



# Calculating Fund Balance for Transfer

# Objectives

- Identify general ledger and subsidiary ledger accounts
- Define fund balance in relation to GL/SL accounts
- Identify when to do fund balance transfers
- Identify accounts that qualify for fund balance transfers
- Navigate the available fund balance formula
  - Screens(18, 19, 34)
  - Pitfalls (Sc 702, deficits, and over-realized income)

# Account Ledgers - GL

- General Ledger (GL)
  - Records what an account is worth at a given point in time (balance statement)
  - GL accounts have a fund balance = equity of the overall account.
  - 6 Digits beginning with Zero (0); 2<sup>nd</sup> digit = fund group
  - Has either 1 or many subsidiary ledger accounts tied (mapped) to it. (Screen 39)

# Account Ledgers SL

- Subsidiary Ledger (SL)
  - Records Revenue and Expense transactions (income statement)
  - 6 digits beginning with non-zero number
  - 1<sup>st</sup> digit is fund group
  - Is tied (mapped) to a GL account (Screen 6 Map Code with zero in front)
  - All activity in an SL account affects the GL account mapped to it.

# GL, SL, and Fund Balance

- True Fund Balance in the GL includes the beginning fund balance, plus transfers in/out, plus actual revenue, less actual expenses.
- “Fund Balance Transfers” are the portion of uncommitted fund balance reserves in the GL needed to cover activity within the SL mapped to the GL.

# Reason to transfer from the Fund Balance



- Budget not set up during Budget process
  - Usually at the beginning of the fiscal year
- Additional budget authority needed to cover current year expenses
  - Expenses in excess of collected revenue (deficit in the SL)

# Account Ranges that Transfer from Fund Balance 2XXXXX-3XXXXX



Designated and Auxiliary accounts which borrow budget from TAMU with 1:1 GL to SL mapping.

# Calculation of Available Fund Balance



GL	YTD Ending Fund Balance	(Sc 18, acct ctrl 3xxx)
<i>Less:</i>	YTD Ending Encumbrances	(Sc 18, acct ctrl 9620)
<i>Plus:</i>	Unrealized Income	(Sc 19, 0001 pool)
<i>Less:</i>	Overrealized Income	(Sc 19, 0001 pool)
<i>Less:</i>	<u>SL Account Available Balance</u>	<u>(Sc 34, 1000-8000 pools)</u>

Fund Balance in the GL available to transfer to the SL



# EXAMPLE

The following Slides present an example of the data used and the calculations

# Example 1: Accts 021041 / 210410

## Sc 18: Start with YTD Ending Fund Balance (Acct Ctrl 3200)

\$ 1,050,395.43	YTD Ending Fund Balance
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018 GL 6 Digit List                                02/23/15 10:04
                                                    FY 2015 CC 02
Screen: █ Account: 021041 Fiscal Year: 2015
          Thru Month: 2_ February
          Department: FISC Resp Person: GUILLORY, JANET S  Flags: D F
                                                    N N
Account Control   Description   YTD Begin Balance   Current Month February   YTD Thru February
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1100 Claim on Cash           1263273.00          4200.43-           1641384.54
1300 Accounts Receivable                392.60-             30.00
2100 Accounts Payable                702.26-            964.60-            1019.11-
2765 Rsrv - Capital/NonCap P       370000.00-          370000.00-
2787 Rsrv-Faculty/Staff Init       220000.00-          220000.00-
3200 Fund Bal-Designated           672570.82-          5557.63            1050395.43-
4920 Non-Mand Trn From Desig                1095878.00-
5920 Non-Mand Trn To Designa                418187.00
9110 Un-Restricted Revenue B                33000.00-
9120 Un-Restricted Expense B                712409.05

* Account Sub-total                0.00                0.00            677691.00-
Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10--PF11--PF12---
Hmenu Help  EHelp                DLoad Print
  
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# Less YTD Ending Encumbrances(Acct Ctrl 9620).



018 GL 6 Digit List

02/23/15 10:14

FMO

FY 2015 CC 02

Screen: \_\_\_ Account: 021041 \_\_\_ Fiscal Year: 2015

Thru Month: 2\_ February

Department: FISC Resp Person: GUILLORY, JANET S

Flags: D F

N N

\$ 1,050,395.43	YTD Ending Fund Balance
\$ 271,890.29	YTD Ending Encumbrance

Account Control	Description	YTD Begin Balance	Current Month February	YTD Thru February
9130	Un-Restricted Surplus/D			679409.05
9270	Unrestricted Budget Res			590000.00
9320	Revenue Sum Ledger 2		4234.43-	18684.22-
9520	Expense Sum Ledger 2		9792.06	318550.61
9620	Encumb Sum Ledger 2	1718.05	6187.78-	271890.29

\* Account Total 0.00 5557.63 377824.61-

Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10--PF11--PF12---

Hmenu Help EHelp

DLoad Print

# Sc 19 for SL: Add Unrealized Income or Subtract Overrealized Income



019 SL 6 Digit List with Category Totals 02/23/15 10:21  
FY 2015 CC 02

FMO

Screen:  Account: 210410 Fiscal Year: 2015  
 Thru Month: 2 February FY/PY/IN to Date: FY Zero Balance: N  
 Resp Person: GUILLORY, JANET S Bottom Line Exclusion:  
 Department: FISC Flags: D F B C Z G ABR Net Dir BBA:  
 Map Code: 21041 N N Y R N 001 Unprotected Available:  
 Obj C P Budget CM Actual Actual Encumbrances Available

