



BUDGET WORKSHOP

HOW TO PREPARE AN OPERATING BUDGET



UNIVERSITY OF
MARYLAND

Presenter

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Agenda

- **Introduction**
- **Purpose**
- **Annual/UMD Budget Cycle**
 - Overview
- **UMD Budget Overview**
 - What is a budget?
 - Why it's Important/purpose?
 - UMD Revenue/Expenses
 - UMD's Budget Model
- **Budget Management Tools**
 - Financial Systems
- **Budget Process**
 - How to Prepare an Operating Budget
 - Identify Revenue, Expenses & Non- Mandatory Transfers
 - KFS/BPM Reports
- **Resources**
 - Reference Guide
 - Glossary of Terms
 - Useful Links

Purpose

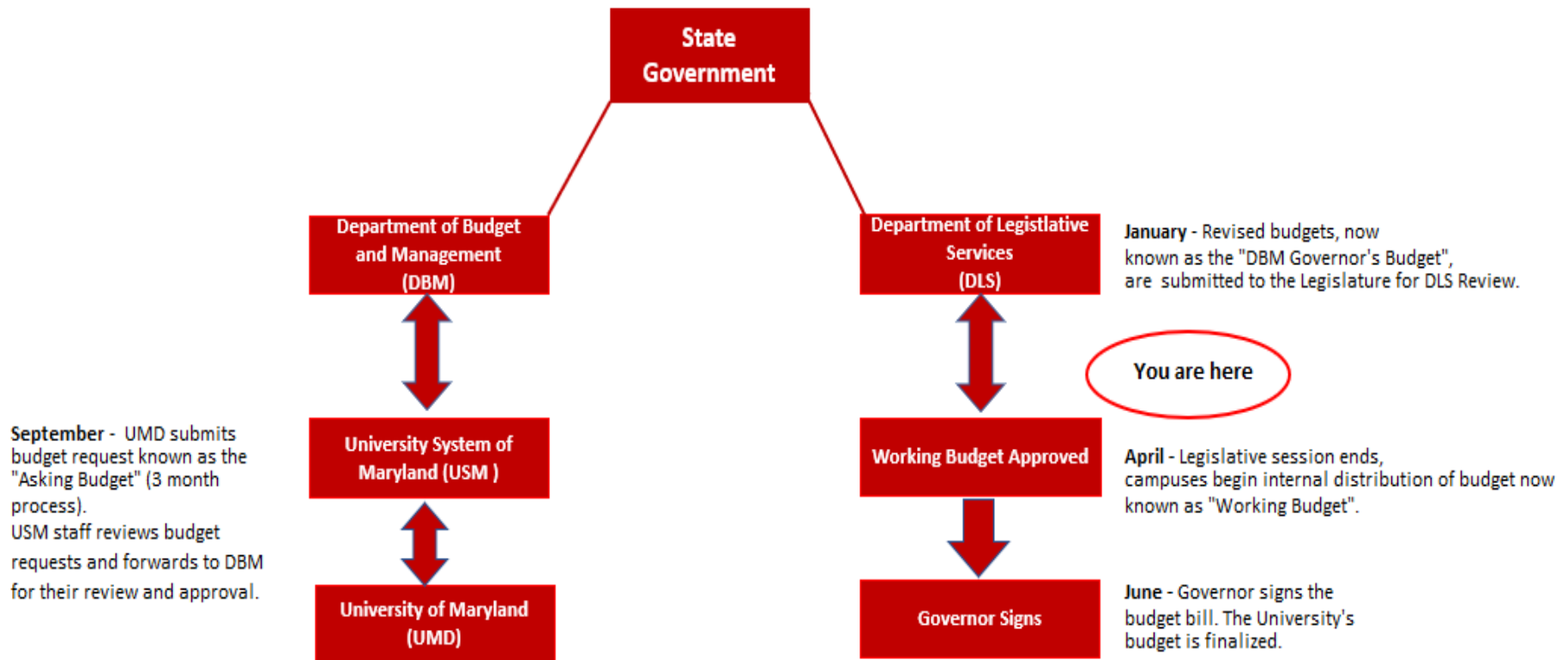
- The purpose of this training is to provide campus units with a high-level overview of the State of Maryland annual budget cycle, along with UMD budget cycle.
- In addition, we will cover the information needed to prepare a basic operating budget that will assist in preparing the annual working budget.



Annual Budget Cycle: Overview

- As a State Agency, certain budget priorities for UMD are set by State of Maryland and Board of Regents. For example Tuition and Salary Increases.
- The University of Maryland coordinates with USM in developing and presenting the annual operating budget to the Board of Regents (BOR), the Department of Budget and Management (DBM) and Department of Legislative Services (DLS).
- The Maryland State Legislature approves UMD Annual Capital & Operating budget.

