

# College of Agriculture and Life Sciences (CALS) Business Operations

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## Budget Management for Appropriated Funds Standard Operating Procedures

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<b>CBO-Budget-205</b>	<b>Budget Management for Appropriated Funds</b>
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## 1. PURPOSE

- 1.1. This SOP describes the process by which the college manages its appropriated non-ledger 5 projects, including state appropriations and federal capacity grants.
  1. The University has policies that allows a CALS department/unit to confirm that the financial systems are accurately reflecting the activity within the federal and state fiscal year periods and that charges on the departmental and college level are allowable and allocated appropriately.

## 2. CBO GUIDELINES

- 2.1. The budget management process is executed based upon federal and state fiscal year periods.
- 2.2. State appropriations are allocated on a quarterly basis.

## 3. ASSOCIATED SYSTEMS/FORMS

### 3.1. Systems

1. Wolfpack Reporting System (WRS)
2. PeopleSoft
3. Queries
4. Excel
5. ServiceNow

### 3.2. Forms

1. [Journal Vouchers Request](#): Used to move expenditures to/from projects that have been identified as having posted to an incorrect project/phase.
2. [SDC Form](#): Used to document and update a current, future, or historical salary distribution.
3. [Budget Letter](#): Used to communicate to departments their anticipated budget allocations for review and agreement.

## 4. ROLES AND RESPONSIBILITIES

Relevant Parties	Roles and Responsibilities
<i>Department</i>	
Department Head/Center Director	Responsible for regularly monitoring all projects within their OUC to ensure all activity is appropriate, allowable, and allocable.
Business Points of Contact (POCs)	Responsible for monitoring faculty expenditures to ensure all spending falls within their individual allocations. Responsible for requesting budget corrections to the CALS Business Operations (CBO) Budget Office. Responsible for advising the Department Head of any necessary concerns or updates within the budget. Responsible for advising the Principal Investigator on spending within their allocations.
Principal Investigator (PI)	Faculty, whether with startup funding or department allocations, are responsible for reviewing their budget to ensure that all spending remains within their allocations. Faculty involved in auxiliaries (Upper Ledger 3 accounts) are responsible for appropriately allocating salaries, billing for services, and reviewing expenditures to ensure they remain fully self-reporting.
<i>CALS CBO</i>	
Director of Budgets and Planning	Responsible for ensuring that CALS is adhering to all federal and state spending guidelines. Responsible for assisting the University Budget Office with budget management.
Budget Consultant	Responsible for ensuring that budgets are allocated appropriately and timely from the proper funding source. Responsible for monitoring expenditures throughout the year to ensure they are in compliance. Responsible for communicating with the Department Head and Business POCs to provide monthly reporting ensuring all funding is spent appropriately.
Budget Specialist	Responsible for reviewing departmental budgets and processing financial transactions. Responsible for assisting the Department Head and Business POCs with review of their budget to maximize the utility of all funds.

<i>College</i>	
Academic Director	Responsible for ensuring all academic funds are allocated appropriately and spending falls within permitted guidelines.
NCARS Director	Responsible for ensuring all research funds are allocated appropriately. Responsible for providing signed documentation pertaining to federally appropriated funds to the federal government.
Extension Director	Responsible for ensuring all extension funds are allocated appropriately. Responsible for providing signed documentation pertaining to federally appropriated funds to the federal government.
<i>University</i>	
Provost	Responsible for allocating funds to specific CALS programs. Responsible for reviewing strategic hire packages and providing funding.
University Budget Office	Responsible for ensuring that all CALS spending falls in compliance with federal and state requirements. Responsible for ensuring that all spending within CALS is allowable, allocable, and appropriate.
<i>External</i>	
NIFA	Responsible for providing federal appropriations and oversight to ensure all expenditures are in compliance with applicable regulations.
Ag, Dairy, Tobacco, and University Foundations	Responsible for allocating foundation funds to CALS projects in compliance with established agreements. Responsible for ensuring that all expenditures remain within the allocation and that expenditures are appropriate.

## 5. PROCEDURE

### 5.1. Budget Management

1. Within the first two weeks of the state fiscal year, the Budget Consultant/ Budget Specialist will prepare a preliminary budget letter and provide it to the Department Heads.
2. Once the Department Head has received the budget letter, the Business POCs will review the budget letter to ensure all agreements stated are accurate and that all known commitments are provided.
3. The CBO Budget Office will then create a Journal Voucher (JV) to allocate the budget to the departments. The Business POCs will then review for accuracy.
  - a) If the budget is incorrect, the Business POCs will contact their Budget Consultant and request a correction.
4. The CBO Budget Office will then create a JV to allocate the budget to the departments.
5. Once the budget has been allocated to the departments and the ledger of the previous month is closed, the Business POCs and the Budget Consultant will begin regular monthly budget reporting to ensure all expenditures are appropriate and allowable.

- a) When the CBO Budget Office runs the monthly reports, they will contact the Department Head and Business POCs to review their monthly spending.
6. After the monthly reports have been reviewed, the Department Head/Business POCs will submit a JV to move any unallowable expenditure or incorrectly allocated to the appropriate funding source.
  - a) See Financial Oversight Standard Operating Procedure for more details.
7. At State Year End, the CBO Budget Office will manage the overall college budget to ensure that all inappropriate expenditures have been allocated to an appropriate funding source and that the college is maximizing all allocable funds.
  - a) The Director of Budgets and Planning will communicate with the University Budget Office to ensure that the CALS' budget complies with regulations.

## 6. REFERENCES

1. Abbreviations and Definitions- <https://cals.ncsu.edu/intranet/cals-business-operations/abbreviations-and-definitions/>
2. Financial Coding Structure- [https://drive.google.com/open?id=1xTn6yUqBsUImZqFd\\_W-IfExaVdUsPGez](https://drive.google.com/open?id=1xTn6yUqBsUImZqFd_W-IfExaVdUsPGez)
3. Spending Guidelines- <https://controller.ofa.ncsu.edu/files/2018/05/Spending-Guidelines.pdf>

## 7. REVISION LOG

Date	Version	Nature Of Change	Author
09/04/2018	Draft 1.0	Initial Document	