Obj	C	P	Budget	CM	Actual	Actual	Encumbrances	Available
0001			14315.78-					14315.78-
0513			475.00-		95.00-		475.00-	
0620			4744.75-				4744.75-	
0714			30.00-				30.00-	
0725			13434.47-		4139.43-		13434.47-	
***			33000.00-		4234.43-		18684.22-	14315.78-
1000			121968.15					121968.15
1105			201416.48				201416.48	
1510			125882.31			125882.31		
1515			17035.20		1497.60		17035.20	
1580			11500.00			11500.00		

Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10--PF11--PF12---  
 Hmenu Help EHelp DLoad Left Right

\$ 1,050,395.43	YTD Ending Fund Balance
\$ 271,890.29	YTD Ending Encumbrance
\$ 14,315.78	*Unrealized Income
\$ -	*Overrealized Income

- ❖ **Unrealized Income** – If revenue available is negative (-)
- ❖ **Overrealized Income** – If revenue available is positive (+); A separate DBR is required for overrealized income

# Sc 34 for SL: Subtract the sum of the available balance from expense pools 1000-8000



034 SL Summary By Budget Pool 02/23/15 10:24  
 FMO FY 2015 CC 02

Screen:  Account: 210410 Fiscal Year: 2015  
 Thru Month: 2\_ February FY/PY/IN to Date: FY Calc CM IDC: N

Resp Person: GUILLORY, JANET S Bottom Line Exclusion:  
 Department: FISC Flags: D F B C Z G ABR Net Dir BBA:  
 Map Code: 21041 N N Y R N 001 Unprotected Available:

Obj	C P	Budget	CM Actual	Actual	Encumbrances	Available
0001		33000.00-	4234.43-	18684.22-		14315.78-
****		33000.00-	4234.43-	18684.22-		14315.78-
1005						
1006						
1000		712409.05	9792.06	318550.61	271890.29	121968.15
9465	R P	200000.00				200000.00
9470	R P					
9473	R P	170000.00				170000.00
9476	R P	220000.00				220000.00
****		1302409.05	9792.06	318550.61	271890.29	711968.15
* Total		1269409.05	5557.63	299866.39	271890.29	697652.37

Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10--PF11--PF12---  
 Hmenu Help EHelp Left Right

\$ 1,050,395.43	YTD Ending Fund Balance
\$ 271,890.29	YTD Ending Encumbrance
\$ 14,315.78	Unrealized Income
\$ -	Overrealized Income
\$ 121,968.15	SL Account Available Balance

# Fund Balance Calculator



\$ 1,050,395.43	YTD Ending Fund Balance
\$ 271,890.29	YTD Ending Encumbrance
\$ 14,315.78	Unrealized Income
\$ -	Overrealized Income
\$ 121,968.15	SL Account Available Balance
<b>\$ 670,852.77</b>	<b>Available Fund Balance to Transfer</b>

# FAMIS Screen 702



702 GL 6 Digit Reserve Balance

02/23/15 10:27  
FY 2015 CC 02

Screen:    Account: 021041        FMO  
 Thru Month: 2 February  
 Department: FISC Resp Person: GUILLORY, JANET S Flags: D F  
 N N

Year to Date Balance  
 Thru February

	Year to Date Balance Thru February
Special Reserves	0.00
Fund Balance	1,050,395.43
Reserve for Encumbrances	271,890.29
Accrued Cash Balance	778,505.14
Fund Balance	1,050,395.43
Revenue Budget - Unrealized	14,315.78
Unobligated Remaining Budget	121,968.15
Reserve for Encumbrances	271,890.29
Estimated Uncommitted Fund Balance	670,852.77 *

\* If negative - corrective action may be necessary

Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10--PF11--PF12---  
 Hmenu Help EHelp

It is important to note here that the calculation and FAMIS screen 702 agree. This will not always be the case due to over-realized income and deficit balances in accounts. In that event you must use the calculated amount. **Do not rely on screen 702 for the available balance.**

# Fund Balance/DBR Tips

- Use FB as the justification code
- The summary should be the reason additional budget authority is needed
- The source account is the GL with no subcode/pool
- The destination account is the SL, which maps to the GL, with an expense pool.



# Summary

- Calculate the available fund balance to transfer, when additional budget authority to spend funds is needed, with this formula:

(Ending Fund Balance) – (Ending Reserve for Encumbrances) + (Unrealized Income) – (Overrealized Income) – (SL Account Available Balance) = Available Fund Balance to Transfer

# Resource Information

- Website Information:
  - <http://fmo.tamu.edu/general-accounting/dbr/>
- General Accounting:
  - Alan Stilley – 845-2044 or [astilley@tamu.edu](mailto:astilley@tamu.edu)
  - Linda Kettler – 845-0978 or [l-kettler@tamu.edu](mailto:l-kettler@tamu.edu)
- FAMIS Training/ Security
  - 979-458-5555 or [accesshelp@tamu.edu](mailto:accesshelp@tamu.edu)