Annual Budget Cycle: Overview



UMD BUDGET CYCLE

Working Budget

The UMD Budget Fiscal Period is July – June

The UMD Working Budget Cycle: February - June

February/March

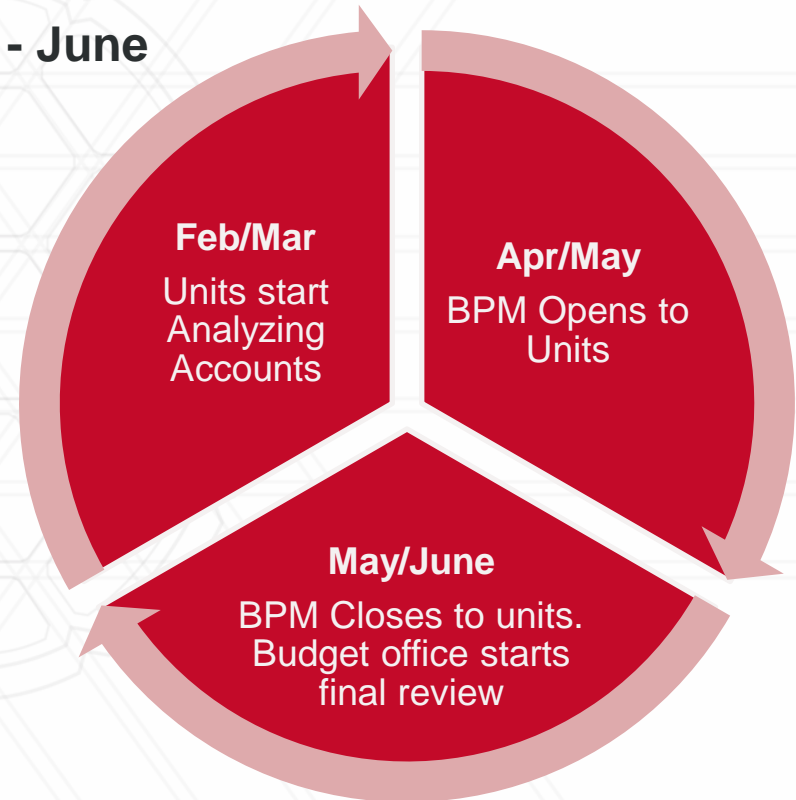
- Units should start analyzing accounts by reviewing prior fiscal year end data and forecasting current fiscal year data to help assist in preparing the future fiscal year budget.

April/May

- The Budget Preparation & Maintenance (BPM) system opens to all users.

May/June

- The Budget Preparation & Maintenance (BPM) system closes around late-May so the Budget office can complete the final review.



Budget Overview: Budget & Purpose

What is a Budget?

- A budget can be defined as an estimate of expected income and expenses for a specified future period of time and based on the prioritized needs of an organization. It is monitored on a periodic basis and re-evaluated on an annual basis.

What is the purpose of a budget?

- To Plan – preparing for the future
- To Communicate – operational/programmatic expectations
- To Allocate – amongst competing demands within an organization

Budget Overview: UMD Revenue

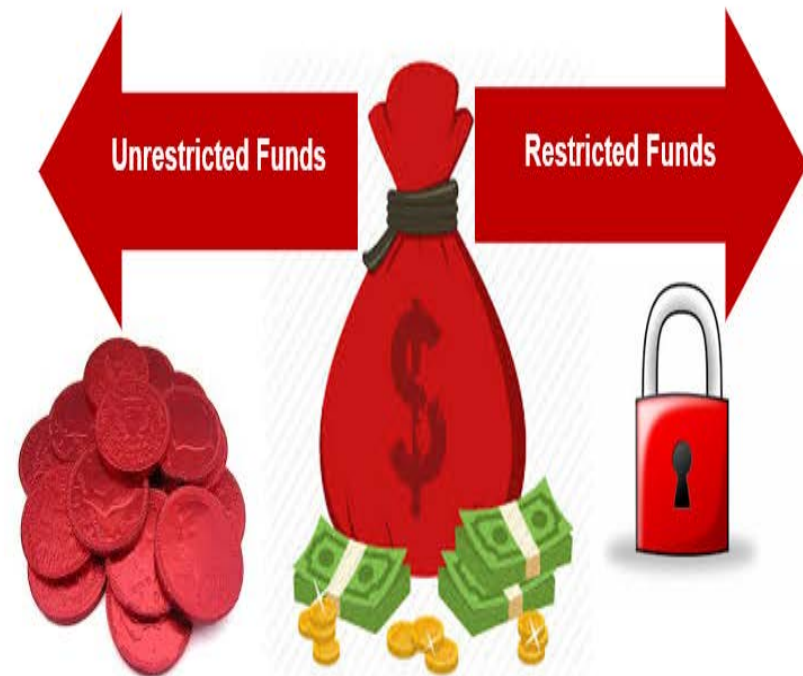
The University of Maryland's budget is supported by revenue from a variety of sources which include:

Unrestricted Funds

- State Appropriation
- Tuition & Fees
- Government & Private Gifts/Grants
- Auxiliary
- Sales & Service of Educational Activities
- Other Sources

Restricted Funds

- Federal Grants & Contracts
- Private Gifts, Grants & Contracts
- State & Local Grants & Contracts



Budget Overview : UMD Expenses

University of Maryland's operating expenses are grouped into the following expense types:

- Salaries, Wages & Benefits
- Contractual Services & Fixed Charges
- Scholarship, Fellowships & Grants
- Equipment/Supply Purchases & Vehicle Operations
- Land & Structures
- Travel & Communication
- Fuel & Utilities



Budget Overview: UMD Budget Model

The University of Maryland follows an Incremental Budgeting method

- Incremental Budgeting is a base budget determined or carried forward from the prior year. It is then adjusted incrementally up or down depending on changes in operating costs as well as expected additional needs driven by enrollment increases or plans for new or expanded services.
- The UMD Annual budget includes **Unrestricted** accounts (Subfunds that begin with 40).

