The purpose of this chapter is to give the reader a working understanding of the purpose and application of budgetary accounting. Budgetary accounting terminology is defined and applications explained. Processes relating to PeopleSoft Financials, the state-wide accounting system, are explained.

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3.1 STATUTORY AUTHORITY

IC 4-12-1-1, The Budget Agency, states in part: “(a) This chapter shall be known and may be cited as the budget agency law. (b) Its general purposes and policies may be perceived only from the entire chapter, but among them are four (4) of particular significance, namely: (1) Vesting in the budget agency duties and functions and rights and powers which make the execution and administration of all appropriations made by law the exclusive prerogative and authority of that agency, and otherwise denying such prerogative and authority to the budget committee.”

IC 4-12-1-6, State agencies; forms; reporting statistical data and information for budget bill or report, states in part: “When requested so to do by the governor, or by the budget director, other agencies of the state shall assist the budget agency in the effective discharge of its duties and functions.”

IC 4-9.1-1-7 relating to the Board of Finance states: “(a) The board may transfer money between state funds, and the board may transfer money between appropriations for any board, department, commission, office, or benevolent or penal institution of the state. After the transfer is made the money of the fund or appropriation transferred is not available to the fund or the board, department, commission, office, or benevolent or penal institution from which it was transferred. (b) In addition to a transfer under subsection (a), the board may transfer money from an appropriation for any board, department, commission, office, or benevolent or penal institution of the state to the Indiana economic development corporation. (c) An order by the board to make a transfer under this section is sufficient authority for the making of appropriate entries showing the transfer on the books of the auditor of state and treasurer of state. (d) The authority given the board under this section to make transfers does not apply to trust funds. For the purposes of this section, “trust fund” means a fund which by the constitution or by statute has been designated as a trust fund or a fund which has been determined by the board to be a trust fund.”
3.2  ACCOUNTING THEORY – TERMINOLOGY FOR BUDGETING

The primary purpose of budgetary accounting is to control the availability of funds for expenditure by agencies. Budgetary accounting provides the information necessary to administer and monitor the budget. The PeopleSoft financial accounting system provides information, through certain reports run by AOS and stored in the Alchemy system, about the status of individual fund budgets and remaining balances in the categories defined below.

3.2.1  Appropriation

Appropriation is the amount authorized by the State Legislature for use throughout the fiscal year for purposes specified. The Budget Committee and the Board of Finance are empowered to adjust or transfer appropriations throughout the fiscal year.

3.2.2  Allotment

Allotment is a transaction recorded by the State Budget Agency (SBA) to make appropriations available for agency spending. Appropriations cannot be spent unless allotted by the Budget Agency.

3.2.3  Pre-Encumbrance

A pre-encumbrance is the commitment or obligation incurred by issuance of a requisition for goods or services as processed in PeopleSoft ePro. Pre-encumbrances reduce the allotment balance available for expenditure. A pre-encumbrance is not recognized as an encumbrance or expenditure as the items or services have not yet been ordered or received. A pre-encumbrance will remain on the system until the related requisition is either processed to a purchase order or closed.

3.2.4  Encumbrance

Encumbrance is the commitment or obligation incurred by issuance of a purchase order (PO) for goods or services. In the case of a purchase order processed from a requisition, the pre-encumbrance will be replaced by the encumbrance. Encumbrances also reduce the allotment balance available for expenditure. An encumbrance is not recognized as an expenditure as the items or services have not been received. Funds encumbered on POs but not yet expended (goods or service not yet received) at the end of the fiscal year (June 30) are rolled over into the next fiscal year and are then available for expenditure using the previous year’s budget. Funds encumbered on POs for future years are applied to future year’s budgets when available. The total amount on a vendor contract should be encumbered on a purchase order, including amounts to be paid in future years, unless a specific exception is granted by the State Budget Agency and the Auditor of State.

