Course ID: FIN 206
Course: Enter and Process Budget Journal (Department)

Course Overview

Course Description	This course provides a comprehensive review of the Entering and Processing Budget Journals processes. This course consists of the following modules: • Module 1: Course Introduction • Module 2: Enter and Process Budget Journals (Department) • Module 3: Course Summary
Training Audiences	• Central Appropriation Approver • Central Appropriation Processor • Department Appropriation Processor
Prerequisites	• ERP 101 – Overview of INFORMS • ERP 102 – INFORMS Navigation, Reporting and Online Help • FIN 101 – Financial Fundamentals
Estimated Duration	• 2 Hours

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Course Outline

Content
Module 1: Course Introduction
Module 2: Enter and Process Budget Journals (Department)
• Lesson 1: End-to-End Processes of Budgeting in Commitment Control
• Lesson 2: Enter and Process Budget Journals
• Lesson 3: Processing Budget Transfer Journals
• Lesson 4: Budget Workflow Approval Process
Module 3: Course Summary

Module 1: Course Introduction

Module Topics
Course Administration and Logistics
Learning Objectives
Roles and Responsibilities
Navigation
Key Changes to the Business Process
The End-to-End Business Process
Introduction to Demonstrations, Activities, and Exercises

Course Administration and Logistics

To receive credit for completing this course, you must record your attendance at the beginning <u>and</u> end of class

Please turn off cell your phones and refrain from checking email and the Internet while in class

Actively participate in class

Take Breaks at scheduled times

Ask questions; this is your time to learn

Be back from Breaks on time

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Learning Objectives

At the conclusion of this course, participants will be able to:

- Identify the End-to-End Processes of Budgeting and Commitment Control

- Entering and Processing Budget Journals

- Process Budget Transfer Journals

- Budget Workflow Approval Process

Roles and Responsibilities

The roles and responsibilities associated with the Enter and Process Budget Journals Business Processes include:

| Role	Responsibilities
Central Appropriation Approver	The Central Appropriation Approver has access to post countywide controlling budget journals.
Central Appropriation Processor	The Central Appropriation Processor has the ability to create Countywide controlling budget journals. This user also has access to view Appropriation transactions interfaced from Hyperion.
Department Appropriation Processor	The Department Appropriation Processor is responsible for the creation of a budget journal to request or transfer budget for the department.

Navigation

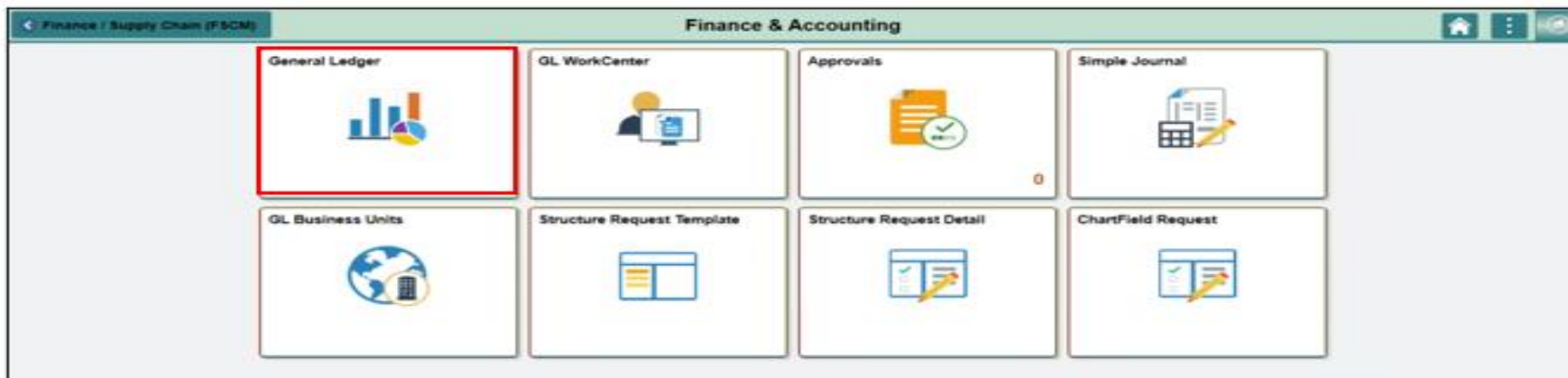1. Login to INFORMS and select **Finance/ Supply Chain (FSCM)** from the home landing page below.