These accounts as well as **Restricted** accounts are further broken down by Federal Function code (program). It is important to budget in the applicable *Subfund and Federal Function code. Examples of federal function codes used by an academic unit would be:

- 1 – Instruction
- 2 – Research
- 3 – Public Service
- 4 – Academic Support

* For more information on Subfund Groups and Federal Function Codes, please refer to the reference guide at the end of the presentation.

A large, stylized red soccer ball with white hexagonal patterns, centered on the page and partially obscured by a white horizontal band.

HOW TO PREPARE AN OPERATING BUDGET



UNIVERSITY OF
MARYLAND

Budget Management Tools

Prior to starting the budget process, please verify that you have access to the following systems:

1. Budget Preparation & Maintenance System (BPM) - **(Required)**
2. Kuali Financial System (KFS) - **(Required)**
3. PHR- Payroll & Human Resources System*
4. USM Foundation Dashboard*
5. UMCP Foundation*

* Based off your departmental needs, evaluate which of these additional systems will require access.

Preparing An Operating Budget

At the University of Maryland we budget at the Account level by Object code (subcode), and once complete the budget must balance to zero. Also, all budgets should be created at the account level that you plan to expend the funds.

The first steps to preparing your operating budget is as follows:

- Identify Sources of Revenue

- Identify Expenses
 - Actual Operating Expenses (KFS)
 - Identify Budget Data (BPM)

- Identify Non-Mandatory Transfers

Identify Sources of Revenue

The most common sources of revenue include the following:

- State Funds
 - State Appropriation
- Auxiliary Funds
- Grant Funds
 - State, Federal, Internal
- Student Fees
- Gifts (Foundation Funding/Spendable Income)
- Registration/Program Fees
- Growth/Use of Fund Balance

* Please note there are a variety of Revenue codes, we are just identifying a few of the most common ones used amongst Divisions.

How To Identify Sources of Revenue: KFS Overview Reports

Identify Sources of Revenue: Budget & Actuals

- Run KFS report by Object Code to obtain Revenue
 - Chart - Select the University you are associated with (ex. 01- College Park UM)
 - Account - Type in the “Account Number”
 - Select – Fiscal Period
 - View – Select Object Code
- This will allow you to view all your revenue for this specific account.

Account Income Statement KFS as of: Mar 5, 2019 at 4:7:5 am

Account Parameters

Overview: Account Fiscal Period 2017-01 July

Chart: 01 - College Park (UM) Account submit manage

Chart: 01 Account: ██████ USG Facilities Operations Account Fiscal Officer: ██████
 Account Closed: N Unit: ██████ SG-Facility Management Manager: ██████
 Continue Account: - - - Purpose: Payroll and operating expenses of Facilities Administration staff. Project Director: -
 Start Date: 17-July-2001 Account Type: 70 - Operations & Maintenance Fund Group: 40 - Current Funds Unrestricted - E&G
 End Date: Higher Ed Function: 0601 - Institutional Support SubFund Group: 402110 - Self-Support
 Source: - Year End Proc Code: F Indirect Cost % Rate: 0.00

Income Statement Balance Sheet Encumbrance Ledger Details Trends Labor Optix Images

View: Summary Fiscal Period: 2017-01 July Info Download Print

Includes State Funding (Obj Codes 0221, 9925): Yes

Revenues	Original Budget	Revised Budget	Actual Current Month	Current Fiscal YTD	Prior Fiscal YTD	Project To Date	Encumbrances	Budget Balance Available
0220 - Appropriations State	-539,922,014.00	-559,680,659.00	0.00	-398,020,260.25	-376,546,743.08	-20,539,819.00	0.00	-141,120,579.75
0899 - Internal Sales Auxiliary	-8,518,532.00	-8,518,532.00	-400,126.34	-5,893,712.37	-5,635,398.14	1,220.00	0.00	-2,626,464.63
0402 - Contracts and Grants Federal Government	-1,577,609,210.37	-1,577,833,451.46	-360.00	-39,836.19	168,566.00	-1,828,855.27	0.00	-1,575,998,885.25
0570 - Lab Services and Fees	-1,938,361.00	-1,938,361.00	-142,743.46	-1,060,106.21	-933,978.41	-142,963.36	0.00	-735,291.43
037B - Gifts from Foundation	-151,000,000.00	-240,027,114.09	-2,894,020.00	-5,414,527.41	-15,349,931.45	-82,002,289.36	0.00	-158,024,824.73
0101 - Undergraduate Resident Full Time	-177,505,013.00	-177,505,013.00	-6,121,338.66	-174,724,991.58	-172,688,337.58	0.00	0.00	-2,780,021.42

Activity

Now using the KFS 090: Account Overview, locate the sources of revenue for your particular account.

- Run KFS report by Object Code to Identify Revenue
 - Chart - Select the University you are associated with
 - (ex. 01- College Park UM)
 - Account - Type in the “Account Number”
 - Select – Fiscal Period
 - View – Select “Object Code”

Identify Expenses

The most common Expense types include the following:

People

(Faculty, Staff, GA's etc.)