3.2.5  Fund Control Codes
Each PeopleSoft fund will be assigned a control code, which is applied by the system to achieve a specific level of budgetary control as follows:

- 3 – revenues do not impact budget; unused and unencumbered balance reverts to state at fiscal year-end
- 4 – revenues do not impact budget; unused and unencumbered balance reverts to state at fiscal year-end only in odd numbered years
- 5 – revenues increase appropriations only; allotments must be requested through budget analyst; balances do not revert at fiscal year-end, allowing utilization of accumulated revenues as a resource
- 6 – revenues increase both appropriations and allotments, available for spending and allowing utilization of accumulated revenues as a resource; balances do not revert at fiscal year-end
- 7 – federal grant funds; revenues do not impact budget; no year-end reversion, but subject to the grant period of performance regulations

### 3.2.6 Budgetary/Expenditure Major Points

With the exception of purchases from Internal Service funds, all Expenditure/Expense account numbers begin with ‘5’. The second digit of the six digit number represents the major expense category (major point), as listed below:

- 1 – Personal Services & Fringe Benefits
- 2 – Utilities
- 3 – Services by External Parties (Contractual Services)
- 4 – Supplies, Materials & Parts
- 5 – Capital Assets
- 6 – Distributions to Other Governmental Units
- 7 – Grants
- 8 – Social Service Type Payments
- 9 – Administration & Other Operating Costs, including Travel

### 3.2.7 Alchemy Budgetary Reports

Both of the following reports are run from PeopleSoft daily by AOS and stored as Alchemy files for easy access by agency personnel:

- Agency Appropriation and Allotment Trial Balance – Includes all funds in the agency; shows original Appropriations, Appropriation Balance (after Allotments processed), Allotments to date, Pre-Encumbrance, Encumbrances, Expenditures, and Allotment Balance (Allotments to date minus total of Pre-Encumbrance, Encumbrances, and Expenditures).
- Fund Appropriation and Allotment Trial Balance – Includes same information as above for a specific fund only.
You will note that, as a Pre-Encumbrance (requisition) advances to an Encumbrance (PO) to an Expenditure, the prior column will be reduced, with the result being that only current balances in the Pre-Encumbrance and Encumbrance columns will be shown. The Expenditure column shows the total expenditures for the current year to date.

The major expenditure point (section 3.2.6) and control code (section 3.2.5) for each fund are shown to the left of the Appropriations column in both reports with column headings ‘PT’ and ‘CTL’.

3.3 INTERNAL CONTROLS

3.3.1 Control of Legislatively Approved Budgets

To provide assurance that governmental funds are not over-expended, both system related and non-system related budgetary controls are in place. All legislatively approved budgets are entered into the PeopleSoft financial accounting system by the State Budget Agency; agency personnel cannot change or increase these amounts.

3.3.1.1 Commitment Control

Commitment Control is the menu function in PeopleSoft that enables budgetary control through the automated system. Automatic budget checks are processed on each step of the purchasing process and, without adequate funds remaining in the allotted budget, purchases and the resulting payments cannot be processed. If the ePro system is circumvented to make purchases, the voucher cannot be processed for payment without adequate allotted funds. Budget overrides are not available in the system. The single exception to this is that agency budget staff can move budgetary allotments within the expenditure points two (2) through nine (9) without SBA approval as long as the total two (2) through nine (9) total allotment balance is positive.

3.3.1.2 Budget Analyst

Analysts on the staff of the Budget Agency oversee original budget requests and adjustments throughout the year and assure that approved appropriations and allotments are maintained on the system. Requests from agency budget contacts for transfers or adjustment of appropriations and allotments must be approved by budget analysts and, in some cases, by the director of the budget agency.

3.3.2 Control of Federal Funds

Federal grant awards will be entered by the SBA as funding sources into PeopleSoft Project Costing from grant award letters or, in the case of open-ended entitlement grants, from an estimated amount which can be adjusted if necessary. The State match amount, if any, will also be moved to the federal fund by SBA. The percentage of federal/state/local share will be recorded by agency staff; these percentages will
control the allocation of each expenditure as it is made, resulting in a better definition of remaining funds in a federal project. Expenditures to federal projects cannot be posted without a positive funding source.

