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Accruals, Allocation Adjustments and Reserve Accounts


March 25, 2011
Rick Grunewald
Budget Office

Recording date of this workshop is
March 25, 2011.

Some of the rules and procedures discussed in this workshop are subject to change.

Please check university resources before relying exclusively on this recorded presentation.





Course Objectives

- Define and discuss permanent positions
- Define "Accrual"
- Discuss accrual scenarios from the WSU Accruals Policy
- Recognize and describe the uses of the different reserve and control account budgets

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Course Objectives, cont.

- Understand reserve account structure
- Explain the effect of temporary position "No allocation" accruals to the departmental budget statement
- Define "Allocation Adjustment"
- Explain the "mid-step" allocation adjustment policy

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Course Objectives, cont.

- Cite which adjustments post to Balances and which don't
- Calculate differences in Allocation and Base adjustments for mid-year position changes
- Identify how to retrieve accrual and allocation data from DEPPS, Balances and the Financial Data Warehouse

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Permanent Positions

- Carry a permanent allocation of funds on one or more account(s). Salaries are expended on these accounts from the permanent dollars on that position. If salary expenditures are not made, the allocation for that time period accrues to the area reserve, or a central reserve, according to the accruals policy.

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Temporary Positions

- No permanent allocations are made to these positions. Expenditures post to the operating account and draw allocations from the area reserve (state-funded).

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Permanent Position Funding

Area Reserve
\$

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Position Gets Funding from Reserve

Area Reserve
\$\$\$\$\$\$\$\$

↓
\$\$\$\$\$\$\$\$

Perm
Position

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Funding on Position on Dept Acct

Area Reserve
\$\$\$\$\$\$\$\$\$\$

Perm Position
\$\$\$\$\$\$\$\$\$\$ on departmental
account

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Permanent and Temporary Positions

Area Reserve
\$\$\$\$\$\$\$\$\$\$

Permanent
Position
\$\$\$\$\$\$\$\$\$\$

Temporary
Position

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Payday

Area Reserve
\$\$\$\$\$\$\$\$\$\$

Permanent
Position
\$\$\$\$\$\$\$\$\$\$

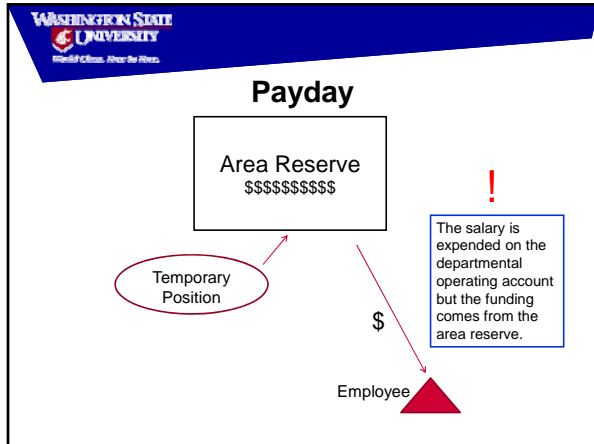
↓ \$

Employee

Temporary
Position

↓ ?

Employee



WSU Accrual and Allocation Adjustment Policy and Procedures

- Go to Budget Office web page, click on Budget Policies

Accrual

- An accrual is the difference between the allocation and the expense on a position.

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Accrual Scenario #1

- Faculty member goes on professional leave for academic year.
- Paid at 75%
- Position is allocated at 100%

What are the accruals and where do they go?

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EXP < ALLOC @FUND – Scenario #1

DEPPS System
Accrual Detail

Position 033352 Accruals as of: 07/01/07
 Name Cougar, Ima

Pay Cycles	Earn Type	Retro Rsn	Retro Period	Alloc Dollars	Expenses Dollars	Accrual Dollars	Adjusted From	Adjusted To
082	REG	07		5,000.00	3,750.00	1,250.00	5227-0001	9929-0607
091	REG	07		5,000.00	3,750.00	1,250.00	5227-0001	9929-0607
092	REG	07		5,000.00	3,750.00	1,250.00	5227-0001	9929-0607
101	REG	07		5,000.00	3,750.00	1,250.00	5227-0001	9929-0607