Salaries & Wages are the largest % of most units budgets

- Who? (Full Time or Part-Time) GA (9.5/12 month)
- How many? # of Budgeted FTE's
- How much?
 - Annual Salary/Stipend
 - Recruitment/Retention
 - Merit/COLA
 - Fringe Benefits

Technology

- Computer (laptop/desktop)
- Printer
- Telephone
- Department specific needs

Facility

- Utilities
- Trash Removal
- Uniforms
- Cleaning Supplies
- Telephone
- Preventative maintenance
- Landscape

Other

- Advertising/Marketing
- Supplies (office and program)
- Memberships/Dues
- Honorariums
- Room/AV Rental
- Food Service
- Campus Overhead

* Please note there are a of variety Expense object codes, we are just identifying a few of the most common ones used amongst Divisions.

How To Identify Expenses: KFS Overview Reports

Identify Expenses: Budget & Actuals



- Run KFS report by Object Code to obtain Expenses
 - Chart - Select the University you are associated with (ex. 01- College Park UM)
 - Account - Type in the “Account Number”
 - Select – Fiscal Period
 - View – Select Object Code

This view will allow you to view all your expenses for this specific account.

Account Income Statement KFS as of: Mar 5, 2019 at 4:7:6 am

Account Parameters

Overview: Account

Chart: 01 - College Park (UM)  

Account:


Fiscal Period: 2017-01 July 

Chart: 01 Account: USG Facilities Operations Account Fiscal Officer:
 Account Closed: N Unit: SG-Facility Management Manager: WASHINGTON, NICO
 Continue Account: - - - Purpose: Payroll and operating expenses of Facilities Administration staff. Project Director: -
 Start Date: 17-July-2001 Account Type: 70 - Operations & Maintenance Fund Group: 40 - Current Funds Unrestricted - E&G
 End Date: Higher Ed Function: 0601 - Institutional Support SubFund Group: 402110 - Self-Support
 Source: - Year End Proc Code: F Indirect Cost % Rate: 0.00

Income Statement | Balance Sheet | Encumbrance | Ledger Details | Trends | Labor | Optic Images

View: Summary Fiscal Period: 2017-01 July [Info](#) [Download](#) [Print](#)

Includes State Funding (Obj Codes 0221, 9925): Yes

Direct Expenses

	Original Budget	Revised Budget	Actual Current Month	Current Fiscal YTD	Prior Fiscal YTD	Project To Date	Encumbrances	Budget Balance Available
3311 - In State Travel	12,069,671.53	13,063,667.41	584,371.68	5,058,506.67	3,960,077.98	18,081,877.73	4,346,621.94	-12,792,798.67
3315 - Business Meals	4,484,877.00	4,624,316.59	335,631.14	3,064,568.24	3,293,646.20	3,778,710.97	162,112.93	-3,212,191.56
3110 - Honorariums	12,575,816.00	12,601,571.00	325,315.00	2,529,723.59	2,195,548.15	20,385,824.32	911,973.50	-9,420,606.19
3120 - Outside Consultants	12,125,717.00	12,125,717.00	435,191.24	4,167,916.22	2,774,922.38	45,539,146.41	5,144,292.93	-60,526,970.87
3724 - Advertising General	3,058,210.21	3,057,710.21	264,769.20	1,949,364.28	1,056,445.30	1,726,589.23	1,121,098.27	-1,709,673.27
4140 - Printing and Publishing Equipment	891,309.20	891,309.20	0.00	26,127.30	0.00	1,099,423.76	25,710.60	-233,227.66
4920 - Subscriptions	2,228,102.01	2,228,102.01	127,842.98	2,263,334.89	1,785,781.27	1,852,151.50	790,713.62	-2,491,330.71
5500 - Construction	1,349,084,830.05	724,935,003.23	738,593.73	12,946,776.67	14,188,811.80	507,237,879.69	5,018,980.75	212,405,018.49

How To Identify Budget Data: BPM Reports

Identify Budget Data using BPM Reports

The most commonly used BPM reports to identify prior/future year budget data are as follows:

- **Budget Summary, Subcode Summary, Itemized Position Detail and Detail Budget**

Please note there are additional Reports, we are just identifying a few of the most common ones used amongst Divisions.

Run BPM report to obtain Budget Data

- **Executive Level**: Select if applicable
- **Division** - Select the appropriate Division for your Department
 - (ex. 31- College of Education)
- **School**- Not applicable
- **Department** – Select the appropriate Department
- **Sub-Department** – Select if applicable
- **KFS Account** – Select if applicable

The screenshot displays the 'Budget Preparation and Maintenance System' interface for 'FY 2021 WB'. It features a 'Reports Menu to View/Print BPM Reports' section with two columns of dropdown menus. The left column, 'Main Category - Print/View Report by', includes fields for Executive Level, Division, School, Department, Dept-SubDept, and KFS Account, all of which are highlighted with a red box. The right column, 'Secondary Category - Filter Report by', includes fields for Program, Element, SubFund Group, Major Fund Source, and Support Indicator. Below these fields is a search box for 'or Enter KFS Account'. The 'REPORT OPTIONS' section is divided into 'Proposed Budget Reports' and 'Proposed Salary Reports'. Under 'Proposed Budget Reports', 'Budget Summary', 'Subcode Summary', 'Itemized Position Details', and 'Detail Budget' are highlighted with red boxes. Under 'Proposed Salary Reports', various salary-related reports are listed, including 'Salary Certification Summary - All Employees', 'Salary Certification Summary - Itemized Faculty', 'Salary Certification Summary - Exempt', 'Salary Certification Summary - Non-Exempt', 'Salary Certification by Account - All Employees', 'Salary Summary by Employee - All - % Inc > 16.00', 'Salary Summary by Employee - All Accounts', 'Salary Details by Employee - All Accounts', and 'Increments Above Base Details by Employee - All Accounts'. At the bottom, there are links for 'BPM FTE > 1.00' and 'Salary Adjustments - FY 2021'.