Navigation

2. Select **Finance & Accounting**
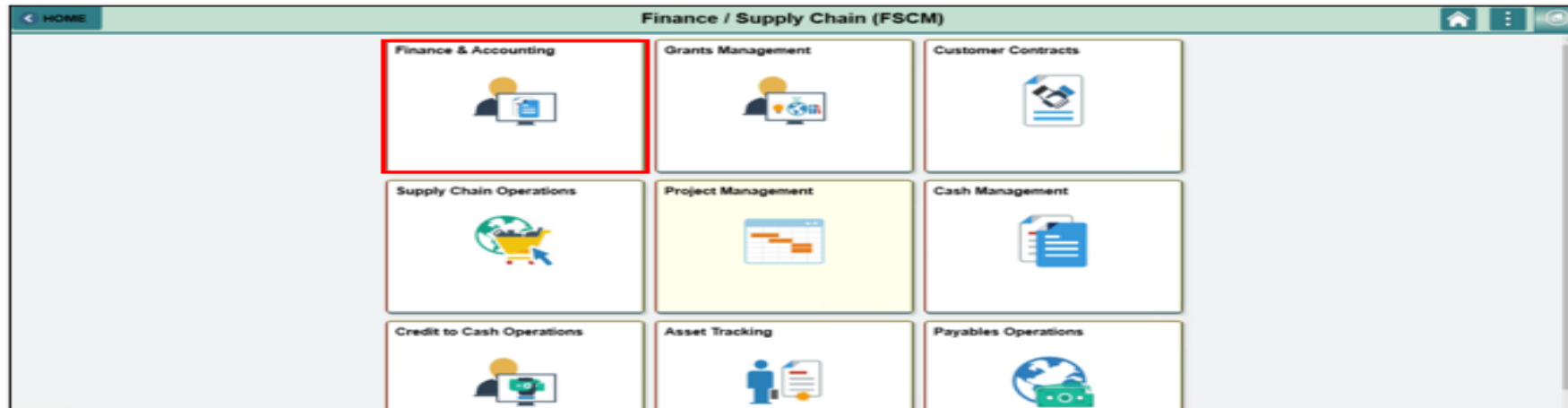
3. Select **General Ledger.**

Key Changes of the Business Process

The key changes of the Enter and Process Budget Journals Business Process(es) include:

- Index Code Individual ChartField values will now be entered into the transactions.

- ChartFields are independent resulting in flexibility to create a unique combination.

- INFORMS Budget Transfer journal entries will require separate debit and credit lines to be in balance.

Key Changes of the Business Process

- INFORMS will have multiple ChartField combination edit rules.
  - For example, all Transactions on an Annual Budget Journal will require a Department, Fund, Account and Grant Value.
  - End-users will need to know how to fix these types of error transactions.
- INFORMS will use multiple budget checking ledgers.
  - End-users will research budget check errors and initiate the request to fix errors in either the Appropriation Ledger or the Multiyear Capital Ledger if necessary.
- The new system will "Budget Check" transactions in sub modules to record the appropriate entries in Commitment Control.
  - For example, an Encumbrance liquidated to an Expenditure when the Voucher is processed.

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Key Changes of the Business Process

- INFORMS uses Budget Ledgers to manage different Budget structures & Budget periods.
  - Knowing which Budget Ledger is impacted will be necessary when addressing budget exceptions.
- Budget journals will be routed to OMB for approval after it is entered by the Departments.

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The End-to-End Business Process

- There will be an interface from Hyperion to load the Original Budget into INFORMS.

- The Department Appropriation Processor and the Central Appropriation Processor are responsible in creating the Budget Journal document and attaching proper documentation to justify the budget entry.

- The Budget Journal will be routed to the OMB Department as the Central Appropriation Approver. OMB is responsible in reviewing the entry and approving/or denying the journal accordingly.

- The approved Budget Journal will be posted to the Commitment Control module through a batch process.

The End-to-End Business Process

BUDGET JOURNAL
Business Process

1 **Budget Journal**
- Load budget or transfer a budget
- Create a Budget Journal document

Department Appropriation Processor
Processor role responsible for the creation of the budget journal to request or transfer budget for the department.

