures in the Personal Services area and identify Department/Account combinations that may exceed budgeted expenditures.

Non-Personal Services

Non-Personal Services budgets will not feature target budget amounts for Organizational Budgets. Let's examine a budget for Non-Personal Services. As shown in the figure below, the Chemistry Department has \$10,000 to spend in their budget for the 700000 Appropriation, or Operating Supplies & Materials.

| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Description | Amount |
|--------------|-----------|-------|---------|---------|-------|------------|---------------|---------|-------------------------|--------|
| APPROP | APPROP_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 700000 | Supplies & Expense | 10,000 |
| ORG | ORG_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 714000 | Supplies and Materials | - |
| ORG | ORG_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 715000 | Repairs and Maintenance | - |
| ORG | ORG_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 717000 | Utilities | - |

Note that the budget is not further defined below the 700000 level. Unlike Personal Services Budgets, the Non-Personal Services Budgets are not broken out at a lower level of detail.

Let's examine two transactions against our 714xxx budget: a journal for \$100 and a PO for \$1,000.

Transaction Example

| A. Budgets Before Transaction | | | | | | | | | | |
|---|-----------|-------|---------|---------|-------|------------|---------------|---------|------------------------------|---------|
| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Description | Amount |
| APPROP | APPROP_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 700000 | Supplies & Expense | 10,000 |
| ORG | ORG_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 714000 | Supplies and Materials | - |
| B. Transaction 1: A journal entry for \$100 | | | | | | | | | | |
| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Description | Amount |
| ACTUALS | | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 714120 | Paper - Copier/Laser Printer | 100 |
| C. Budgets After Transaction 1 | | | | | | | | | | |
| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Description | Amount |
| APPROP | APPROP_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 700000 | Supplies & Expense | 10,000 |
| APPROP | APPROP_EX | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 700000 | Supplies & Expense | (100) |
| ORG | ORG_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 714000 | Supplies and Materials | - |
| ORG | ORG_EX | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 714000 | Supplies and Materials | (100) |
| D. Transaction 2: A purchase order for \$1000 | | | | | | | | | | |
| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Description | Amount |
| ACTUALS | | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 714100 | General Supplies | 1,000 |
| E. Budgets After Transaction 2 | | | | | | | | | | |
| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Description | Amount |
| APPROP | APPROP_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 700000 | Supplies & Expense | 10,000 |
| APPROP | APPROP_EN | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 700000 | Supplies & Expense | (1,000) |
| APPROP | APPROP_EX | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 700000 | Supplies & Expense | (100) |
| ORG | ORG_BD | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 714000 | Supplies and Materials | - |
| ORG | ORG_EN | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 714000 | Supplies and Materials | (1,000) |
| ORG | ORG_EX | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 714000 | Supplies and Materials | (100) |

Note in the transactions above that the journal (B) added \$100 of expense to our budget lines and reduced our spending authority in both the Appropriation and the Organization

Budget by \$100 (C). Likewise, the PO (D) *encumbered* funds for \$1,000 and reduced our spending authority by \$1,000 (E). The Organization Budgets now show that they are 'overspent' at the 714000 level. This is a consequence of setting up \$0 budgets at this level and choosing to manage and track funds only at the 700000 level. The GeorgiaFIRST model forces Commitment Control to always look for available funds at the Appropriation Budget level.

The default set-up for GeorgiaFIRST Model allows transactions to 'pass' Organizational Budgets if funds are not available at the ORG level.

Note: Custom budget reports have been developed so that departments do not appear to truly have a deficit at the Organizational Budget level.

This approach takes advantage of the **Track w/o Budget** option in the Controlled Budget Definition Control Options.

V. Revenue Estimate Ledger Group

Revenue Estimate Budgets track revenues recognized and cash collected against estimated revenues. For a revenue transaction to be successful, a Revenue Estimate Budget must exist with the proper Chartfield distribution values. Revenue Estimate Budgets exist at only 1 level above the actual transactions, while Expenditure Budgets have 2 levels for better reporting and ease of administration.