How To Identify Budget Data: BPM Reports

Budget Preparation and Maintenance System

FY 2020 WB

Budget Summary

Department:
Program: All
Major Fund: All

Element: All
Supp Ind.: Default

SubFundGroup: All

	Proposed Budget	BPM FTE	PHR FTE
Itemized S & W			
Itemized Faculty (1011, 1012, 1015, 1016)	4,077,550	48.01	37.28
Exempt (1013)	923,641	14.75	13.63
Non-Exempt (1014)	0	1.75	0.00
Sub-Total Itemized S & W	5,001,191	64.51	50.90
Non-Itemized S & W			
Lecturers (1018)	616,000		13.52
Faculty Contractual (2069)	330,000		0.00
Contingent II (2090)	0		0.00
Graduate Assistants (1020)	1,627,285		40.25
Sub-Total Non-Itemized S & W	2,573,285		53.77
Other S & W			
Labor & Assistants (2000-2081)	302,482		
Fringe Benefits (1000, 27xx)	0		
Overtime (21xx)	0		
Turnover & Other (29xx)	0		
Sub-Total Other S & W	302,482		
Total Salaries & Wages	7,876,958	64.51	104.67
Operating Expenses (3xxx and above)	660,379		
Total Expenditures (1xxx and above)	8,537,337		
Revenue (0xxx)	(8,537,337)		
TOTAL	0	64.51	104.67

[Print Budget Summary](#)

[Go to Budget Summary Details](#)

[Go to Subcode Summary](#)

ACCOUNT
SELECT

MAIN
MENU

REPORT
MENU

EXIT

Activity

Now using the KFS 090: Account Overview, identify expenses for your particular account.

- Run KFS report by Object Code to Identify Expenses
 - Chart - Select the University you are associated with
 - (ex. 01- College Park UM)
 - Account - Type in the “Account Number”
 - Select – Fiscal Period
 - View – Select “Object Code”

Now using the BPM Reports Menu: Run one of the recommended reports.

- Run BPM report to obtain Budget Data
 - Executive Level: Select if applicable
 - Division - Select the appropriate Division for your Department
 - (ex. 23- Libraries)
 - School- Not applicable
 - Department – Select the appropriate Department
 - Sub-Department – Select if applicable
 - KFS Account – Select if applicable

Identify Transfers

The most common Non-Mandatory Transfers include the following:

- Provost Support
- Grad School Support
- Transfer **Between** Division/ College
- Transfer **Within** Division/College
- Transfer **Within** Department
- Administrative Overhead Self Supports
- Administrative O/H Entrepreneur Programs
- Plant Projects
- Plant Reserves
- DRIF Funds

* Please note there are a variety of Non-Mandatory Transfer codes, we are just identifying a few of the most common ones used amongst Divisions.

How To Identify Transfers: KFS Overview Reports

Identify Transfers: Budget & Actuals

- Run KFS report by Object Code to obtain Transfers (i.e.1-3 years)
 - Chart - Select the University you are associated with (ex. 01- College Park UM)
 - Account - Type in the “Account Number”
 - Select – Fiscal Period
 - View – Select Object Code

This view will allow you to view all your expenses for this specific account.

Account Income Statement KFS as of: Mar 5, 2019 at 4:7:6 am

Account Parameters

Overview: Fiscal Period

Chart:

Account:

Chart: 01 Account: USG Facilities Operations Account Fiscal Officer:
 Account Closed: N Unit: USG-Facility Management Manager: WASHINGTON,NICO
 Continue Account: - - - Purpose: Payroll and operating expenses of Facilities Administration staff. Project Director: -
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 End Date: Higher Ed Function: 0601 - Institutional Support SubFund Group: 402110 - Self-Support
 Source: - Year End Proc Code: F Indirect Cost % Rate: 0.00

Views: Fiscal Period: 2017-01 July

Includes State Funding (Obj Codes 0221, 9925):

	Original Budget	Revised Budget	Actual Current Month	Current Fiscal YTD	Prior Fiscal YTD	Project To Date	Encumbrances	Budget Balance Available
9912 - Nonmandatory Transfer across Fund Groups	-223,671.00	-223,671.00	0.00	0.00	0.00	-249,633.73	0.00	-1,237,888.24
9920 - Nonmandatory Transfer Provost Support	-2,726,886.00	-2,726,886.00	0.00	81,000.00	0.00	-16,545,913.31	0.00	13,738,027.31
9922 - Nonmandatory Transf Grad School Support	0.00	0.00	0.00	0.00	0.00	-326,892.83	0.00	326,892.83
9924 - Nonmandatory Transf between Div/College	7,927,784.97	10,618,994.98	0.00	-22,745.00	0.00	-11,014,963.15	0.00	26,644,796.01
9926 - Nonmandatory Transf within Div/College	5,375,446.15	11,087,969.40	0.00	40,627.03	0.00	-55,711,755.73	0.00	67,704,921.34
9931 - Nonmandatory Transf Within Department	0.00	0.00	215,000.00	216,192.97	0.00	2,885,078.31	0.00	-2,698,942.98
9933 - Nonmandatory Transfer Cost Containment	0.00	0.00	-215,000.00	-215,000.00	0.00	-734,497.00	0.00	122,697.00
9934 - Administrative Overhead Self Supports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9936 - Administrative O/H Entrepreneur Programs	-31,434.00	-31,434.00	0.00	0.00	0.00	-300.00	0.00	-31,134.00
9937 - Cost Sharing Transfer	6,583,533.00	-127,898,060.98	0.00	-15,000.00	0.00	-120,171,638.28	0.00	-12,853,379.61
9938 - Cost Sharing Fringes	0.00	-8,355,095.68	0.00	0.00	0.00	-13,273,418.63	0.00	4,918,322.95

Activity

Now using the KFS 090: Account Overview, identify the transfers for your particular account.