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EXP < ALLOC @FUND – Scenario #1

DEPPS System
Accrual Detail

Position 033352 Accruals as of: 07/01/07
 Name Cougar, Ima

F5 will "decode"

Pay Cycles	Earn Type	Retro Rsn	Retro Period	Alloc Dollars	Expenses Dollars	Accrual Dollars	Adjusted From	Adjusted To
082	REG	07		5,000.00	3,750.00	1,250.00	5227-0001	9929-0607
091	REG	07		5,000.00	3,750.00	1,250.00	5227-0001	9929-0607
092	REG	07		5,000.00	3,750.00	1,250.00	5227-0001	9929-0607
101	REG	07		5,000.00	3,750.00	1,250.00	5227-0001	9929-0607

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NO ALLOC – (TEMP POSITION) – Scenario #2

DEPPS System
 Accrual Detail

Position 101111 Accruals as of: 07/01/07
 Name Cougar, Ima

Pay	Earn	Retro	Alloc	Expenses	Accrual	Adjusted	Adjusted
Cyc	Type	Rsn	Period	Dollars	Dollars	Dollars	From To
071	REG	37		0.00	3,000.00	-3,000.00	5227-0001 9929-0607 *
072	REG	37		0.00	3,000.00	-3,000.00	5227-0001 9929-0607 *
081	REG	37		0.00	3,000.00	-3,000.00	5227-0001 9929-0607 *
082	REG	37		0.00	3,000.00	-3,000.00	5227-0001 9929-0607 *

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Accrual Scenario #3

- Permanent AP position #33352 is vacant
- Position is allocated at \$5,000/month

What are the accruals and where do they go?

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NO EXPENSE – Scenario #3

DEPPS System
 Accrual Detail

Position 033352 Accruals as of: 07/01/07
 Name Cougar, Ima

Pay	Earn	Retro	Alloc	Expenses	Accrual	Adjusted	Adjusted
Cyc	Type	Rsn	Period	Dollars	Dollars	Dollars	From To
071	REG	01		2,500.00	0.00	2,500.00	5227-0001 9329-0607 *
072	REG	01		2,500.00	0.00	2,500.00	5227-0001 9329-0607 *
081	REG	01		2,500.00	0.00	2,500.00	5227-0001 9329-0607 *
082	REG	01		2,500.00	0.00	2,500.00	5227-0001 9329-0607 *

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Central Accrual Reserve Budget: 93XX

- Central accruals come to this budget
- Centrally-paid Annual/Sick Leave payouts are funded from this budget

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Reserve Account Structure

- “Built” from operating account
- Fund/Subfund/Program same as operating acct.
- First two digits of budget determined by kind of transaction (central or area?)
- Last two digits of budget are area number of operating account
- First two digits of project are same as operating program
- Last two digits of project are numerical value of operating subprogram

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Reserve Account Example

- Example: Area accrual due to temporary expense on sponsored program
 - Operating account
 - 001-01-06C-2222-3541, area 29
 - Reserve account
 - 001-01-06C-9929-0603

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Allocation Adjustment

- An allocation adjustment is a change in the allocation for a position assigned to funds included in the permanent budget level (PBL)*

*PBL Funds: 001, 143, 148-02, 148-05, 148-06

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Monthly allocation increasing by \$2,400

14 Reason for Action or Comments: (If PRR, use additional pages as required)
 Effort and allocations are being increased on this position.

NOTE: When completing an action supported by sponsored programs (11-14) enter the social security numbers of associated employees.