### 3.4 BUSINESS PROCESSES – ESTABLISHMENT & MAINTENANCE OF BUDGET

The process of developing a comprehensive state budget involves the participation of numerous parties and stakeholders over an extended time period. The State of Indiana has a biennial budget, meaning that each budget contains appropriations for two fiscal years. Fiscal years in Indiana begin on July 1st and end on June 30th of the following year. The budget process is comprised of a number of individual phases, which are summarized as follows:

#### 3.4.1 Phase 1: Preparation

##### 3.4.1.1 Budget Request Submission

The budget process begins during even-numbered years with the State Budget Agency issuing Biennial Budget Instructions to state agencies. Each state agency prepares and submits a budget request, which includes a Current Services Budget, representing the cost of maintaining agency services at current levels. The budget submission may also contain New Services Requests, covering proposed increases, Capital Project Requests, and one-time expenditures for the construction and maintenance of state facilities. In addition, the budget submission may include internal reallocations and budget reductions.

##### 3.4.1.2 Budget Agency Review

The Budget Agency reviews the submitted budget requests and formulates recommendations. Budget review includes a detailed analysis of agency programs, operational performance, changes in population and cost trends, and other factors related to the efficient, effective use of public resources. The Budget Director discusses the analysis and recommendations, including any variances, with the Governor. The requests are adjusted as approved by the Governor, and then presented to the Budget Committee.

##### 3.4.1.3 The Budget Committee

The Budget Committee is composed of four legislators – one Democrat and one Republican from both the House of Representatives and the Senate – and the Director of the Budget Agency. The Budget Committee holds public hearings with state agencies to outline their budget requests. After the hearings are completed and future revenue estimates are presented via the Revenue Forecast, the committee makes a single, comprehensive budget recommendation to the Governor.

##### 3.4.1.4 The Revenue Forecast

State revenue forecasts are made annually in December, prior to the convening of legislative sessions, and again in April, prior to final legislative approval and enactment of appropriations. The revenue forecasts are prepared by the Indiana Economic Forum and the Revenue Forecast Technical Committee. The Forum forecasts the economic outlook for the state. The Technical Committee, which operates independently from the Economic Forum and represents both political parties and the executive and legislative branches, uses the economic forecast to produce specific projections of revenue for sales tax, income tax, and other sources.

##### 3.4.1.5 The Budget Report
The Budget Committee, assisted by the State Budget Agency, uses their budget recommendation to create an itemized budget report and an initial draft of the budget bill. The report and bill show the recommended operating and construction budgets, separately itemized, for each state agency, office, board, commission, and department. The initial Budget Report and bill are submitted to the Governor by the Budget Committee. The Governor then delivers the final Budget Report and bill to the General Assembly.

### 3.4.2 Phase 2: Adoption

The second phase of the budget process is the legislative adoption of the budget. The Indiana General Assembly debates the proposed budgets contained in the budget bill and determines the amounts and purposes for which tax dollars may be spent.

#### 3.4.2.1 House Action

The legislative budget process begins in the House of Representatives, when the Speaker of the House assigns the budget bill to the House Ways and Means Committee. This committee considers the proposed legislation and holds hearings. These hearings provide an opportunity for agency representatives and the public to be heard on various aspects of the proposed budget. The Committee may amend the bill by majority vote. When deliberations are completed, the Ways and Means Committee reports the bill out for consideration by the entire House, usually in an amended form. After the committee report is adopted, the bill is considered to be on second reading. The bill may be further amended at this point. Individual representatives may present second reading amendments for debate. When all the offered amendments to the bill are either adopted or fail, the bill moves to third reading for approval as amended. Once passed by a majority vote, the bill is sent to the Senate for consideration.

