Budget Reallocation and Transfer of Funds E-Docs

• The **Budget Reallocation** document should be used to: 1) move dollars among appropriation (budgeted) accounts. For example, among General Fund or among MSUE/AgBioResearch accounts; 2) set up account budgets on non-appropriated accounts (grants, auxiliary accounts, non-credit instruction accounts, etc.).

• Regarding moving dollars among appropriated (budgeted) accounts on the Budget Reallocation document: If the amount of budget needed by object code is known, then reallocate budget into those object codes. Use object code 7054, Unallocated Appropriations Budget, when funds are being reallocated and a placeholder is needed as the budget is not ready to be spent. Once an amount is known for a position or funding need, a Budget Reallocation document is entered to move budgeted funds to the appropriate object code that will be charged for the expense(s).

• The Transfer of Funds document should be used to:
  
  o Move dollars between accounts in different funds. For example, General Funds need to be moved to a Plant Fund account to provide funding for a renovation project. The funds will be moved on a Transfer of Funds document: FROM the General Fund account (object code 6101), TO the Plant Fund account (object code 4101).

  o Move dollars between accounts in the same non-appropriated fund. For example, a Designated Fund account is sponsoring an event with another Designated Fund account. The funds will be moved on a Transfer of Funds document: FROM the account contributing (object code 6101), TO the account hosting the event (object code 4101).

  o Fund sub-accounts in non-appropriated funds. For example, you have just started sub-accounting an Auxiliary Fund account and would like to set up beginning balances for your sub-accounts (note: carry forward balances do not need to be transferred from year to year). The funds will be moved into sub-accounts on a Transfer of Funds document: FROM the account without the sub-account (object code 6101), TO the account with the appropriate sub-account(s) (object code 4101).

  o Note: The General Ledger Pending Entries in the above examples will show a credit to cash (object code 1100) for the FROM account, and a debit to cash (object code 1100) for the TO account.

• On the **Transfer of Funds** document, please only use 6101 (Transfer Out) on the FROM line and only use 4101 (Transfer In) on the TO line. Do not use object codes 6101 and 4101 on the **Budget Reallocation** document - these are only for use on “Transfer of Funds” transactions.

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