Why budget check revenues at all? Commitment Control ensures that revenues are posted to desired accounting distributions and that actual transaction values are updated against expected (budgeted) values. The **Track w/o Budget** option ensures that institutions will still be able to collect revenues that exceed their estimated (budgeted) amounts. Institutions will also be able to receive revenue on Chartfield distributions not estimated.

Revenue Estimate Budgets can exist for your **entire institution** in the case of general tuition and fees (Department 0000000), or they can be booked to **a specific department**, as in the case of Departmental Sales & Services, Auxiliary Enterprises (where departmental revenues need to match expenses), or Other Educational Sales & Services.

Revenue Estimate Examples

Budget Keys

Let's look at the following examples and note the required fields or **budget keys**.

| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Description | Amount |
|--------------|-----------|-------|---------|---------|-------|------------|---------------|---------|-------------------------------------|--------|
| REVEST | REVEST_BD | 10000 | 0000000 | 00000 | 11981 | 2008 | 2008 | 401000 | Matriculation | 10,000 |
| REVEST | REVEST_BD | 10000 | 0000000 | 00000 | 11983 | 2008 | 2008 | 401000 | Matriculation | 10,000 |
| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Description | Amount |
| REVEST | REVEST_BD | 10000 | 1100000 | 00000 | 11000 | 2008 | 2008 | 449000 | Other Educations Sales and Services | 10,000 |
| REVEST | REVEST_BD | 10000 | 1200000 | 00000 | 11000 | 2008 | 2008 | 449000 | Other Educations Sales and Services | 10,000 |

Note: Profit and Loss Statements at the institutional level must be keyed by Program Code, which is standardized, for system-level reporting, but can be keyed by Department ID also.

Transactions have account numbers at detail levels, below the Summary Account level used for Revenue Estimate Budgets.

Transaction Example

The following example shows the impact of a journal when an operator records a \$100 cash payment for tuition revenue.

| A. Budgets Before Transaction | | | | | | | | | | |
|---|-----------|-------|---------|---------|-------|------------|---------------|---------|-------------|--------|
| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Description | Amount |
| REVEST | REVEST_BD | 10000 | 0000000 | 00000 | 11000 | 2008 | 2008 | 401000 | | 10,000 |
| B. Transaction 1: A journal entry for \$100 | | | | | | | | | | |
| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Description | Amount |
| ACTUALS | | 10000 | 0000000 | 00000 | 11000 | 2008 | 2008 | 401100 | | (100) |
| C. Budgets After Transaction 1 | | | | | | | | | | |
| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Description | Amount |
| REVEST | REVEST_BD | 10000 | 0000000 | 00000 | 11000 | 2008 | 2008 | 401000 | | 10,000 |
| REVEST | REVEST_CO | 10000 | 0000000 | 00000 | 11000 | 2008 | 2008 | 401000 | | (100) |
| REVEST | REVEST_RC | 10000 | 0000000 | 00000 | 11000 | 2008 | 2008 | 401000 | | (100) |

Since we did a journal and recorded the receipt of cash (B), we updated both the **Recognized** and the **Collected** buckets, showing that we have **Unrecognized** revenue of \$9,900 after this transaction (C).

Note: The GeorgiaFIRST model doesn't differentiate between Recognized and Collected revenue since the open receivables are tracked outside of PeopleSoft. All interfaces and online journal entries have been set to populate recognized and collected revenue balances at the time budget checking is done.

VI. Project/Grant and Project Master Expense Ledger Groups

The GeorgiaFIRST Financials model provides support for projects and for grants. Projects are defined as internal initiatives that must be funded out of regular operating budgets. Grants are sponsored initiatives that are funded by third parties; e.g., the federal government, private corporations, etc.

