Local Fund Annual Budgeting Guidelines

Per North Dakota University System guidelines, ALL LOCAL funds are required to have budgets; agency funds (80000 to 85999) are the only exception. Please refer to the Web-Based Budgeting Departmental User Manual for specific instructions on how to utilize Web-Based Budgeting (WBB).

WBB will be open for departmental entry April 23rd through May 23rd, however, your particular timeline may be different based upon your Dean/Dept Head or respective division Vice President and/or Provost guidelines. Be certain to obtain any necessary reviews and approvals required for your division.

Budget for Each Fund: WBB screens are set up to only present budget information. Therefore, if you feel that current-year actual activity in the various funds would be a valid tool to assist in budgeting for the next year, you may want to have current-year trial balances or budget status reports available or accessible while entering your budgets.

1. Revenue:
   - Revenue budgets in specific revenue accounts are necessary so that transactions processed by Customer Account Services or the Accounting Office will post without budget errors.
   - Enter budget for revenue in the various specific accounts based upon where the actual revenue/deposits will be directed. For example, a given fund may have the majority of its revenue go to 462000 Charges for Services/Sales, but if that fund also anticipates sales to other campus departments, that revenue will post to 479000 Interdepartmental Revenue. Therefore, a budget should be set up in that account as well, even if only a small amount is estimated.
   - **Budget all revenues/revenue types that you reasonably expect to receive in the next fiscal year.** Note: Various revenue accounts are presented for budgeting in your local funds; after you have budgeted dollar amounts in the accounts as appropriate, leave the remaining revenue accounts as-is to be opened up with zero budgets.
   - If no revenue is anticipated in a given fund, leave the revenue budgets to open with zero budget and add comments, which should include how budgeted expenditures (if any) will be covered (for example, you might not anticipate revenue next year but plan to have cash left at the end of the current fiscal year to be spent in the next fiscal year). If closing a fund, see the guidance below. Keep in mind that even though a given fund may have enough carryover cash to cover budgeted expenses, revenues must also be budgeted if any are anticipated to be received.

2. Expenses:
   - A fund must have an expense budget set up so that various transactions (vouchers, journals, cost transfers, IDBs, etc.) will post without budget errors.
   - Enter budgets for overtime, other taxable compensation, fringe, operating, and capital equipment (691000 & 693000) as appropriate. The entire operating portion of the budget may be entered to account 535000, but you are welcome to budget in greater detail if you choose.
   - **Fringe benefit** percentages vary greatly based upon salary levels. When estimating your fringe expense, it may be helpful to reference the cost of a new position calculators found on the Human Resources and Payroll web page. Also, if you expect your salary levels in a given fund to remain relatively stable for the next fiscal year, looking at the current year-to-date fringe expense as a percentage of year-to-date payroll expense might be a good indicator of the fringe percentage that should be budgeted for the next year.
• All salary budgets except overtime will come from position budgets, so be sure to budget for all anticipated salary expenses, including time slip, as necessary. Overtime 514000 and taxable compensation 518000 are the only payroll accounts you will be able to add and edit during WBB entry.
• If budgeted expenses and transfers-out in a fund exceed the budgeted revenues and transfers-in, add comments explaining how the expenses will be covered (for example, carryover cash may be anticipated).
• If no expenses are anticipated in a given fund, leave the proposed budget to open as zero and add narrative in the comment areas. If closing a fund, see the guidance below.

3. Transfers In & Out:
• Budget all planned transfers in and out; keeping in mind that generally, every transfer-in should have a corresponding transfer-out in a different fund, and vice versa.
• If only one side of the transfer is in your department/division, please coordinate with personnel in the related department/division so that both sides of the transfer will be appropriately budgeted.
• In the comment section, add narrative describing the transfers, including the fund and department number the transfer is coming from or going to.
• Use account 722001 to budget all transfers-out.

4. Comments:
• Please add any additional comments that will clarify the submitted budget requests.

5. Verify Entry:
• Use the ‘HE Annual Budget Summary’ function to review and verify your data entry in WBB prior to the cutoff for local budget entry.

6. Notify:
• When you have completed entering and verifying your local fund entry, please submit and utilize the ‘Notify’ function within WBB to email the Budget Office so we may begin the review process. Your Dean/Dept Head or respective division Vice President and/or Provost may have separate directions as to when/who should submit and notify for your department.

Closing Existing Funds:
Throughout the year, funds can be closed and inactivated by submitting the Fund Number Request Form to Accounting. If there is a fund in WBB that should be inactivated, please select the Not Budgeted checkbox on the corresponding rows in WBB, and add comments to explain that the fund should be inactivated; the Budget Office will forward this information to Accounting. Either way, Accounting will work with you to reconcile any remaining cash and inactivate the fund.

New or Missing Funds and Incorrect Fund/Dept combinations:
If you find you will have a need for a new local fund in the next fiscal year, please submit the Fund Number Request Form to Accounting. Upon receiving the new fund number from Accounting, Budget personnel will set the new fund up in WBB to make it available for budgeting.

If you find that an existing fund is missing in WBB and you are unable to add it please email the Budget Office. If an incorrect fund/department combination is presented, please select the Not Budgeted checkbox and add comments.

Changes after the Local Budget Entry Cut-off:
Please contact the Budget Office if changes to local fund budgets need to be made after the local fund entry deadline; whether or not the change can still be made will be determined at that time.

Contact the Budget Office with questions at ndsu.budget@ndsu.edu