

In prior years, there were frequent SAP budget transfers to cover budget deficits, reallocate funds, etc. With the change to the summary level availability control (AVC) in SAP, the majority of budget transfers are no longer necessary. Eliminating unnecessary transfers not only saves you time, but will provide a clear picture of budget versus actual expenditure activity so that variances can be analyzed. This will be a valuable tool for evaluating the accuracy of planning assumptions and will provide a basis for accountability. It will also provide the foundation for next year's budget. **Effective for FY 2011/12, unnecessary budget transfers will not be processed by the Budget office.** If we need to "undo" a document, we will contact you to explain the rationale. Below are tips to assist you with determining if a budget transfer is needed.

**Budget transfers should not be made for the following scenarios:**

- To cover deficits or to realign budget at the six-digit commitment item level
  - Since availability control is set at the summary levels of "Utilities", "Leases", or "Other Expenses", it is not necessary to have funds available at the six-digit commitment items. Funds reservations and purchase requisitions can be entered as long as there are funds at the summary level .
- To cover shared expenses
  - If several departments are contributing funding for an event (i.e. conference, festival, speaker, etc.), the entire expense should be in the department coordinating the event. Then the coordinator of the event should contact the Budget office to request a chargeback (via a journal entry) of any expenses that should be in a different funds center in order for their funds center to be "reimbursed". We will need to know the funds centers, commitment items, amounts, and the type of goods or services (i.e. food, speaker fees, etc.).
  - At times, one department orders goods or services that need to be charged to multiple funds centers. This is due to convenience, workload purposes, discounts, etc. and not because departments are contributing funding for an event. In this scenario, the department entering the Purchase Requisition (PR) should split the cost at the time the PR is created. If the purchase has already happened, an email should be sent to the Budget office to request a chargeback (via a journal entry). See bullet above describing information that is needed. This type of request is an exception and should be an infrequent occurrence.
- To cover purchasing card expenses charged to the wrong funds center
  - If, after purchasing card expenses post, it is identified that an expense is found to be in the wrong funds center, an email should be sent to the Budget office to request a chargeback (via a journal entry). See bullet above describing information that is needed. This type of request is an exception and should be an infrequent occurrence.

**Budget transfers should continue to be made for the following scenarios:**

- To cover deficits that occur at the summary level of "Utilities", "Leases", or "Other Expenses".
- When budget is held centrally in one funds center and distributed throughout the year as needed.
  - Examples are AA faculty development travel, Off Campus Incentive, SCUPA Professional Development, President's Strategic Grants, etc.
- Transfers from departments to the E&G non-capital project funds centers to fund maintenance projects
- When a new program is established during the fiscal year

Please contact Audra Halye at [ahalye@bloomu.edu](mailto:ahalye@bloomu.edu) (ext. 4700) or Barb Meyer at [bmeyer@bloomu.edu](mailto:bmeyer@bloomu.edu) (ext.4029) if you have any questions. It is not possible to cover all scenarios related to shared expenses. So please call us prior to coordinating the event or purchase to determine the appropriate method if you have any questions at all.