PeopleSoft Financials supports separate budget lines for sponsored initiatives called Project/Grant Budgets. In the GeorgiaFIRST Financials model, we will refer to sponsored initiatives as Grants and other initiatives as Projects. Projects are not required to have separate budgets lines, although the system does support the functionality. Grants do

require a project-based budget, since fund 20000 is not controlled by the Appropriation or Organization Budgets.

Note: The funds for project expenditures typically come out of normal Appropriation and Organization Budgets.

The Project Master Expense and the Project Grant Budgets have a parent/child relationship with one another. PeopleSoft 8.9 allows both ledgers to be populated when a budget journal is entered to the Project Grant budget. When a Project/Grant Budget is entered into Commitment Control with the **Generate Parent** flag enabled, the PROJ_GRANT and PRMST_EXP budgets are populated simultaneously.

Note: The Project Master Expense and Revenue ledger groups replace the v7.5 functionality that the PROJECT_HEADER table used to fulfil.

Project/Grant Example

For example, a 2-year Grant to study automobile safety may have an Overall Project/Grant Budget of \$30,000. The grant manager must create valid budget lines for each fiscal year in the total project life. Let's assume the sponsor gives us money to cover only salaries for part-time faculty and office supplies. We'll create Project/Grant Budgets for the first year of the Grant.

| A. Budgets Before Transaction | | | | | | | | | | | |
|-------------------------------|------------|-------|---------|---------|-------|------------|---------------|---------|---------|-------------|--------|
| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Project | Description | Amount |
| PROJ_GRT | PROJ_GR_BD | 20000 | 1306000 | 12100 | 61000 | 2008 | 2008 | 512000 | 1002 | | 10,000 |
| PROJ_GRT | PROJ_GR_BD | 20000 | 1306000 | 12100 | 61000 | 2008 | 2008 | 714000 | 1002 | | 5,000 |
| PROJ_GRT | PROJ_GR_BD | 20000 | 1306000 | 12100 | 61000 | 2009 | 2009 | 512000 | 1002 | | 10,000 |
| PROJ_GRT | PROJ_GR_BD | 20000 | 1306000 | 12100 | 61000 | 2009 | 2009 | 714000 | 1002 | | 5,000 |
| PRMST_EX | PRMST_EBD | | | | | | | | 1002 | | 30,000 |

| B. Transaction 1: A journal entry for \$1,000 in Salaries and \$600 in Office supplies | | | | | | | | | | | |
|--|--------|-------|---------|---------|-------|------------|---------------|---------|---------|-----------------|--------|
| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Project | Description | Amount |
| ACTUALS | | 20000 | 1306000 | 12100 | 61000 | 2008 | 2008 | 512100 | 1002 | Salaries | 1,000 |
| ACTUALS | | 20000 | 1306000 | 12100 | 61000 | 2008 | 2008 | 714100 | 1002 | Office Supplies | 600 |

| C. Budgets After Transaction 1 | | | | | | | | | | | |
|--------------------------------|------------|-------|---------|---------|-------|------------|---------------|---------|---------|-------------|--------|
| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Project | Description | Amount |
| PROJ_GRT | PROJ_GR_BD | 20000 | 1306000 | 12100 | 61000 | 2008 | 2008 | 512000 | 1002 | | 10,000 |
| PROJ_GRT | PROJ_GR_BD | 20000 | 1306000 | 12100 | 61000 | 2008 | 2008 | 714000 | 1002 | | 5,000 |
| PROJ_GRT | PROJ_GR_BD | 20000 | 1306000 | 12100 | 61000 | 2009 | 2009 | 512000 | 1002 | | 10,000 |
| PROJ_GRT | PROJ_GR_BD | 20000 | 1306000 | 12100 | 61000 | 2009 | 2009 | 714000 | 1002 | | 5,000 |
| PROJ_GRT | PROJ_GR_EX | 20000 | 1306000 | 12100 | 61000 | 2008 | 2008 | 512000 | 1002 | | 1,000 |
| PROJ_GRT | PROJ_GR_EX | 20000 | 1306000 | 12100 | 61000 | 2008 | 2008 | 714000 | 1002 | | 600 |
| PRMST_EX | PRMST_EX | | | | | | | | 1002 | | 1,600 |

Note: Project/Grant Budgets use the same Account Tree as the other Commitment Control types, with one level of account summarized above the transactions. Also, notice that the **budget keys** are all Chartfields. Any Project/Grant Budget that you enter must fill each of them.