#### 3.4.2.2 Senate Action

In the Senate, the Finance Committee has primary responsibility for budget bill deliberations. In a similar manner to the House Ways and Means Committee, the Senate Finance Committee conducts public hearings with selected agencies before issuing a committee report. Again, the bill may be amended in committee by a majority vote. After the bill is passed out of the committee, it goes through the second and third reading process, just as in the House. Once passed, the budget bill goes to conference committee to resolve differences between the House and Senate versions, unless the Senate passes the exact House version of the budget bill (a rare occurrence).

The budget conference committee is composed of four legislators, called conferees. The bill must be approved unanimously by these legislative conferees before it can be reported back to either chamber. While the conferees generally represent both political parties in the House and Senate, the majority legislative parties ultimately have the authority to appoint conferees. Conference committee negotiations represent the final stage of the budget deliberation, involving compromises by all parties prior to adoption and reporting of a recommended revised budget. When the conference committee reports out a revised recommended budget, each chamber adopts or rejects it. If rejected by either chamber, the conference committee must reconvene and renew negotiations.

#### 3.4.2.3 Other Bills

Although the budget bill is the principal vehicle for authorizing a state spending plan, other spending bills are sometimes adopted as well. They typically involve relatively small appropriations, but can, on occasion, be very significant. These bills must be taken into account at each stage of the appropriations process in order to assure that the total of all appropriations will not exceed available resources. Recent practice has been to remove these appropriations from non-budget bills and amend them into the budget bill during conference committee.

#### 3.4.2.4 Gubernatorial Approval
After the budget bill has been adopted by both chambers, it goes to the Governor for signature or veto. The Governor must sign the bill or veto it in its entirety. A gubernatorial veto may be overridden by a majority vote in both the House and Senate. Once signed, the appropriation act becomes the State of Indiana budget for the subsequent biennium, and the process of budget implementation begins.

### 3.4.2.5 Off-year Budget Actions

Although sessions in odd-numbered years are the focus of the bulk of budgetary action by the General Assembly, sessions in even-numbered years may see some level of budgetary activity. New spending decisions may be required by changing economic and revenue projections. This may take the form of either additions to or reductions of current programs, or it may involve entire new programs or capital projects.

### 3.4.3 Phase 3: Implementation

Budget implementation involves the establishment of accounts; the adoption of allotment schedules to govern the timing of expenditures; the monitoring and control of expenditures; and the adjustment of appropriations, as conditions warrant, through transfers and supplemental appropriations.

#### 3.4.3.1 Establishment of Accounts

Within 45 days of the adjournment of each regular session of the General Assembly, the Budget Agency prepares a list of all appropriations made by law for the upcoming budget period. The Budget Agency works with the Auditor of State to establish the accounts needed to execute the budget during each fiscal year. Appropriations establish overall spending limits for each account. APPROP budget journals are posted by the Budget Agency with the description of ‘JV2 Budget Bill Appropriation’.

#### 3.4.3.2 Allotments

Allotments are used to control spending. An allotment limits the amount of an appropriation that may be expended during a given time period. Appropriations are not available for expenditure until allotted by the State Budget Agency. The Budget Agency generally develops a quarterly allotment schedule for each account, to ensure that sufficient funds are available throughout the year and that expenditures do not exceed revenues. Any desired changes to this schedule should be discussed with the Budget Analyst. The Budget Agency may hold a small percentage of agency funds in reserve, to ensure adequate fund balances. The allotment schedule may be adjusted over the course of the fiscal year as conditions change. ALLOT_CTRL and ALLOT budget journals are posted by the Budget Agency with the description of ‘Allotment Schedule’.

#### 3.4.3.3 Budget Committee Role

The Budget Committee provides continuing legislative oversight of budget implementation. The Budget Committee meets during the interim between legislative sessions. Many appropriations contained in the Budget require Budget Committee review before any funds may be allotted or spent. In addition, the Budget Committee must review all construction projects that have a cost greater than $100,000 prior to proceeding with construction.

