

## Budget vs Actuals

**Budget** - an *estimate* of revenues and expenses for an account for a fiscal year.

**Actuals** - the actuals reflect how much revenue an account has actually generated or how much money an account has paid out in expenditures at a given point in time during a fiscal year.

During the annual budget process prior to next fiscal year, your department submits a budget in FAMIS for each account. The term “budget” does not mean that you actually have the money to spend. It means that people in your department who have planned the budget for your accounts have estimated that an account will collect “x” number of dollars and spend “x” number of dollars for the fiscal year. Thus, a **budget** is only an estimate of the revenues and expenses that you project will occur on your account for the fiscal year. It is not cash, but instead only an estimate of what they expect to happen based on previous year history. Departments may also receive an allocation of funds to spend based on revenue collected by the University.

### Other Useful Information

In FAMIS, when looking at either Screen 19 or Screen 34, use the budget and actual columns as a management tool to compare the estimated budget to what has actually occurred in the account to date. You might have to look at previous year information to see if the account is on track with what occurred last year at the same time. If major discrepancies exist, then you might need to look further to see why an account is not collecting the revenue that was expected.

Courtesy of Texas A&M University, Financial Management Operations, Updated March 2018