In this example, the transaction (B) reduced our available spending authority on the project by a total of \$1,600: \$1,000 for Part-Time Faculty Salaries and \$600 for Office Supplies. Therefore, our new available spending authority is \$9,000 for accounts that begin with 512XXX and \$4,500 for accounts that begin with 714XXX.

Additionally, the project/grant spanned two budget years with an overall budget of \$30,000. Since we booked \$1,600 in expenses, the available spending authority on the grant is \$28,400.

VII. Detail Ledger Group

When PeopleSoft was upgraded to V8.9, the pre-encumbrance and encumbrance amount fields were dropped from the LEDGER table. The GeorgiaFIRST model was modified to retain this critical information in a new ledger group: DETAIL. Unlike the other ledger groups discussed, the Detail ledger group contains all Chartfield values at the level they were entered.

The Detail ledger group is used for reporting and reconciliation purposes only. No budget is required for the Detail ledger group, and Commitment Control should never create budget exceptions as well.

Transaction Example

For example, a \$1,876 voucher for office supplies is being sourced from a purchase order. The \$2,000 voucher finalizes all the requirements of the purchase order.

| A. Detail ledger balances before the transaction | | | | | | | | | | | |
|--|-----------|-------|---------|---------|-------|------------|---------------|---------|---------|-------------|--------|
| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Project | Description | Amount |
| DETAIL | DETAIL_EN | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 714100 | 1002 | | 2,000 |
| B. Transaction 1: A voucher is sourced from the purchase order. The PO is finalized by the voucher | | | | | | | | | | | |
| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Project | Description | Amount |
| ACTUALS | | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 714100 | 1002 | Salaries | 1,876 |
| C. Detail ledger balances after the transaction | | | | | | | | | | | |
| Ledger Group | Ledger | Fund | Deptid | Program | Class | Budget Ref | Budget Period | Account | Project | Description | Amount |
| DETAIL | DETAIL_EN | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 714100 | 1002 | | - |
| DETAIL | DETAIL_EX | 10000 | 1306000 | 11100 | 11000 | 2008 | 2008 | 714100 | 1002 | | 1,876 |

VIII. Additional Budget Control

Budget Attributes

You can use the optional Budget Attributes component to refine budget processing options for a specific business Chartfield combination. Attributes that you assign through this component override all attributes specified at a higher level. Conversely, any budget whose attributes you do not configure through the **Commitment Control Budget Attributes** page inherits its attributes from a higher level.

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Commitment Control Budget Attributes

Business Unit: 40000 Ledger Group: APPROP

ChartField Criteria

| ChartField | ChartField Value | To Value |
|------------|------------------|----------|
| Account | 700000 | 700000 |
| Dept | 1010100 | 1010100 |
| Fund | 10000 | 10000 |
| Class | % | % |
| Program | % | % |
| Bud Ref | 2008 | 2008 |

Fetch Clear No records found

Budget ChartFields Customize | Find | First 1 of 1 Last

| Account | Fund | Dept | Program | Class | Bud Ref | Set Options |
|---------|-------|---------|---------|-------|---------|-------------|
| 700000 | 10000 | 1010100 | 11100 | 11000 | 2008 | Set Options |

Save Return to Search Notify Refresh Add Correct History

Set Options

Budget ChartFields Customize | Find | View All | First 1 of 1 Last

| Business Unit | Ledger Group | Account | Fund | Dept | Program | Class | Bud Ref |
|---------------|--------------|---------|-------|---------|---------|-------|---------|
| 40000 | APPROP | 700000 | 10000 | 1010100 | 11100 | 11000 | 2008 |