- Run KFS report by Object Code to **Identify Transfers**
 - **Chart** - Select the University you are associated with
 - (ex. 01- College Park UM)
 - **Account** - Type in the “Account Number”
 - **Select** – Fiscal Period
 - **View** – Select “Object Code”

KFS Overview Reports: Analysis

Please Note: In the KFS 090 Account Overview report section under the selection view Object Code the Current Fiscal Year-to-Date versus the Prior Fiscal Year-to-Date data is populated. The Current and Prior Fiscal Year-to-Date data will allow users to complete a variance analysis to more accurately project their operating budget based on actual account activity.

Account Overview: Account Income Statement by Object Code KFS as of: Mar 9, 2019 at 4:38:42 am

Account Parameters

Overview: Fiscal Period

Chart:

Account:

Chart: 01	Account: [REDACTED]	Fiscal Officer: [REDACTED]
Account Closed: N	Unit: 1301 [REDACTED]	Manager: [REDACTED]
Continue Account: - - -	Purpose: Purpose tbd	Project Director: -
Start Date: 10-June-2000	Account Type: 12 - Department Research	Fund Group: 40 - Current Funds Unrestricted - E&G
End Date: -	Higher Ed Function: 0201 - Institutes & Research Centers	SubFund Group: 401100 - State Operating
Source: -	Year End Proc Code: F	Indirect Cost % Rate: 0.00

View: Fiscal Period: 2019-09 March

Includes State Funding (Obj Codes 0221, 9925):

	Original Budget	Revised Budget	Actual Current Month	Current Fiscal YTD	Prior Fiscal YTD	Project To Date	Encumbrances	Budget Balance Available
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KFS Overview Reports: Analysis (Continued)

To run the Ledger Details report and download the data follow the steps below:

1. On KFS Web go to the KFS 090: Account Overview Report
2. Select the Chart Code - **Select the University you are associated with (ex. 01- College Park UM)**
3. Type in the "Account Number"
4. Click on the Ledger Details Tab
5. Select a Fiscal Period or a range of Fiscal Periods
6. Once data has populated click download

Once the data is downloaded you can create a Pivot table in Microsoft Excel to analyze your data further. In this example, large variances may be an indicator to re-evaluate how the expenditures were budgeted.



Object Code	Object Code Name	Revised Budget	Actual Fiscal Year	Variance
1013	Exempt Staff	3,090,384.00	3,200,120.54	(109,736.54)
2075	Student Wages	50,225.00	77,337.64	(27,112.64)
3311	In State Travel	20,000.00	40,211.72	(20,211.72)
3952	Other Supplies and Materials	40,000.00	46,840.07	(6,840.07)
3752	Other Contractual Services	278,165.00	282,554.13	(4,389.13)
3953	Office Equipment < \$5,000	10,000.00	12,500.00	(2,500.00)
4920	Subscriptions	50,000.00	52,000.00	(2,000.00)
2073	Non-Exempt Contingent 1	78,000.00	80,000.00	(2,000.00)
1020	Graduate Assistants	43,579.00	45,200.00	(1,621.00)
4970	Rent	7,000.00	8,500.00	(1,500.00)
3285	Cell Phone	2,500.00	3,890.13	(1,390.13)
3220	Telephone	29,000.00	30,122.00	(1,122.00)
3315	Business Meals	35,000.00	36,120.00	(1,120.00)
3321	Out of State Travel	120,000.00	121,000.00	(1,000.00)
3728	Freight and Delivery	200.00	350.37	(150.37)
3717	Equipment Rental	100.00	126.31	(26.31)
3210	Postage and Mail	500.00	17.55	482.45
4710	Staff Development	1,000.00	500.00	500.00
3950	Audio Visual Supplies	2,500.00	325.00	2,175.00
4600	Student Aid	3,000.00	-	3,000.00
4360	Computers Administrative \$1000 to \$4999	4,200.00	1,080.00	3,120.00
3724	Advertising General	4,000.00	-	4,000.00
3360	Foreign Travel	10,000.00	-	10,000.00
3718	Printing and Reproduction	30,000.00	16,120.38	13,879.62
3916	Office Supplies	26,000.00	9,678.77	16,321.23
2071	Faculty Summer School/Other	50,000.00	11,107.78	38,892.22
3746	Food Service	150,000.00	98,148.53	51,851.47
Grand Total		4,135,353.00	4,173,850.92	(38,497.92)

Putting It All Together

With actuals in hand, now is a good time to consult your leadership to discuss the Budget:

- **Share previous year(s) expense and revenue actuals**
- **Examples of items to review:**
 - Staff changes (i.e., Retirements, hiring, salary changes, merit, vacancies, Consultants)
 - Future travel plans
 - Upcoming seminars/workshops
 - Equipment rentals/purchases
 - Advertising
 - Associations
 - Office Supplies or remodeling
 - Unbudgeted Expenses for the FY
 - Funding received or given to another Department/Unit - Nonmandatory Transfer(s)
 - Miscellaneous or one time expenses
 - State Appropriation
 - Gifts/Foundations
 - Other Revenue (i.e., Fees, Sales, Term Revenue Allocation, Budgeted Growth of Fund Balance)
- **Using an Excel spreadsheet to display activity might prove useful. You can use the Excel Spreadsheet downloaded from the KFS 090 Account Overview or you can create your own Excel Spreadsheet.**

Reference Guide: Unrestricted SubFunds

Ensure that you select SubFunds beginning with 40 only under the **Department Overview** and/or the **Division Overview** in KFS Reports.