2 **OMB Budget Approval**
- Review Budget Journal
- Approve or Reject

Central Appropriation Approver
OMB (Office of Management & Budget) Approver role has access to post, approve/ reject Countywide controlling budget journals.

The End-to-End Business Process

- The Budget Journal is used in instances such as:
  - Where a grant is awarded and the grant budget needs to be established in INFORMS.
  - When the End of Year supplemental is finalized, approved by the Board of County Commissioners (BCC), and ultimately recorded in INFORMS.
- The Budget Journal Transfer is used:
  - When the original budget is incorrectly loaded to the various INFORMS ChartFields to ensure that the same amount transferred out is transferred into the correct ChartFields. This will prevent any changes in the overall budget.

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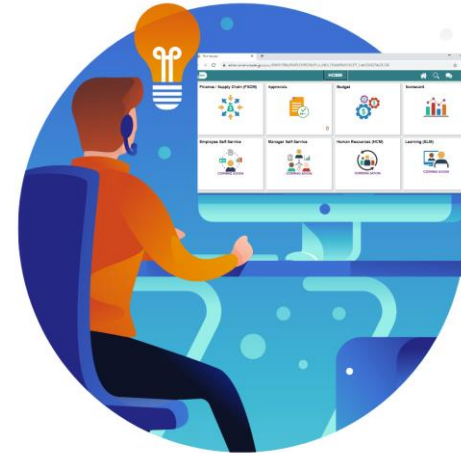# Introduction to Demonstrations, Activities, and Exercises

You will take part in two levels of group and individual activities throughout this course:

Instructor Demonstrations

Training Activities

Training Exercises

Module 1: Course Introduction Summary

Module Topics
Course Administration and Logistics
Learning Objectives
Roles and Responsibilities
Navigation
Key Changes to the Business Process
The End-to-End Business Process
Introduction to Demonstrations, Activities, and Exercises

Module 2: Enter and Process Budget Journals (Department)

Module Topics
Module Introduction
• Lesson 1: End-to-End Processes of Budgeting in Commitment Control
• Lesson 2: Enter and Process Budget Journals
• Lesson 3: Processing Budget Transfer Journals
• Lesson 4: Budget Workflow Approval Process

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Lesson 1: End-to-End Processes of Budgeting in Commitment Control

At the conclusion of this lesson, users will be able to:

- Identify the End-to-End Processes of Budgeting and Commitment Control

Commitment Control will enable the County to:

- Manage and control budget expenditures.

- Check expenditures: check actual transactions such as actual expenditures and revenues against control budgets.

- Check future financial obligation such encumbrances against control budget.

- Check actual revenues against estimated revenue budget.

Lesson 1: Key Terms

Term	Definition
Budget	The Commitment Control ledger group that stores the remaining available budget after budget creation and transactions for encumbrances and expenses are incurred.
Budget Checking	The process used to ensure that the expense transactions meet the requirements of the Appropriation Ledger based on Fund, Department and Account roll up as well as doesn't exceed the available budget amount.
Budget Error	When the Budget Processor stops the user if the transaction exceeds the control budget (annual appropriation). An identifier that classifies various types of budget transactions.
Budget Journal	A Commitment Control journal used to establish a budget for a particular ChartField string.
Commitment Control (KK)	Also referred to as Budgetary Control or KK, Commitment Control enables the user to control expenditures against predefined, authorized budgets.
Ledger Group	Ledger groups define a set of detailed ledgers. These detailed ledgers are associated to specific ledger types. Some examples of Commitment Ledger types include: Budget, Encumbrances, Expenses and Pre-Encumbrances.

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Lesson 1: End-to-End Processes of Budgeting in Commitment Control

INFORMS Commitment Control is a feature that enables the Miami Dade County to control expenditures and encumbrances actively against predefined, authorized budgets. Budgetary Control is referred to as Commitment Control (or KK) in INFORMS.

Commitment Control provides the following business processes:

- Control budget creation and adjustment:
  - Budget Journals:
    - Used to establish and maintain Annual budgets.
    - Related to expense transactions are posted to the Detail Ledger.
    - Related to estimated revenue transactions are posted to the Revenue Ledger Group.

