

## 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 exceptions. Please refer to the ***NDSU Anaplan User Guide*** on our [Resources and Job Aids](#) page for instructions on how to utilize the Anaplan budgeting software.

Non-Personnel Budget Input Pages are set up to present budget information, as well as previous year actuals and current year-to-date actuals. Users may also want to review or have available the following reports to assist while planning and entering budgets: Budget Overview, Trial Balance, Budget Status, and Biennial Summary.

### Prepare Balanced Budgets for Each Fund

#### 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 are reasonably expected to be received in the next fiscal year.** Note: Various revenue accounts are presented for budgeting in department funds; after having budgeted dollar amounts in the accounts as appropriate, change the remaining revenue accounts to be opened up with zero budgets.
- If no revenue is anticipated in a given fund, leave the revenue accounts to open with zero budget amounts.
- *If utilizing **carryover cash** to help cover budgeted expenses, **budget that amount in account 400000.*** Only budget the amount of carryover cash that is planned to be utilized to cover expenses.

#### 2. Expenses:

- A fund must have an expense budget set up so that transactions (vouchers, journals, cost transfers, IDBs, etc.) will post without budget errors.
- Enter budgets for fringe, operating, and capital equipment (691000 & 693000) as appropriate. The entire operating portion of the budget may be entered to account 535000, but users are welcome to budget in greater detail if that is preferred.
  - **Fringe benefit** percentages vary greatly based upon salary levels. When estimating fringe expense to budget in account 516000, it may be helpful to reference the [Payroll Benefits Cost Estimator](#) found on the Payroll Services / Manager Resources web page, and the [Research and Creative Activity budget development fringe benefits guidance](#) found on the Research and Creative Activity Knowledge Base web page. Also, if it is expected that salary levels in a given fund will 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. The Anaplan Position Planning – Budget Input page provides an estimated benefits amount for filled, benefitted positions. This estimate does not take into account fringe on non-benefitted payroll, years of service, Social

Security taxable earnings maximum, or other individual circumstances, so should only be used as a general starting point to estimate the fringe to budget for a given fund.

- **All salary budgets will come from position budgets**, so be sure to budget for all anticipated salary expenses, including time slip, grad, PTA, and overtime in the Anaplan Position Planning – Budget Input page.
- If budgeted expenses and transfers-out in a fund exceed the budgeted revenues and transfers-in:
  - Review and verify all revenue, transfer-in, expense, and transfer-out budgets; adjust as appropriate.
  - If cash in the fund is identified and will be available to cover the deficit, budget that amount in account **400000** to balance the fund; only budget the amount of carryover cash that is planned to be utilized.
- If no expenses are anticipated in a given fund, change 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 a given 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 transfers-out, and account 490000 to budget transfers-in.**
  - Please include comments referencing the fund and department about where transfers are coming from or going to.

### 4. Comments:

- Please add any additional comments that will clarify the submitted budget requests.

### 5. Verify Entry:

- Use the **Anaplan** Non-Personnel Budget pages NP01, NP02, and NP04 to review and verify data entry prior to the cutoff for budget entry. In addition to the data and summaries that Anaplan presents, data can be exported for other presentations/reviews.

### 6. Notify:

- When budget entry is completed and reviewed for a given department, please email the Budget Office at [ndsu.budget@ndsu.edu](mailto:ndsu.budget@ndsu.edu) so we may begin the review process. A department's Dean/Dept Head or respective division Vice President and/or Provost may have separate directions as to when/who should notify on behalf of a given department.

### Recharge Funds 22000 - 22999

If an area has recharge funds, note that those carry extra responsibilities as they are subject to numerous regulations such as proper rate setting and surplus balance restrictions. Recharge funds are monitored by the Grant and Contract Accounting Office; as work is done on recharge budgets, please reach out to them with questions about setting rates, allowable costs, etc.

### Challenge Grant Funds 79101 – 79110

The Grant and Contract Accounting Offices manages the FIN budgets for these funds; any payroll budgets for these funds should be set up during salary planning on the Position Planning – Budget Input page.

### 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 the Non-Personnel Budget Input Page that should be inactivated, please

select the **Not Budgeted** checkbox on the corresponding rows in Anaplan, and add comments to explain that the fund should be inactivated. During salary planning, confirm that no positions are set up to direct payroll to any funds for which inactivation will be requested.

#### **New or Missing Funds and Incorrect Fund/Dept combinations**

If a department 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 to make it available for budgeting.

If a user finds that an existing fund is missing in Anaplan, please email the Budget Office. If an incorrect fund/department combination is presented, please select the **Not Budgeted** checkbox and add comments.

#### **Changes after Budget Entry Cut-off**

Please contact the Budget Office if changes to fund budgets need to be made after the budget entry deadline; whether or not the change can still be made will be determined at that time.

Contact the Budget Office with questions at [ndsuhudget@ndsuh.edu](mailto:ndsuhudget@ndsuh.edu)