POSITION CONFIGURATION BEFORE CHANGE									
16 Area	17 Dept	18 Position	19 Title Description	20 Position Identifying Description	21 Position Effort %	22 Range/Step			
29	1234	IP	Professor	Smith, John	40.00				
23 Title Code	24 Position Term (Mo)	25 Cycle Start Date (Mo/Day)	26 Full Time Monthly Base Rate	27 Position Allocation % (Perm Only)	28 Mo. Allocation (Perm Only)	29 Position Effort %			
0290	9	08-1-16	12,000.00	40.00	4,800.00	40.00			

PROPOSED POSITION CONFIGURATION AFTER CHANGE (Complete only those items that change.)									
23 Area	24 Dept	25 Position	26 Title Description	27 Position Identifying Description	28 Position Effort %	29 Range/Step			
					60.00				
23 Title Code	24 Position Term (Mo)	25 Cycle Start Date (Mo/Day)	26 Full Time Monthly Base Rate	27 Position Allocation % (Perm Only)	28 Mo. Allocation (Perm Only)	29 Position Effort %			
			60.00		7,200.00	60.00			

ASSIGNMENT OF ACCOUNTS FOR POSITION											
41 Admin Area #	42 Admin Area #	43 Expense Type	44 Fund	45 Street	46 Program	47 Budget	48 Project	49 Differential Amount	50 Assignment Percentage	51 Assignment Begin Date (mm dd yy)	52 Assignment End Date (mm dd yy)
		RGA	001	01	06W	5976	0001		40.00		12/31/2007
		RGA	001	01	06W	5976	0001		60.00	01/01/2008	99/99/99

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DEPPS System
 Position/Assignment

Position 112233 Smith, John Area-Dept 29 1234 Begin Date 8/16/2006
 Jobscls 0290 Professor CWP End Date 99/99/99

CSR Jobscls Alcn% 60.0000 Cycle Begin 8/16/2007
 Empl Type Faculty Base Val 12,000.00 Eff% 60.0000 Cycle End 5/15/2008
 Rng/Step Alcn Amt 7,200.00 Term 9.0 Perm/Temp Permanent
 Annual Alcn Amt 56,000.00 Svc Basis Academic

Assignments as of: 07/01/07

Sel Num	Assg ID	ET	Type	Asn Begin	Asn End	\$Month/Ann	Assg Pct	End Ap Pgm	Bdgt	Ob Proj
1	123456	RGA	Alloc	07/01/08	05/15/08	7,200.00	60.0000	001-01-06W-	5976-	00-0001
2	123555	RGA	Alloc	08/16/07	12/31/07	4,800.00	40.0000	001-01-06W-	5976-	00-0001
3	134101	RGA	Base	07/01/08	99/99/99	7,200.00	60.0000	001-01-06W-	5976-	00-0001
4	135222	RGA	Expn	01/01/08	99/99/99	64,800.00	60.0000	001-01-06W-	5976-	00-0001

Command ==> Page 1 of 2

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4.5 months times \$2,400 = \$10,800

DEPPS System
 Allocation Adjustment Detail

Position 112233 Adjustments as of: 07/01/07
 Name Smith, John

Pay Cyl	Earn Type	Change Rsn	Date	Adj. Prev Alloc	Amount	New Alloc	Adjusted From	Adjusted To
071	RGA			43,200.00		43,200.00	9829-0623	5976-0001 *
011	REG	125	1/1/2008	43,200.00	10,800.00	54,000.00	9929-0623	5976-0001 *

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\$10,800 shows on budget statement detail in January

ACCOUNT DETAIL REPORT 01 - EXPENSE

BUDGET 5976 College of Dynamics
 PROJECT 0001 Administration
 PROGRAM 06W OBJECT: 00 - SALARIES FUND:

FY	CC	DATE	DESCRIPTION	Amount	ID NUMBER	FUND	TT
					DOC.NO.	REF.NO.	
08		01/18/08	EXP > ALLOC 001-01	130.01	099987F	00101	13
08		01/18/08	SICK/ANNUAL LEAVE	34.55	101287F	00101	13
08		01/18/08	ASSG ADD/CHANGE	10,800.00	112233F	00101	13
08		01/18/08	NO ALLOC (TEMP POSN)	151.03	087625E	00101	13

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Reclass Example

Step 1: Reclass Step Change takes from Step H to Step A. Central collects.

RANGE	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F	STEP G	STEP H
27	1975	2016	2068	2113	2161	2212	2266	2317
28	2016	2068	2113	2161	2212	2266	2317	2370
29	2068	2113	2161	2212	2266	2317	2370	2426
30	2113	2161	2212	2266	2317	2370	2426	2482
31	2161	2212	2266	2317	2370	2426	2482	2542

Step 2: Position Reclass takes from old A to Step A at the new Range. Area pays.

