BUDGET AND EXPENDITURE TRANSFER GUIDELINES

Overview:
In an effort to provide better financial and budget information, departments have been asked to allocate their operating budgets (90 funds) to discreet object codes. Further, the College will begin accounting for transfers and the receipts of course fees and other revenues (i.e., registration and other event fees) differently than it has in the past. In prior years, departments have generally budgeted based upon umbrella object codes while transfers, course fees and other revenues have been processed as journal entries posted to expenses within the 63XXX object code series.   In an effort to assist departments with moving to the new reporting model we have prepared the following guidelines.

Creating Object Codes:
Object codes 63050 and 63043 have been inactivated as these codes have proven to be an account where fully one sixth of the College's operating budgets have been coded. Departments have been instructed to post expenses to the most appropriate natural classification (i.e., local travel, international travel, professional services, printing, etc.).   If you need object codes added to your account code listing or have questions, please e-mail Michael Ford or Shaun Hawkshaw.

Departmental Revenue Object Codes:
We have created two departmental revenue object codes to account for miscellaneous course fees (i.e., fees for field trips, speakers, tickets, etc.) and event/registration fees. The code for course fees is 41209 while the object code for event/registration fees is 46110. Please contact Michael Ford or Shaun Hawkshaw to have these accounts set up within your department.

Creating Department Codes:
In many instances, new department codes (account numbers used by your department) may be required in order to account for various regular and ongoing activities. Many of these activities were accounted for in specific object codes which again did not provide for analysis as to the details of the various expenditures. For example, first year tutorials, constituency relationships, minority recruitment, house programs, recruitment, college events, alumni symposium, etc. Please contact Michael Ford in order to establish new department codes for activities your particular department may have reflected under a single object code.

Transfers (Budget and Expenditure):
As mentioned above, the College largely treated transfers as journal entries. Since journal entries only appear in the actual column on "My Budget," analysis is made difficult because the transfers are buried within the detailed transactions of the various object code expense accounts. This practice inhibits analysis in that the expenses of an operation, department or event should reflect the actual costs regardless of what fees or budget infusions may have occurred to offset costs. In an effort to better organize the data and provide more accurate reporting information, the College will utilize transfers differently. The following provides a framework to assist the Hampshire College community with determining various transaction types and the Business Office individual responsible for overseeing the processing. See definitions of budget and expenditure transfers below.

Term	Definition	Object Code Used	Responsible Individual
Budget Transfers	Budget transfers are used when departments want to contribute or transfer funds to other departments to fund various events or expenses. On the internal transfer form, please indicate whether the budget transfer is permanent or temporary. Temporary transfers are only for the current budget year and do not impact the approved budget. Permanent budget transfers impact both the current and subsequent years.	The "Bill to" account number should be the account number you want budget dollars transferred from. The "Credit to" account number should be the account number to receive the budget dollars. If you do not know the object code, use 63000.	Jerry Bohdanowicz
Expenditure Transfers	Expenditure transfers may be necessary when an expense is inadvertently charged to the wrong account number or object code. Journal entries are used to transfer the expense to the appropriate account number and/or object code. Note: Expenditure transfers are not to be used when departments only want to transfer budget funds or contribute to an event or expenditure.	Various.	Michael Ford
Approved Budget	**90 Funds** - The annual operating allocation for a budget unit. **30 Funds (Plant)** – The amount approved for various capital projects. **80 Funds –** For grants and contracts, the budget is typically dictated in the proposal and award documentation. For endowed spending accounts, the budget is equal to the amount of fund balance (unspent funds) plus endowment draw.	**90 Funds -** Various. Budget managers are to submit budget breakdowns by object code for the 90 funds to the Budget Director on an annual basis. **30 Funds –** The Physical Plant Director works with the Budget Director to establish the appropriate accounts for each project. **80 Funds -** Budgets for the 80 endowed spending accounts are rolled over annually by the Business Office into the 60000 object code. Budgets for grants and contracts are dictated by the proposal and/or award documentation.	**90 Funds** – Jerry Bohdanowicz **30 Funds -** Jerry Bohdanowicz **80 Funds** – Mike Ford