#### 3.4.3.4 Reporting

The Auditor of State provides daily allotment and trial balances, and other accounting and exception reports, to keep agencies informed of their account balances. The Budget Agency publishes each revenue forecast, as well as annual reports on specific sources and uses of funds. As prescribed by the Governmental Accounting Standards Board and in conformity with Generally Accepted Accounting Principles, the Auditor of State annually publishes a Annual Comprehensive Financial Report.
3.4.3.5 Transfers

Budgets are dynamic financial plans based on hopes and predictions made as much as thirty months in advance, so some variances are bound to occur as events unfold. Most budget variances are minor and are handled in the ordinary course of business by the agencies. When this is not the case, financial adjustments or transfers of appropriation authority may be necessary.

Statute authorizes the Budget Director to transfer, assign, or reassign appropriations within a state agency as long as the uses and purposes to which transfers are made are authorized or required by law. Such transfers must be at the request and with the consent of the agency whose appropriations are involved. The Budget Director is also authorized to make transfers from contingency or emergency appropriations for purposes authorized by law. The Budget Director may also reduce allotments to prevent a deficit if revenues fall short of forecast levels.

The State Budget Agency may also make inter-agency transfers with the approval of the State Board of Finance. The State Board of Finance is composed of the Governor, Treasurer, and Auditor of State, and has wide statutory authority to make transfers of appropriations between funds and entities of the State.

3.4.3.6 Oversight

The Budget Agency works in collaboration with state agencies throughout the year to ensure that expenditures are made within appropriation levels, in a manner that fulfills legislative intent and ensures maximum effectiveness in providing services to Indiana citizens.

3.4.4 Phase 4: Audit

The State Board of Accounts provides an annual financial audit in accordance with generally accepted auditing standards for the State of Indiana, including issuing opinions on the general purpose financial statements prepared by the Auditor of State. The State Board of Accounts also performs audits of local governments in Indiana.

3.5 INDIVIDUAL AGENCY BUSINESS PROCESSES

After the budget is established in the financial accounting system, PeopleSoft, for the fiscal year, certain operational events may result in the need for budgetary adjustments.

3.5.1 Agency Approved Transfers

The agency KK Budget Analyst can enter and approve transfers between major expenditure points two (2) through nine (9).

3.5.2 Appropriation Transfers

This type of transfer is used for:

1) Movement of state funds when specified in the budget bill, and
2) Movement of state funds to a federal fund for matching purposes.
In the case of 2), this creates a funding source for state funds; source and target business units must be the same or under the same parent business unit.

3.5.2.1 Posting the Transfer List

The schedule for SBA to post transfers to the financial system is as follows:

- Quarterly scheduled transfers – first business day of each quarter (July, October, January, April)
- Adjustments and additions – by close of business day on Friday of each week. Requests for changes must be submitted by Wednesday at 3:00 p.m.
- SBA Budget Analyst will notify agencies of approval or denial of request.

3.5.2.2 Adding and Changing Transfer List Lines

At the beginning of each fiscal year, SBA will send to the agency a copy of the transfer list with lines from the budget bill or requests from your SBA Budget Analyst. Blank rows are included to note and highlight any change requests.

During the fiscal year, changes may be requested by sending either the “Line Change Request” form or the “Line Addition Request” form to your SBA Budget Analyst. See Section 3.7 for form.

3.5.2.3 Accounts to be used

All Transfer List items are processed using 74xxxx and 75xxxx accounts. These accounts are not actual expenses to the agency or state, but merely a means of moving appropriations or cash.

