



# Departmental Guide to Budget Adjustments

Effective 7/1/2023

## Overview

This guide applies to the following funds:

- Education & General (E&G), including E&G-Carryforward (110-241)
- Designated (301, 330-336, 511, 514, 610-620, 650)
- Auxiliary (310-325, 345-391, 512, 515, 630-636)
- Restricted (510, 513, 599, 660-665, 680)
- Debt Service (700-744)

Questions regarding Sponsored Research (520-570) should be directed to [Sponsored Research Administration](#), while questions regarding Capital Projects (800-899) should be directed to [Asset Management](#).

Prior to the start of each fiscal year, departments formulate an annual operating budget. At the start of each fiscal year, departments will also prepare a Carryforward Spending Plan detailing carryforward projects and budget details. Once approved, these budgets are booked in the commitment control (KK) ledgers in the university's enterprise resource planning system, OMNI. Each department's spending is controlled by their expense budget. That is, a department cannot spend more than they have budgeted on a particular department-fund-budgetary account combination.

Annual operating budgets developed prior to the start of a fiscal year, and carryforward budgets prepared at the beginning of the fiscal year, are based upon estimates and plans. As estimates become actuals and plans change, expense budgets in KK must be adjusted so that departments may continue to spend as needed. (Variances between revenue budgets and actuals will not prevent departments from posting revenue or spending; however, revenue budgets may be adjusted as well.)

## Types of Budget Adjustments

There are six types of budget adjustments used in OMNI:

- Budget Transfers
  - Recurring Transfer
  - Non-Recurring Transfer
- Budget Journals (*Budget Office use only*)
  - Recurring Original
  - Non-Recurring Original
  - Recurring Adjustment
  - Non-Recurring Adjustment

Recurring adjustments are used to make permanent changes to E&G budgets (excluding E&G-Carryforward). Non-recurring adjustments are temporary, one-time adjustments, and will not carry forward to the next fiscal year. All adjustments for E&G-Carryforward, Designated, Auxiliary, Restricted, and Debt Service funds are non-recurring.

Description		Type	Funds
Budget Transfers	Recurring Transfer	Permanent	E&G only (excluding E&G-Carryforward)
	Non-Recurring Transfer	Temporary	Any
Budget Journals ( <i>Budget Office use only</i> )	Recurring Original	Permanent	E&G only (excluding E&G-Carryforward)
	Non-Recurring Original	Temporary	Any
	Recurring Adjustment	Permanent	E&G only (excluding E&G-Carryforward)
	Non-Recurring Adjustment	Temporary	Any



## Budget Transfers

Budget transfers may be used to shift budget between departments and/or budgetary accounts. Budget may not be transferred between funds. Departmental personnel may be given access to enter and post budget transfers pursuant to the following matrix. (For additional information, please reference the [Budget Transfer Job Aid](#).)

<b>Description</b> (Budgetary Accounts)	<b>E&amp;G</b> (110, 121, 210, 211)	<b>E&amp;G-Carryforward*</b> (126, 140, 240, 241)	<b>Designated</b> (301, 330-336, 511, 514, 610-620, 650) <b>Auxiliary</b> (310-325, 345-391, 512, 515, 630-636) <b>Restricted</b> (510, 513, 599, 660-665, 680) <b>Debt Service</b> (700-744)
--	--	--	--

Revenues			
All (6xxxxx)	n/a	n/a	Yes <i>Within a department or between departments within a fund. Must be entered and posted by the Budget Office. Contact the Budget Office for assistance.</i>

Expenses			
Faculty Salary (712000) Faculty Benefits (710299) Staff Salary (710300) Staff Benefits (710399) Special Categories (73xxxx)**	Yes <i>Within a department or between departments within a fund. Must be posted by the Budget Office.</i>	Yes <i>Within a department or between departments within a fund.</i>	Yes <i>Within a department or between departments within a fund.</i>
OPS (720000) Expense (740000) OCO (760000)	Yes <i>Within a department or between departments within a fund.</i>	Yes <i>Within a department or between departments within a fund.</i>	Yes <i>Within a department or between departments within a fund.</i>
Non-Exchange Transfer (780140) I&S Inter-Agency Transfer (780150)	Yes <i>Within a department or between departments within a fund. Must be posted by the Budget Office.</i>	Yes <i>Within a department or between departments within a fund. Must be posted by the Budget Office.</i>	Yes <i>Within a department or between departments within a fund.</i>
Debt Svc (780010) Inter-Agency Transfer (780110)	n/a	n/a	Yes <i>Within a department or between departments within a fund.</i>
Transfer Out Construction (780125)	Yes <i>Within a department or between departments within a fund. Must be posted by the Budget Office.</i>	Yes <i>Within a department or between departments within a fund. Must be posted by the Budget Office.</i>	Yes <i>Within a department or between departments within a fund. Must be posted by the Budget Office.</i>
OH Assessment (780170)	n/a	n/a	No
Unallocated Balance (999001) 7% Statutory Reserve (999003)	n/a	Yes <i>Within a department or between departments within a fund. Must be posted by the Budget Office. Special approval is required.</i>	n/a

\*E&G-Carryforward transfers may require changes to the departments approved Carryforward Spending Plan.

\*\*E&G transfers reducing Special Categories may require additional approval.



## Budget Journals

For non-E&G departments only, when budget is not available to transfer from another department and/or budgetary account, budget journals may be used to adjust a department’s revenue and/or expense budget. These journals must be entered and posted by the Budget Office. The [Non-E&G Budget Adjustment Form](#) must be submitted, and special approvals may be required. (See below.)

### Special Approvals Required

Within a non-E&G fund, if the expense budget is increased, special approvals may be required. The Budget Office will obtain necessary approvals using the [Non-E&G Budget Adjustment Form](#) submitted by the department.

For a department-fund combination, **cumulative** adjustments totaling:

- Up to \$150,000.00 do not require special approvals
- \$150,000.01 to \$500,000.00 must be approved by the division’s Vice President
- \$500,000.01 to \$1,000,000.00 must be approved by the division’s Vice President, along with the Senior Vice President for Finance & Administration
- Greater than \$1,000,000.00 must be approved by the division’s Vice President, the Senior Vice President for Finance & Administration, and the President

*Example:*

Date	Transaction	Individual Transaction Amount	Cumulative Total	Special Approvals Required (Budget Office will obtain)
12/1/2022	Expense budget increase	\$5,000	\$5,000	n/a
12/15/2022	Expense budget increase	\$100,000	\$105,000	n/a
2/1/2023	Expense budget increase	\$85,000	\$190,000	Division’s VP
4/30/2023	Expense budget increase	\$340,000	\$530,000	Division’s VP and SVP for F&A
6/4/2023	Expense budget increase	\$472,000	\$1,002,000	Division’s VP, SVP for F&A, and President

(Note: If the Budget Office is required to obtain special approvals related to a budget adjustment, the process can cause considerable delay. Please plan accordingly.)