Lesson 1: End-to-End Processes of Budgeting in Commitment Control

- Budget checking:
  - Process is used to ensure a transaction doesn't exceed the available budget amount.
  - Control budgets are created and maintained, and actual transactions are checked against the control budgets.

- Budget error notification and override:
  - The Budget Processor stops the user if the transaction exceeds the control budget. The transaction will not go further until resolved.

- Inquiry on budgets and budget-checking activity:
  - Users can see an overview of budgets and identify when these budgets are currently, or at risk of, being broken.
  - Users can discover where the errors are originating from and evaluate the possibility of overriding the error.

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# Lesson 1: End-to-End Processes of Budgeting in Commitment Control

Commitment Control requires the setup and definition of a budget against a source transaction.

Source transaction passes INFORMS Commitment Control's budget checking, the appropriate Commitment Control ledgers are updated with new information, and the available budget amounts are reduced accordingly.

Example below of how INFORMS Commitment Control determines an available budget balance:

Budgeted amount	$5,000
Encumbrances	- $2,000
Expenditures	- $750
Available budget	$2,250

Lesson 1: Questions & Answers
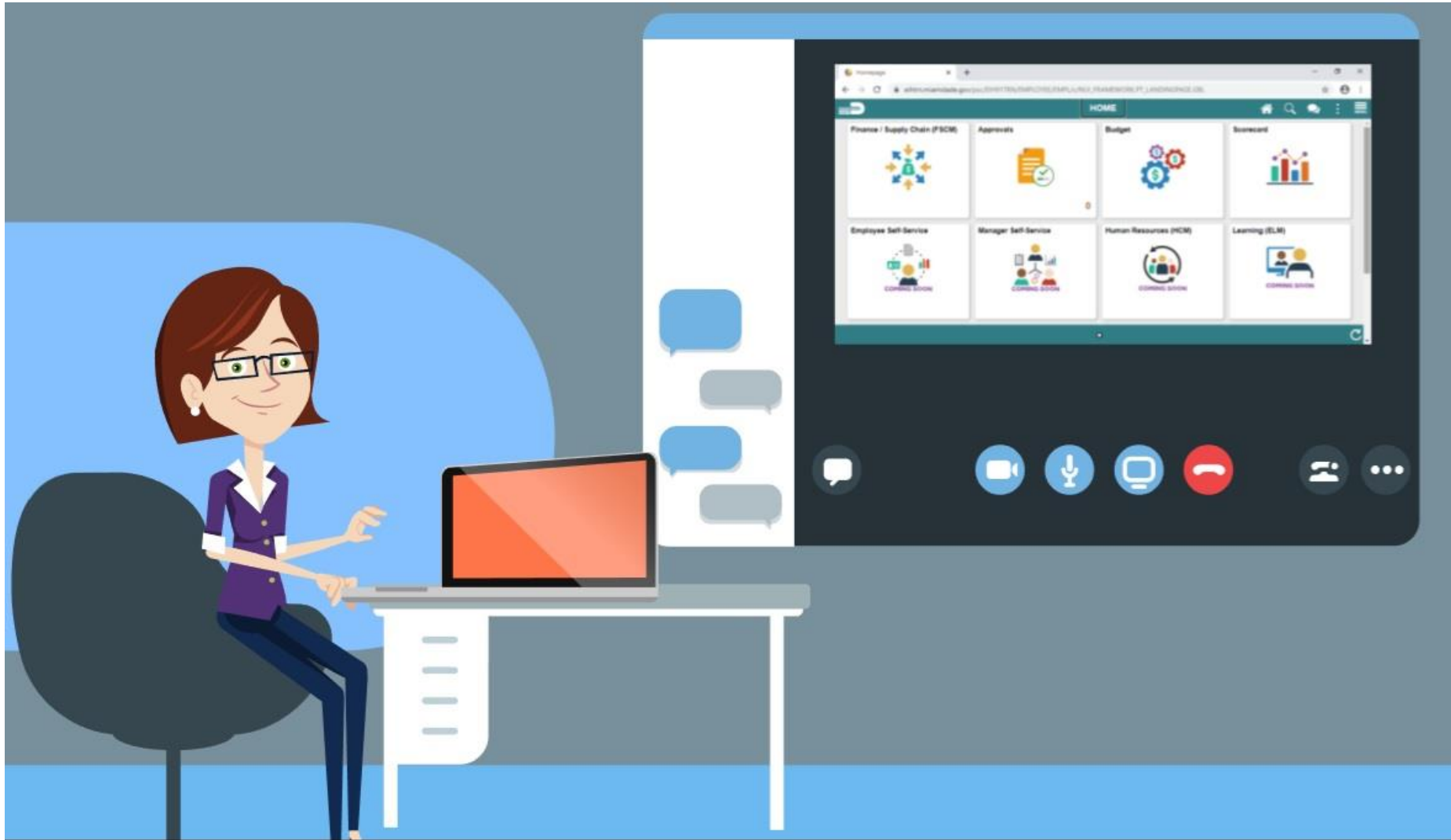
Lesson 2: Enter and Process Budget Journals