Exclude the following four funds as they are project to date accounts and are not budgeted during the annual budget process.

- **Cost Share, State**
- **MIPS**
- **Auxiliary, Conference Visitor Services (CVS)**
- **Cost Share, Designated**

- 401100 - State Operating
- 401105 - Cost Share, State
- 401110 - MIPS
- 402100 - Summer Session
- 402105 - Winter/Ext Studies
- 402110 - Self-Support
- 402115 - Auxiliary
- 402120 - Auxiliary, CVS
- 403100 - Cost Share, Designated
- 403105 - DRIF
- 403110 - E&G, Designated
- 404100 - E&G, Non-Budgeted

Reference Guide: Unrestricted SubFund Terms

401100 – State Operating

State-supported accounts are activities that are supported by tuition from ‘for- credit’ programs and state general funds.

401105 – Cost Share, State *(not currently budgeted in BPM)*

Accounts set up to show matching funds from the university related to a contract or grant.

401110 – MIPS *(not currently budgeted in BPM)*

State-support that is earmarked for a specific State of Maryland initiative.

402100– Summer Session

Restricted for Summer Program Use Only

402105 – Winter/Ext Studies

Restricted for Winter Program Use Only

402110 – Self Support

Activities that are fully supported by user fees and that are education-related. Examples— Shady Gove, Wind Tunnel.

Reference Guide: Unrestricted SubFund Terms

402115 – Auxiliary

Business like activities that are supported by user fees. Examples-Dining, Dorms.

402120 – Auxiliary, CVS (not currently budgeted in BPM)

Business like activities for CVS project year accounts.

403105 – DRIF

Funds provided to colleges, etc. to provide incentive for research that may not have a C&G sponsor. The source of the funding is indirect costs from contracts and grants.

403100 – Cost Share, Designated (not currently budgeted in BPM)

403110 – E&G, Designated

Accounts that are generally self-supporting from sales and services of educational activities. These generally have multiple types of funding or are set up to make use of KFS's capability to track carryover funding at the account level. Examples include revolving funds, faculty start-up accounts, conferences, consortiums, publications, and Study Abroad.

404100 – E&G, Non-Budgeted

90XXXX accounts are used primarily by Student Affairs for Student Activity accounts. 013XXX accounts are used as clearing accounts.

Reference Guide: Federal Function

Budgets and Actuals can be viewed based on Federal Function within the *Department Overview* and/or the *Division Overview* in KFS Reports.

Income Statement Balance Sheet Encumbrance Ledger Details Labor Additional Views							
View: Federal Function				Fiscal Period: 2017-01 July Info Download Print			
Account Status: All Open and Closed Accounts		SubFund Group: All selected (35)		Includes State Funding (Obj Codes 0221, 9925): Yes			
Federal Function	Original Budget	Revised Budget	Actual Current Month	Actual Fiscal Year	Project To Date	Encumbrances	Budget Balance Available
Revenues and Other Sources							
01 - Instruction	0.00	-757.44	0.00	0.00	-179,685.68	0.00	178,928.24
02 - Research	-558,737.00	-580,135.38	-3,934.79	-436,262.19	-21,398.38	0.00	-122,474.81
03 - Public Service	-3,315.00	-1,429,613.61	-732.58	-47,666.99	-1,707,442.13	0.00	281,143.52
04 - Academic Support	-36,486,129.00	-36,545,659.00	-35,672.96	-36,934,936.77	-4,876,041.13	0.00	5,092,606.16
Expenses							
01 - Instruction	47,275.31	54,007.75	829.05	3,671.18	283,904.53	0.00	-229,896.78
02 - Research	599,537.00	708,624.38	5,204.66	262,985.45	119,083.04	41,495.15	285,060.74
03 - Public Service	435,922.00	2,140,559.16	19,482.18	124,881.23	1,743,306.07	135,076.10	260,070.58
04 - Academic Support	36,507,045.50	36,566,575.50	1,964,107.28	25,198,165.94	4,293,212.85	10,885,254.27	-3,600,130.94
Non-Mandatory Transfers							
01 - Instruction	0.00	0.00	0.00	0.00	-58,068.70	0.00	58,068.70
02 - Research	-40,800.00	-128,489.00	0.00	-25,601.01	-97,684.66	0.00	-5,203.33
03 - Public Service	0.00	-159,351.43	-8,525.00	-23,230.00	-470,511.63	0.00	311,160.20
04 - Academic Support	78,300.00	78,300.00	-57,060.10	-12,926.61	159,831.04	0.00	-72,398.10

Reference Guide: Federal Function

In the Budget Preparation and Maintenance System (BPM), under the Reports Menu the filter option of Program (federal function code) is displayed

Once a selection of program (federal function code) is made, any report selected will populate data based on that program.