Step 3: Reclass Step Change takes to Step G at new Range. Central pays.

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Reclass Example-Base Screen

DEPPS System
 Base Adjustment Detail

Position 55555 Reclass Step Change Adjustments as of: 07/01/08
 Name Cougar, Ima -\$354 times 12 months

Pay Earn	Change	Adj.	Adjusted	Adjusted			
Cyc Type	Rsn	Date	Prev Alloc	Amount	New Alloc	From	To
071 REG		7/1/2008		28,440.00	28,440.00	9849-0607	5227-0001
071 REG	422	9/1/2008	28,440.00	(4,248.00)	24,192.00	9249-0607	5227-0001
071 REG	405	9/1/2008	24,192.00	1,740.00	25,932.00	9949-0607	5227-0001
071 REG	422	9/1/2008	25,932.00	3,852.00	29,784.00	9249-0607	5227-0001

Position Reclassification

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Reclass Example-Allocation Screen

DEPPS System
 Allocation Adjustment Detail

Position 55555 Adjustments as of: 07/01/08
 Name Cougar, Ima -\$354 times 10 months


Pay Earn	Change	Adj.	Adjusted	Adjusted			
Cyc Type	Rsn	Date	Prev Alloc	Amount	New Alloc	From	To
071 REG		7/1/2008		28,440.00	28,440.00	9849-0607	5227-0001 *
081 REG	422	9/1/2008	28,440.00	(3,540.00)	24,900.00	9249-0607	5227-0001 *
081 REG	405	9/1/2008	24,900.00	1,540.00	26,440.00	9949-0607	5227-0001 *
081 REG	422	9/1/2008	26,440.00	3,210.00	29,650.00	9249-0607	5227-0001 *

denotes transaction fed to accounting

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Tracking Accruals and Allocation Adjustments


- DEPPS Downloads
- BALANCES Downloads
- Financial Data Warehouse (Business Objects)


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DEPPS Downloads


- Accrual Reporting Download Set
- Allocation Reporting Download Set


Type DDL at the command line and select desired download from page two of the General Download Sets. Some formatting will be required.


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BALANCES Download

- Press PF4=Download Menu
- Select Report 17 under Account Detail
- Select a desired report
- You can upload a list of reserve accounts using report 03, "Selection from your PC file". This will bring the account detail for your uploaded list for the dates you specify under Selection Criteria.
- Have your reserve accounts saved as a .txt file to use for our upload


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ACAB7056 ACCOUNT BALANCES DOWNLOAD SELECTION 17 04/04/08
ACAB5056

Downloaded records contain the following fields:
ID Number, Description, Fund, Subfund, Program and subprogram, Budget, Object or Source, Subobject or Subsource, Cost Code, Project, Transaction Type, Document number, Reference number, Amt label, Amount, Date, Fiscal year.

No.	Report	Selection Criteria (Optional)
01	Budget statement detail	Budget(4)Proj(4){Exp:Obj(2)Sub(2) {Rev:Src(3)Sub(2)}
02	Position number detail	Position(6) {Budget(4)Project(4)}
03	Selection from your PC file	Enter HELP for format
04	Object subobject detail	Object(2)Subobject(2) {Budget(4)}
05	Object subobject detail for one day	Object(2) {Subobject(2)Budget(4)}
06	Source subsource detail	Source(3) {Subsource(2)Budget(4)}


Report number: 00 Selection criteria:
Desired fiscal year (or ALL): 08 Date criteria: 070107 thru 033108
Section (Exp/R)ev: E Dates available: 090106 thru 040408
Maximum records to download: 9999 Output to (P)C file/(S)creen: P

PF1=Balances Main Menu PF12=Download Menu



Financial Data Warehouse

- Build your own reports or use a predesigned report from Corporate Documents:
 - Area Reserve Allocation Activity by Account



Questions

Thank you for attending this training today!



WSU employees attending this session via videoconferencing and who wish to have it documented on their training history must notify Human Resource Services within three days of the session date:

hrstraining@wsu.edu