

# GeorgiaFIRST Budget Structure: Commitment Control

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GeorgiaFIRST Budget Structure

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line that the transaction references because budgets are created and maintained at a higher level than transactions. These 'levels' and their definitions are recorded in the Account Budget Translation Tree.



All budgetary accounts (those that begin with a 4, 5, 6, 7, or 8) must appear on this tree. The value found at the highest level of the tree (All Accounts) is 000000, which is used for validation purposes. The next level is the Appropriation Level. Here we find the accounts at the 400000, 500000, 600000, 700000, and 800000 levels. All expenditure budgets will require lines at this level for Appropriation Budgets. Stepping down to the next level, we find Summary Accounts. Accounts at this level are used on Revenue Estimate, Project, and Organizational (Department) Budgets. All other detail accounts, those where accounting transactions are posted, fall at the lowest 'node' on the tree, where the leaf icon appears.

Note: Normally, the detail account values are maintained in ranges so institutions do not have to update the Account Rollup tree when a new account is defined.

### III. Types of Budgets

The GeorgiaFIRST Financials model supports the following types of budgets:

1. Appropriation Ledger Group (APPROP)

Highest level of budgeting. The Fund Code, Department, Program, Class, and Budget Year are entered at the detail level. The Account is entered at the Appropriation level (500000, 600000, 700000, 800000, 900000).

4. Project/Grant Ledger Group (PROJ\_GRT)
  - Control expenditures specifically for a grant (sponsored project).
  - The budget is entered at the same level as the Organization Budget with the addition of the Project Chartfield.
  - The Project Chartfield definition and corresponding synchronization process determine whether a Project is “controlled” or “tracked” when budget checked.
  - The Project ID, Fund Code, Department, Program, Class and Budget Year are entered at the detail level in addition to the Summary Account.
  - The Project Grant budget is the child of the Project Master Expense Budget.
  
5. Revenue Estimate Ledger Group
  - Track revenues recognized and cash collected against estimated revenues
  - The Fund Code, Department, Program, Class and Budget Year are entered at the detail level in addition to the Summary Account.
  - Revenue Budgets are always set to “track.”
  - The GeorgiaFIRST model makes no distinction between recognized and collected revenue.
  
6. Project Revenue Master Ledger Group (PRMST\_REV)
  - The Project Master Budget is referred to as the cumulative project budget.
  - Project Master Budgets can cross fiscal year and budget year boundaries.
  - Track revenues are recognized and cash collected against estimated revenues.
  - Only the Project ID and the Budget Amount are captured in the Project Revenue Master Budget.
  - The Project Revenue Master Budget is a sibling of the Project Expense Master Budget.
  - The Project Revenue Master Budget is upd

For Personal Services Budgets, detail 'target' amounts will be included for Organizational Budgets. For the Non-Personal Services Budgets, the 6, 7, and 8 accounts, an Organizational Budget of \$0 will be established for each.

The figure below shows a summarized \$1 million sample budget for one entire department.

The Appropriation Budgets are the default 'control' budget lines. Funds must be available at the APPROP budget level in order for a transaction to pass budget checking. The Organizational Budgets, denoted by the ~~R821582410.05e7-.5 ( pas)-2 (s)8.9 ( bud)10.5c4 11.399 re W n BT~~

## Personal Services

The figure below shows a sample Personal Services budget for the Chemistry Department, number 1306000, which can only spend Personal Services money in three areas: Regular Faculty, Part-Time Faculty, and Professional/Administrative Salaries.

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require a project-based budget, since fund 20000 is not controlled by the Appropriation or Organization Budgets.

Note: The funds for project expenditures typically come out of normal Appropriation and Organization Budgets.

The Project Master Expense and the Project Grant Budgets have a parent/child relationship with one another. PeopleSoft 8.9 allows both ledgers to be populated when a budget journal is entered to the Project Grant budget. When a Project/Grant Budget is entered into Commitment Control with the Generate Parent flag enabled, the PROJ\_GRANT and PRMST\_EXP budgets are populated simultaneously.

Note: The Project Master Expense and Revenue ledger groups replace the v7.5 functionality that the PROJECT\_HEADER table used to fulfil.

#### Project/Grant Example

For example, a 2-year Grant to study automobile safety may have an Overall Project/Grant Budget of \$30,000. The grant manager must create valid budget lines for each fiscal year in the total project life. Let's assume the sponsor gives us money to cover only salaries for part-time faculty and office supplies. We'll create Project/Grant Budgets for the first year of the Grant.

Note: Project/Grant Budgets use the same Account Tree as the other Commitment Control types, with one level of account summarized above the transactions. Also, notice that the budget keys are all Chartfields. Any Project/Grant Budget that you enter





### Track versus Control

Setting a Ledger or ChartField combination to Track will not prevent a transaction from being processed. A tracking ledger is primarily used for reporting and inquiry purposes.

If a Ledger or ChartField combination is set to Control, a Budget is required. If a ChartField combination does not have enough spending authority, it will fail budget checking. The only mechanism for allowing the transaction to post is to override the transaction.

The table below describes the GeorgiaFIRST Ledger configuration, and whether the Ledger Budgets should be set to Track or Control.

Budget Type	Track versus Control
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## Budget Date

Every financials transaction outside of Commitment Control requires a Budget Date. The Budget Date is used to derive the Budget Period and the Budget Reference fields. The Budget Date typically

Note: In order for security changes to take place, a batch process (Comm