- Budget Bill Transfers
  - If target fund is a control 3 and ACFR funds are different
    - Source: 750115 – increases expense amount, thereby reducing available appropriation
    - Target: 740110 – doesn’t affect appropriation
    - Appropriation created at beginning of year via JV2
  - If target fund is a control 5 or 6 and ACFR funds are different
    - Source: 750115 – increases expense amount, thereby reducing available appropriation
    - Target: 740110 – increases appropriation via revenue; NOTE: Control 5 funds will require associate revenue budget journals to increase the available budget in the ALLT_C_REV and ALLOT_REV ledgers.
  - If ACFR funds are the same:
    - Source: 750000 – no effect on expense amount
    - Target: 740000 – no effect on revenue or appropriation amount
    - Appropriation Transfer journal done to reduce appropriation in source and increase appropriation in target

- State funds to federal funds for grant match transfers
An Administrative Action (Admin Action) is the movement of existing appropriations between two funds within the same agency. Indiana Code 4-12-1-12 (e), allows the budget agency to “transfer, assign, and reassign any appropriation or appropriations, or parts of them”.

An Admin Action may be used for:

- Movement of appropriations between two funds within the same agency, not set out in the budget bill and not used as state match to a grant
- Movement of funds between personal services and other operating when broken out in the budget bill
- Capital requests under $100,000
- Augmentation of a general or dedicated fund

### 3.5.3.1 Process for Admin Action

For the first two in the above list – If funds have been entered to ALLOT and ALLOT_CTRL ledgers, the agency should post negative ALLOT budget journals and submit negative ALLOT_CTRL budget journals for the requested amount to the SBA Budget Analyst. The agency must also complete the Admin Action form (see Section 3.7) and submit to the SBA Budget Analyst for review.

For capital requests under $100,000, submit request via email to SBA Capital Analyst, including a copy to the SBA Budget Analyst, using the Capital Spending Request form (See Section 3.7). SBA will coordinate review and make a recommendation to the Capital Spending Committee.

For augmentation of a general or dedicated fund, the agency must first verify that augmentation is authorized by the budget bill or Indiana Code. If allowed, work with the SBA Budget Analyst to confirm that sufficient funds are available in the Legal fund. If so, complete the Admin Action form with appropriate general ledger chart fields and submit to the SBA Budget Analyst for review and approval or denial.

### 3.5.3.2 Accounts to be used

As with the Transfer List, Admin Action items are processed using 74 and 75 accounts, which are not considered actual expenses to the agency or state.

- **Augmentation**
  - Augmentation Closing Center: 750001 – no effect on expense
  - Augmentation: 740001 – no effect on revenue (increases appropriation) if funds come from appropriation

- **Funds from appropriation**
  - Source: 750006 -- no effect on expense
3.5.4 Board of Finance Transfers

Powers of the Board of Finance, as legislated by IC 4-9.1-1, are noted in Section 3.1. Board of Finance actions arise when it is necessary to transfer funds between State agencies and should only take place when such a transfer is not specified in the Budget Bill or Indiana Code. Transfers between child/parent business units can be accomplished through the Admin Action process (Example – BU498, Dept of Aging, is a ‘child’ of the ‘parent’ agency, BU405, FSSA).

3.5.4.1 Process for Board of Finance action

The progressive steps for this action are as follows:

- Agency submits request in memo form addressed to the State Budget Director and forwarded to their SBA Budget Analyst. This request should include a description of the action is to be included as well as the attachment of any supporting documentation (e.g. Memorandum of Understanding, e-mails/letters, fund balance calculations, etc.).
- SBA Budget Analyst will review request and compile a brief synopsis of the action requested.
- Synopsis, along with original memo and supporting documentation, is forwarded to SBA Assistant Director for further review and comment.
- If Assistant Director agrees action is valid and necessary, the entire packet is forwarded to the Deputy Director, who coordinates the Board of Finance agenda.
- If Deputy Director includes on the Board’s agenda, the request is then forwarded to the Auditor of State’s designee for inclusion in the next meeting’s agenda.