Budget Status Customize | Find | View All | First 1 of 1 Last

| Budget Period | Status | Budget Closed |
|---------------|---------|---------------|
| | Default | N |

Budget Control Options Customize | Find | View All | First 1 of 1 Last

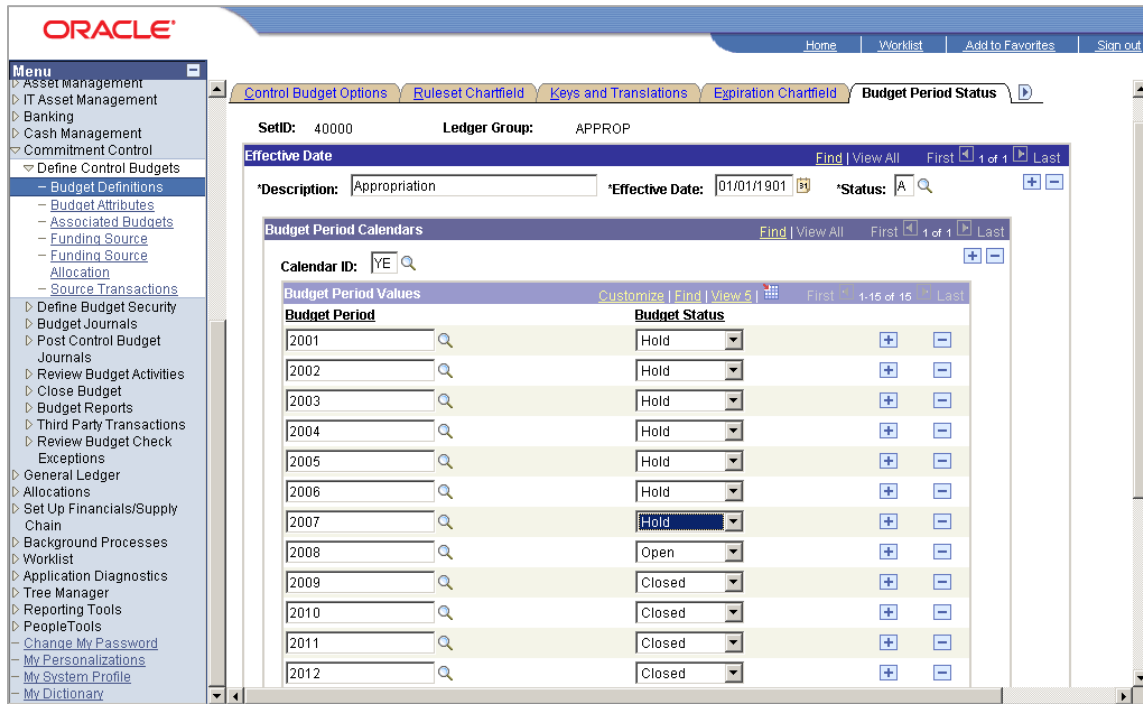
| Eff Date | Status | Control Option | Dflt Tol. | Tolerance % | Begin Date | End Date | Description |
|------------|--------|----------------|-------------------------------------|-------------|------------|----------|----------------------------|
| 06/23/2008 | A | Track | <input checked="" type="checkbox"/> | | | | Changed Approp CF to Track |

Budget attributes can be used to perform the following functions:

- Prevent spending;
- Prevent reductions in spending authority; and,
- Allow overspending for a Chartfield combination.

Budget Period Hold

At the end of each fiscal year, the Budget Manager is required to place the budget period on **Hold**. Budget Period Hold functionality allows users to spend against a prior period without reducing the available spending authority. For instance, encumbrance dollars can be converted to expenditure, but the total available balance cannot change.



Track versus Control

Setting a Ledger or ChartField combination to **Track** will not prevent a transaction from being processed. A tracking ledger is primarily used for reporting and inquiry purposes.

If a Ledger or ChartField combination is set to **Control**, a Budget is required. If a ChartField combination does not have enough spending authority, it will fail budget checking. The only mechanism for allowing the transaction to post is to override the transaction.