For example, the top of the Budget Summary displays program Instruction based on the selection from Report Menu

Budget Summary

Division: 01-Office of the President

Program: 01-Instruction

Major Fund: All

Element: All

Supp Ind.: Default

Budget Preparation and Maintenance System FY 2021 WB

Reports Menu to View/Print BPM Reports

Main Category - Print/View Report by		Secondary Category - Filter Report by	
Executive Level	Select Executive Level from the List	Program	All
Division	Select Division Codes from the List	Element	All
School	Select School Code from the List	SubFund Group	00-Not Applicable
Department	Select Department Code from the List	Major Fund Source	01-Instruction
Dept-SubDept	Select SubDepartment Code from the List	Support Indicator	02-Research
KFS Account	Select KFS Account from the List		03-Public Service
	or Enter KFS Account <input type="text"/>		04-Academic Support
			05-Student Services
			06-Institutional Support
			07-Operation & Maintenance of Pla
			08-Auxiliary
			17-Scholarship & Fellowship
			47-Endowment

REPORT OPTIONS

Proposed Budget Reports	Proposed Salary Reports
Budget Summary	Salary Certification Summary -
Budget Summary Details	Salary Certification Summary -
Budget Summary Details by Account	Salary Certification Summary -
Working Budget Changes Summary	Salary Certification Summary - Non-Exempt
Working Budget Changes Detail	Salary Certification by Account - All Employees
Subcode Summary	

Reference Guide: Federal Function Codes

01 – Instruction: activities that are part of an institution’s instructional program. It also includes departmental research and sponsored instruction.

02 – Research: activities specifically organized and separately budgeted to produce research outcomes.

03 – Public Service: activities that are established primarily to provide noninstructional services beneficial to individuals and groups external to the institution.

04 – Academic Support: support services for the institution’s primary missions: instruction, research, and public service. (i.e libraries and academic computing services).

05 – Student Service: activities whose primary purpose is to contribute to the student’s emotional and physical well-being and to his or her intellectual, cultural, and social development outside the context of the formal instructional program.

06 – Institutional Support: activities concerned with management and long-range planning of the entire institution. (i.e finance, administrative data processing, employee personnel).

07 – Operation and Maintenance of Plant: operation and maintenance of physical plants for all institutional activities, including auxiliary enterprises and independent operations.

08 – Auxiliary Enterprises: an entity that exists to furnish goods or services to students, faculty, or staff for a fee.

17 – Scholarships and Fellowships: includes expenses for scholarships and fellowships provided to students to aid in the pursuit of their studies.

Glossary of Terms

Unrestricted Funds: are resources provided to the institution with no restrictions on their use.

- **State Funds** –Departments supported mainly by tuition revenues and state appropriations. These funds are used to support instruction, academic, and student programming along with administrative processing departments such as Budget, Payroll, HR, and Controllers.
- **Auxiliary Funds** –Departments that are considered self-supporting through the generation of fees and other revenue sources such Athletics, Dining Services, Housing, and Student Center. Please note these departments follow the same budget development process as state funds.

Restricted Funds: Funds generated by external sources that established limitations or stipulations placed on the use of the funds. Sources of funds are federal grants and contracts, state grants and special appropriations, and gifts and grants from private sources, and restricted distributions from endowments. **(These funds are not budgeted in BPM)**

- **Grant & Contracts** - Revenues from governmental agencies (federal, state, or local) received or made available from grants, contracts and cooperative agreements that are not considered contributions.

Glossary of Terms

Fund Balance: The net or cumulative revenues received in excess of expenditures for a given fund. Fund balances often result from (a) differences in the timing of budget appropriations, expenses, and revenues or (b) incurring lower expenditures than initially budgeted.

FTE (Full Time Equivalent): A method of calculating employment, workloads, enrollments or caseloads to adjust for part-time or part-year participation.

DRIF (Designated Research Initiative Fund): a formulaic distribution of the F&A (overhead) produced by a program's sponsored research activity. To be used for research related activity.

Useful Links

UNIVERSITY BUDGET OFFICE

The following links can be used to access additional resources and training guides.

- **Finance** - <https://finance.umd.edu/budget/budget-planning-resources>
- **BFA** - <http://otcads.umd.edu/bfa/>

ACCESS

- **Kuali Financial Reports (KFS) on Administrative Reporting Portal** <https://adminreports.umd.edu/>
 - Request Security Access – Complete KFS Access Request Form
 - Any questions contact KFS Support – **Email:** kfs@umd.edu
- **Payroll & Human Resources Reports (PHR) on Administrative Reporting Portal** <https://adminreports.umd.edu/>
 - Request Security Access - **Email:** phrserv@umd.edu
- **Budget Preparation & Maintenance Systems (BPM)** - <https://vw.umd.edu/vpn/index.html>
 - Request Security Access - **Email:** bfa@umd.edu
- **University Of Maryland College Park Foundation-** <http://umcpf.org/board/homepage.php>
 - Request Security Access **Complete Form**
 - http://umcpf.org/userfiles/file/Foundation%20Public%20Content/forms/reporting_page_access_form.pdf
 - **Email:** umcpffinance@umd.edu
- **University System of Maryland Foundation-** <http://usmf.org/>
 - Request Security Access - **Email:** usmf-business-support@usmd.edu



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