If approved by the Board, the agency should post negative ALLOT budget journals and submit negative ALLOT_CTRL budget journals for the requested amount to the SBA Budget Analyst. The agency should then complete an Administrative Action form, with all appropriate and necessary General Ledger chart fields, and submit it to their SBA Budget Analyst for review and submission to the Administrative Action mail box. The SBA Assistant Controller will take the chart fields provided and enter and post the necessary appropriation journals to complete the transaction. The State Budget Agency will re-allot the funds if necessary.

3.5.5 Other PeopleSoft System Budgets

The PeopleSoft financial accounting system offers a wide array of budgeting options; use of these is encouraged as good business practice.
### 3.5.5.1 Organizational Budgets

Organizational Budgets are encouraged for management purposes and can be entered and modified in the PeopleSoft financial system by designated agency staff.

### 3.5.5.2 Project Budgets

The Project Costing module in PeopleSoft is required for all federal programs and capital projects. Budgets are to be set up by agency staff for each of these projects.

Project Costing may be used for a variety of other agency projects; budgets are optional for those projects.

### 3.6 SYSTEM SAFEGUARDS

The PeopleSoft financial accounting system contains controls which will prevent misuse of funds and overspending of budgeted allotments.

#### 3.6.1 ePro Budget Checking

When a requisition or purchase order (PO) is submitted for approval, the system automatically checks the request against the Allotment Balance – in the case of a requisition – or the Pre-Encumbrance – in the case of a PO being created from a requisition. If funds are not available, agency personnel are unable to override the budget exception to complete the transaction.

#### 3.6.2 Accounts Payable Budget Checking

If a payment voucher is entered and is not pulled from a PO, where an encumbrance would be set aside for the payment, the voucher is checked against the Allotment Balance. If adequate funds are not available, an error will result, thus preventing the completion of the entry.

#### 3.6.3 General Ledger Budget Checking

If a Journal Entry is made to the General Ledger affecting an expenditure account, the entry is checked against the Allotment Balance to assure adequate funds. If not available, an error will result, thus preventing the completion of the entry.

#### 3.6.4 Accounts Receivable

Accounts receivable budgets are maintained through the use of Associated Budgets (Associated Revenue) functionality in PeopleSoft. For funds with a control code of 5 or 6, appropriations are increased upon receipt of revenue; for funds with a control code of 6, allotment budgets are also increased upon receipt of revenue.
3.7 Appendices

3.7.1 Line Change Request form

See 3.5.2.2 for use of this form, which is maintained by SBA.

<table>
<thead>
<tr>
<th>Adjustment to List</th>
<th>Analyst:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chart Field Correction</td>
<td></td>
</tr>
<tr>
<td>Prior Period Amount Adjustment</td>
<td></td>
</tr>
<tr>
<td>Current Period Amount Adjustment</td>
<td></td>
</tr>
<tr>
<td>Future Period Amount Adjustment</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Source:</th>
<th>Required</th>
<th>Per Description of Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line#</td>
<td>Source Unit</td>
<td>Source Account</td>
</tr>
<tr>
<td>Current</td>
<td>Updated:</td>
<td></td>
</tr>
<tr>
<td>Target:</td>
<td>Required</td>
<td>Per Description of Agency</td>
</tr>
<tr>
<td>Line#</td>
<td>Target Unit</td>
<td>Target Account</td>
</tr>
<tr>
<td>Current</td>
<td>Updated:</td>
<td></td>
</tr>
<tr>
<td>State Funding Source</td>
<td>Frequency</td>
<td>Q1 Amt</td>
</tr>
<tr>
<td>Current</td>
<td>Updated:</td>
<td></td>
</tr>
</tbody>
</table>

Description of Update:

3.7.2 Line Addition Request form

See 3.5.2.2 for use of this form, which is maintained by SBA.
### 3.7.3  **Administrative Action form**

See 3.5.3.1 for use of this form, which is maintained by SBA.