The table below describes the GeorgiaFIRST Ledger configuration, and whether the Ledger Budgets should be set to **Track** or **Control**.

| Budget Type | Track versus Control |
|------------------------|--|
| Appropriation | Control |
| Organization | Track |
| Revenue Estimate | Track |
| Project/Grant | Track and/or Control, based on Chartfield definition |
| Project Master Expense | Track and/or Control, based on Chartfield definition |
| Project Master Revenue | Track |
| Detail | Track |

Budget Date

Every financials transaction outside of Commitment Control requires a Budget Date. The Budget Date is used to derive the Budget Period and the Budget Reference fields. The Budget Date typically defaults to the Accounting Date for a transaction. If a user wishes to change the Budget Date, Budget Date security has to be granted in Commitment Control, as noted in the next section.

In the example below, a journal entry is being written to move a Miscellaneous Expense between two budget years. Notice how the Budget Date is populated; thus, deriving a different Budget Reference and Budget Period.

The screenshot shows the PeopleSoft Financials interface for a journal entry. The 'Header' tab is active, displaying the following information:

- Unit: 40000, Journal ID: NEXT, Date: 06/23/2008
- Process: Edit Journal (dropdown), Process (button)
- Buttons: Template List, Change Values, Inter/IntraUnit

The 'Lines' tab shows two lines:

| Select | Line | SpeedType | Account | Fund | Dept | Program | Class | Project | Bud Ref | Budget Date | Amount |
|--------------------------|------|-----------|---------|-------|---------|---------|-------|---------|---------|-------------|----------|
| <input type="checkbox"/> | 1 | | 714100 | 10000 | 1010100 | 11100 | 11000 | | 2008 | 06/23/2008 | 812.110 |
| <input type="checkbox"/> | 2 | | 714100 | 10000 | 1010100 | 11100 | 11000 | | 2007 | 06/23/2007 | -812.110 |

Below the lines table, there are buttons for 'Lines to add' (1, +, -, and a grid icon). The 'Totals' tab shows a summary:

| Unit | Total Lines | Total Debits | Total Credits | Journal Status | Budget Status |
|-------|-------------|--------------|---------------|----------------|---------------|
| 40000 | 2 | 812.110 | 812.110 | I | N |

At the bottom, there are buttons for Save, Notify, and Refresh, and a breadcrumb trail: Header | Lines | Totals | Errors | Approval.

Note: The Budget Date field extends beyond the Budget Period and the Budget Reference into the Project/Grants world. If the Budget Date falls outside of the Start and End Dates of a Project/Grant, the transaction will fail Commitment Control.

Commitment Control Security

In order to have the permission to change the Budget Date on a transaction or override a budget exception, Commitment Control security has to be granted. In previous releases of PeopleSoft, this security element was handled through User Preferences. In version 8.9 however, a new Commitment Control security center (**Commitment Control, Define Budget Security**) has been established.

Users can be granted security to override Budget exceptions or change the Budget Date by module, as shown in the following example:

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Assign Commitment Control Security Rule to User ID

User ID: SUPPORT

| Security Rule | Description | Attribute | Regular | Dynamic |
|---------------|---|------------|---------|---------|
| BUDG_DT_AP | Upgrade rule for Budget Date security | Super User | Regular | |
| BUDG_DT_GL | Upgrade rule for Budget Date security | Super User | Regular | |
| BUDG_DT_PO | Upgrade rule for Budget Date security | Super User | Regular | |
| OVRD_AP | Upgrade rule for Budget Override Security | Super User | Regular | |
| OVRD_GL | Upgrade rule for Budget Override Security | Super User | Regular | |
| OVRD_PO | Upgrade rule for Budget Override Security | Super User | Regular | |

Save Return to Search Notify Add Update/Display

Note: In order for security changes to take place, a batch process (**Commitment Control, Define Budget Security, Request Build**) has to be executed to synchronize security across all the submodules.