

## **GeorgiaFIRST Budget Structure**

In this chapter, we will concentrate on an overview of the GeorgiaFIRST Financials budget structure.

### **Chapter Objectives**

This chapter explains the GeorgiaFIRST Financials budget structure.

### **Chapter Contents**

#### **Lesson 1: Understanding the GeorgiaFIRST Budget Structure**

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- Topic 1: Account Trees
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- Topic 5: Project/Grant and Project Master Expense Ledger Groups
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#### **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 chapter.

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.

#### **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.

## 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.

### **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	-
<b>Total Departmental Budget</b>										<b>1,000,000</b>

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	511000	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_EX	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_EX	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.

## 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.

## 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.

## 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

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

Fetch    Clear    No records found

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

Budget Status		
Budget Period	Status	Budget Closed
<input type="text"/>	Default	N

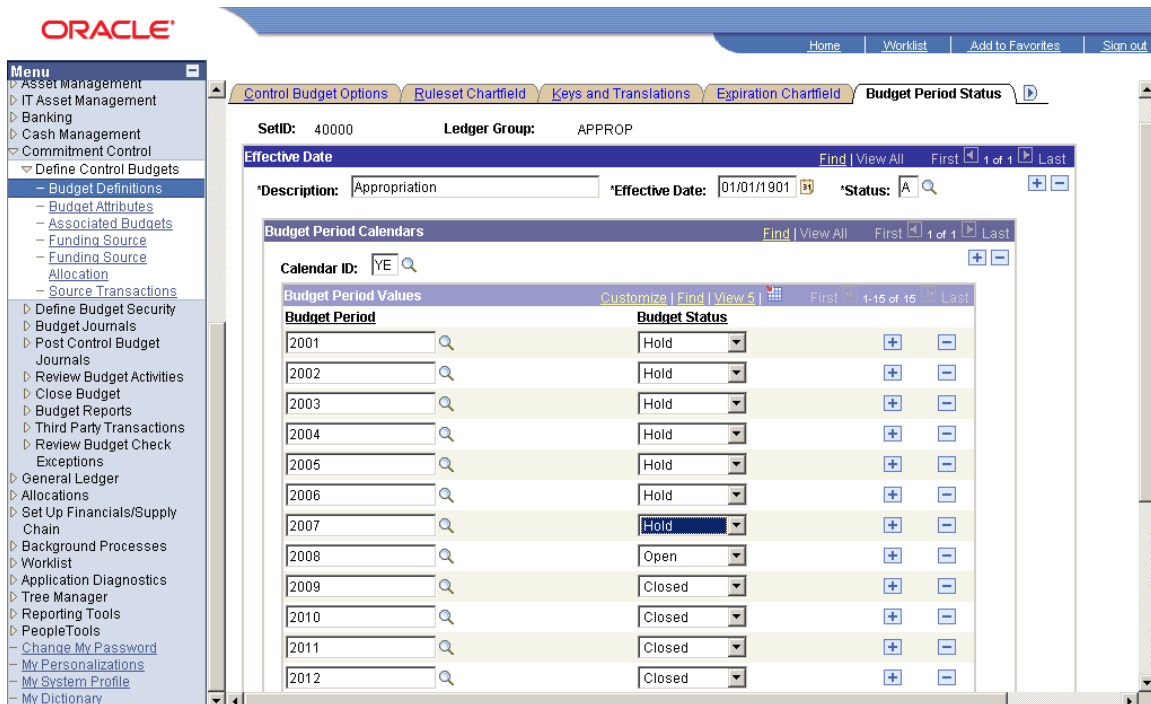
Budget Control Options							
Eff Date	Status	Control Option	Dflt Tol.	Tolerance %	Begin Date	End Date	Description
06/23/2008	A	Track	<input checked="" type="checkbox"/>				Changed Approp CF to Track

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.



The screenshot shows the Oracle PSFIN interface for 'Budget Period Status'. The left sidebar contains a menu with 'Define Control Budgets' expanded to 'Budget Period Calendars'. The main window displays the following information:

- SetID:** 40000, **Ledger Group:** APPROP
- Effective Date:** 01/01/1901, **Status:** A
- Description:** Appropriation

The 'Budget Period Calendars' section shows a table of budget periods with their status:

Budget Period	Budget Status
2001	Hold
2002	Hold
2003	Hold
2004	Hold
2005	Hold
2006	Hold
2007	Hold
2008	Open
2009	Closed
2010	Closed
2011	Closed
2012	Closed

### 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
<b>Appropriation</b>	<b>Control</b>
<b>Organization</b>	<b>Track</b>
<b>Revenue Estimate</b>	<b>Track</b>
<b>Project/Grant</b>	<b>Track and/or Control, based on Chartfield definition</b>
<b>Project Master Expense</b>	<b>Track and/or Control, based on Chartfield definition</b>
<b>Project Master Revenue</b>	<b>Track</b>
<b>Detail</b>	<b>Track</b>

## 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 GeorgiaFIRST financials interface. At the top, there are tabs for **Header**, **Lines**, **Totals**, **Errors**, and **Approval**. Below the tabs, the following information is displayed:

- Unit:** 40000 **Journal ID:** NEXT **Date:** 06/23/2008 **\*Process:** Edit Journal **Process**
- Template List** **Change Values** **Inter/IntraUnit**

The **Lines** section shows a table with the following columns: **Select**, **Line**, **SpeedType**, **Account**, **Fund**, **Dept**, **Program**, **Class**, **Project**, **Bud Ref**, **Budget Date**, and **Amount**.

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 is a **Lines to add:** field with a value of 1 and buttons for adding, subtracting, and deleting lines.

The **Totals** section shows a summary table with the following columns: **Unit**, **Total Lines**, **Total Debits**, **Total Credits**, **Journal Status**, and **Budget Status**.

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

At the bottom of the interface, there are buttons for **Save**, **Notify**, and **Refresh**. Navigation links for **Header**, **Lines**, **Totals**, **Errors**, and **Approval** are also present.

**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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**Menu**

- Commitment Control
  - Define Control Budgets
    - Define Budget Security
      - Events
      - Field Setup
      - Rule Definitions
      - Assign Rule to User ID
      - Assign Rule to Permission List
      - Assign Rule to Dynamic Group
      - Request Build
      - Security Report
      - Notification Preference
      - Create Alert Notifications
    - Budget Journals
    - Post Control Budget Journals
    - Review Budget Activities
    - Close Budget
    - Budget Reports
    - Third Party Transactions
    - Review Budget Check Exceptions
    - General Ledger
    - Allocations
    - Set Up Financials/Supply Chain
    - Background Processes
    - Worklist

**Assign Commitment Control Security Rule to User ID**

User ID: SUPPORT

Security Rules for User Customize | Find | View All |  First 1-6 of 6 Last

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.