<table>
<thead>
<tr>
<th>Type</th>
<th>Agency</th>
<th>Fund</th>
<th>Point</th>
<th>Amount</th>
<th>Program</th>
<th>Department</th>
<th>Project</th>
<th>Activity</th>
<th>Encompass Description</th>
<th>Meeting Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>P</td>
<td>00300</td>
<td>38220</td>
<td>1</td>
<td>-35,000.00</td>
<td>10000</td>
<td>007000</td>
<td>300OILANDGAS</td>
<td>ALL0000</td>
<td>Move from .1 to other operating to cover HR fees and IOT seat charges.</td>
<td>Move from .1 to other operating to cover HR fees and IOT seat charges.</td>
</tr>
<tr>
<td>P</td>
<td>00300</td>
<td>38220</td>
<td>2</td>
<td>35,000.00</td>
<td>10000</td>
<td>007000</td>
<td>300OILANDGAS</td>
<td>ALL0000</td>
<td>Move from .1 to other operating to cover HR fees and IOT seat charges.</td>
<td>Move from .1 to other operating to cover HR fees and IOT seat charges.</td>
</tr>
</tbody>
</table>

### 3.7.4  **Capital Spending Request form**

See 3.5.3.1 for use of this form, which is maintained by SBA.
# Capital Spending Request

## Project Information

<table>
<thead>
<tr>
<th>Agency Name:</th>
<th>Project Manager Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Name:</td>
<td>Job Title:</td>
</tr>
<tr>
<td>Project Cost:</td>
<td>Email Address:</td>
</tr>
<tr>
<td>Legal Fund:</td>
<td>Phone Number:</td>
</tr>
<tr>
<td>Appropriation Year:</td>
<td></td>
</tr>
</tbody>
</table>

## Capital Project Details

Description of Problem/ Justification:

Description of Solution/ Scope of Work:

Description of Project Alternative:

## Cost Estimate

Detail Project Cost Estimate (Please attach third party estimates if available):

Detail Cost Estimate for Alternative Project (Please attach third party estimates if available):

## Priority

Description of Priority:

Potential Ramifications if Deferred:

## Agency Recommendation

<table>
<thead>
<tr>
<th>Physical Plant Director/ Construction Services Director Signature</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agency Head Signature</td>
<td>Date</td>
</tr>
</tbody>
</table>

1
### Agency Appropriation and Allotment Trial Balance

This report is available on a daily basis in the AOS Alchemy database, as described in 3.2.7.

#### Explanation of columns:

- **BU** – PeopleSoft Business Unit Number.
- **FUND** – 5 digit fund number.
- **PT** – major expense point (1 through 9).
- **CTL** – control code of fund – see 3.2.5 for detailed explanation.
- **APPROPRIATIONS** – total appropriations for fund to date for current fiscal year.
- **APPR BALANCE** – balance of appropriations remaining after ALLOTMENTS (in next column) are made.
- **ALLOTMENTS** – amount of appropriation made available by SBA for spending by BUs.
- **PRE-ENCUMBRANCE** – a requisition exists, reserving a portion of the allotments for a specific expenditure.
- **ENCUMBRANCE** – a purchase order exists, reserving a portion of the allotments for a specific expenditure; as a PO is created, the amount moves from the Pre-Encumbrance column to the Encumbrance column.
- **EXPENDITURES** – a voucher has been created from a PO, which moves the amount from the Encumbrance column to the Expenditure column.
- **ALLOT BALANCE** – the remaining amount allotted, but not yet reserved by a pre-encumbrance, encumbrance, or made by an expenditure.
- **Thus, ALLOTMENTS minus PRE-ENCUMBRANCE minus ENCUMBRANCE minus EXPENDITURES should always equal the ALLOT BALANCE.**

A similar report sorted by 5 digit fund number is also available in Alchemy for users desiring to monitor activity for a specific fund only.

You will note that, in major points 2 through 9, some allotment balances will be negative. As long as the total of the 2 through 9 allotments are not exceeded, the system will allow these overdrafts and SBA
allows transfers by the agencies among these points. It is advisable to make these transfers throughout the year in order to avoid these negative amounts and to better facilitate management decisions.