At the conclusion of this lesson, you will be able to:

- Enter and Process Budget Journals (Department)

Lesson 2: Enter and Process Budget Journals

Budget Journals are journals that contain one or more transactions that create or modify authorized budget amounts for an organization's budget.

Most Budget Journals will be created for establishing and maintaining the following types of budgets:

- Annual Appropriation (A_APPROP)

- Annual Detail Appropriation (A_DETAIL)

- Annual Estimated Revenue (A_REV)

Lesson 2: Enter and Process Budget Journals

For a balanced budget (Estimated Revenues = Appropriation), transactions must be posted into two ledgers:

- A_DETAIL (Annual Detail Appropriation)
- A_REV (Annual Estimated Revenue)

Lesson 2: Key Terms

Term	Definition
Budget	The Commitment Control ledger group that stores the remaining available budget after budget creation and transactions for encumbrances and expenses are incurred.
Budget Entry Type	An identifier that classifies various types of budget transactions.
Budget Journal	A Commitment Control journal used to establish a budget for a particular Chartfield string.
Commitment Control (KK)	Also referred to as Budgetary Control or KK, Commitment Control enables the user to control expenditures against predefined, authorized budgets.
Ledger Group	Ledger groups define a set of detailed ledgers. These detailed ledgers are associated to specific ledger types. Some examples of Commitment ledger types include: Budget, Encumbrances, Expenses, and Pre-Encumbrances.

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Lesson 2: Enter and Process Budget Journals

Navigate to: **Finance/Supply Chain (FSCM) > Finance & Accounting > General Ledger > Commitment Control > Enter Budget Journals**

Lesson 2: Activities and Exercises

Lesson 3: Processing Budget Transfer Journals

At the conclusion of this lesson, users will be able to:

- Enter and Process Budget Transfer Journals

Lesson 3: Key Terms

Term	Definition
Budget	The Commitment Control ledger group that stores the remaining available budget after budget creation and transactions for encumbrances and expenses are incurred.
Budget Journal	A Commitment Control journal used to establish a budget for a particular Chartfield string.
Budget Journal Transfer	A journal that moves budgeted authority from one ChartField string to another (i.e. department).
Commitment Control (KK)	Also referred to as Budgetary Control or KK, Commitment Control enables the user to control expenditures against predefined, authorized budgets.

Lesson 3: Business Process Overview

Budget transfers:

- Allow Original Budget amounts to be moved between ChartField strings without changing the original overall budget.

- Useful to move funds between ChartField strings (i.e. fund or department) and make balanced adjustments to the Original Budget authority. Transfer amounts can only be between budgets within a single Commitment Control ledger group and business unit combination.

Most Common type of Budget Transfer Journals the County will use is:

- Transfer Original: It indicates a transfer of Original Budget amounts. Used to correct an error in the original entered budget.
  - Example: moving amounts from one Department value to another Department value.

Lesson 3: Business Process Overview

Navigate to: **Finance/Supply Chain (FSCM) > Finance & Accounting > General Ledger > Commitment Control > Enter Budget Transfer**

Lesson 3: Activities and Exercises

Lesson 4: Budget Workflow Approval Process

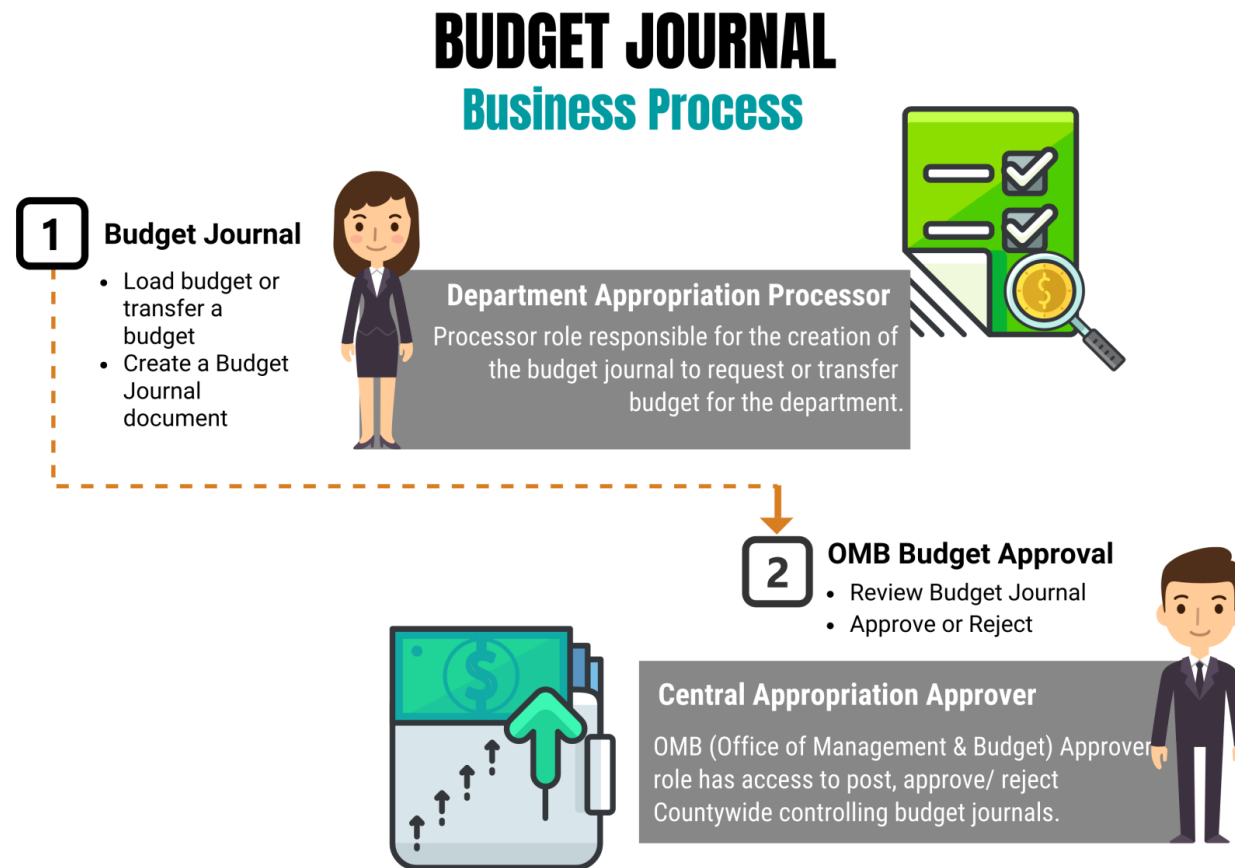At the conclusion of this lesson, you will be able to:

- Identify the appropriate roles throughout the operating budget journal approval process.

- Explain what happens to a budget journal when it is not approved.

- Recall the steps necessary to approve an operating budget journal.

Lesson 4: Key Terms

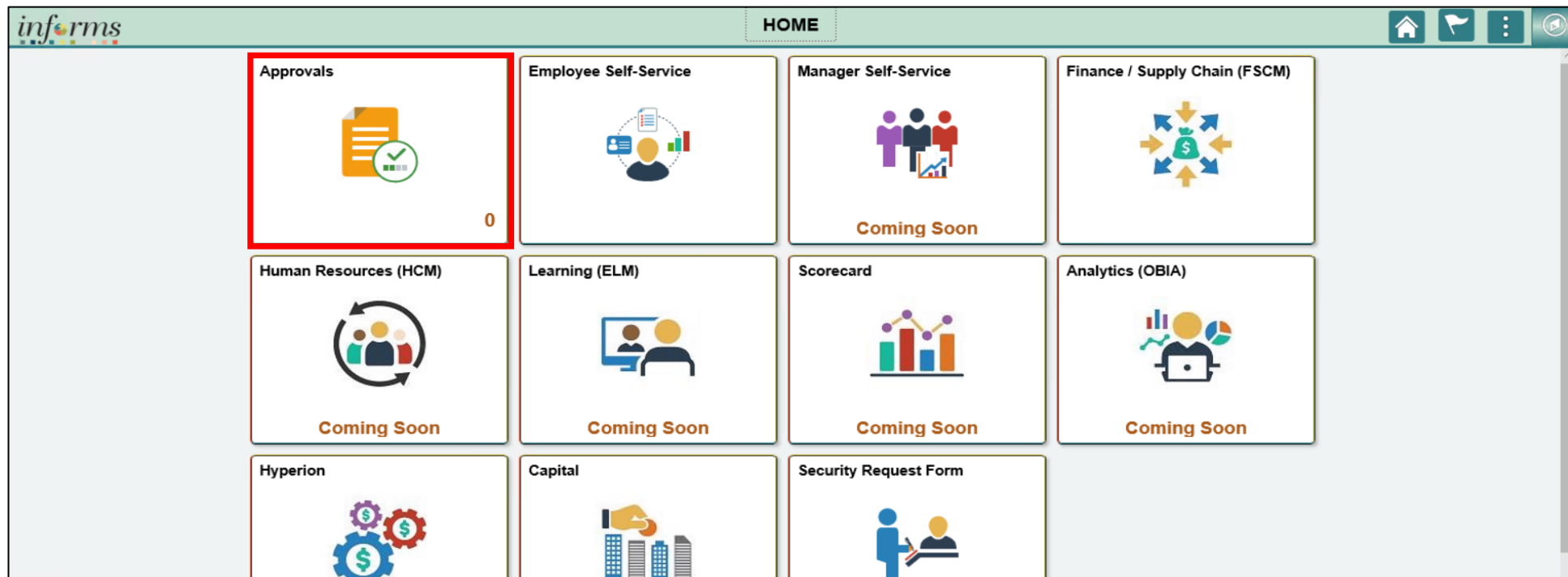| Term	Definition
Budget Journal	A Commitment Control journal used to establish a budget for a particular ChartField string.

Lesson 4: Business Process Overview

The process flow below illustrates the entry and approval process for an operating budget.

BUDGET JOURNAL
Business Process

1 **Budget Journal**
- Load budget or transfer a budget
- Create a Budget Journal document

Department Appropriation Processor
Processor role responsible for the creation of the budget journal to request or transfer budget for the department.

2 **OMB Budget Approval**
- Review Budget Journal
- Approve or Reject

Central Appropriation Approver
OMB (Office of Management & Budget) Approver role has access to post, approve/ reject Countywide controlling budget journals.

Lesson 4: Business Process Overview

Navigate to: **Approvals > Budget Journal**

Lesson 4: Business Process Overview

Once the budget journal is approved, the following options exist:

- The daily batch process will post the journal.

- For time sensitive entries:
  - The journal can be posted by the Central Appropriation Approver role (OMB) through an immediate batch process.

NOTE: If the budget journal is denied, the Department Appropriation Processor must make adjustments and resubmit the journal for approval.

Lesson 4: Activities and Exercises

Module 3: Course Summary

Module Topics
Course Content Summary
Additional Training and Job Aids
Course Evaluation

Course Content Summary

Congratulations! Having completed the Enter and Process Budget Journals (Department) course users should be able to:

- Identify the End-to-End Processes of Budgeting and Commitment Control

- Enter and Process Budget Journals

- Process Budget Transfer Journals

- Complete the Budget Workflow Approval Process

Additional Training and Job Aids

Users may be eligible to take the following training courses based on their INFORMS roles:

- FIN 207 – Manage Budget Exceptions (Department)
- FIN 208 – Budget Inquiry and Reporting

Users also have the following resources available:

User Productivity Kits

- Budget Workflow Approval Process
- Enter and Process Budget Journals
- Process Budget Transfer Journals

For additional information, be sure to visit Miamidade.gov/informs

You have successfully completed the *Enter and Process Budget Journal (Department)* course!

FIN 206 – Enter and Process Budget Journal (Department)