FLORIDA INTERNATIONAL UNIVERSITY

FIU Foundation
Budget Reports & Analysis Training

February 27, 2020

Outline

- ✓ Introduction

- ✓ Mission

- ✓ Timeline and General Terms

- ✓ Resources

- ✓ Practical Applications Hands-on

FIU

Mission

To encourage, solicit, receive and administer gifts and bequests of property and funds for scientific, educational and charitable purposes, all for the advancement of Florida International University and its objectives.

What is a DSO?

Statute 1004.28   Direct-support organizations

1. *A Florida corporation not for profit <u>incorporated</u>*

2. *Organized and operated exclusively <u>to receive, hold, invest, and administer property and to make expenditures to or for the benefit of a state university in Florida</u> or for the benefit of a research and development park or research and development authority affiliated with a state university*

3. *An organization that a state university board of trustees, after review, has certified to be operating in a manner <u>consistent with the goals of the university</u> and in the best interest of the state.*

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Which are the FIU DSOs?

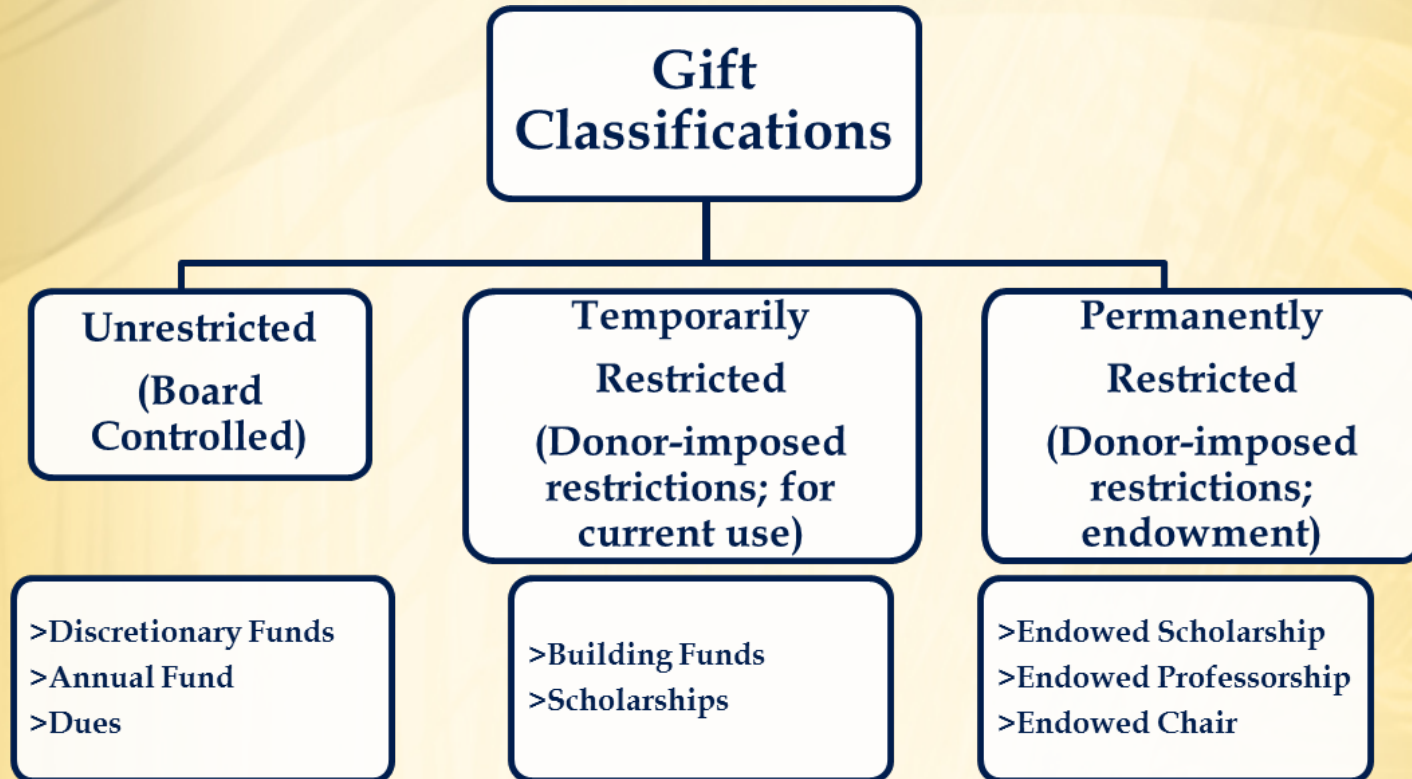| Business Unit	Description
FIU02	FIU Foundation Inc.
FIU03	Wolfsonian Inc.
FIU04	FIU Research Foundation
FIU05	FIU Athletics Finance Corp
FIU06	FIU Health Care Network
FIU07	FD Enterprise Holdings I, LLC.
FIU08	FD Enterprise Holdings II LLC.
FIU11	FD Enterprise Holdings V LLC

Accounting Procedures Details

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Types of Gifts Received by Foundation

Cash → Investment Pool*

Stocks → Sell immediately; Cash proceeds → Investment Pool*

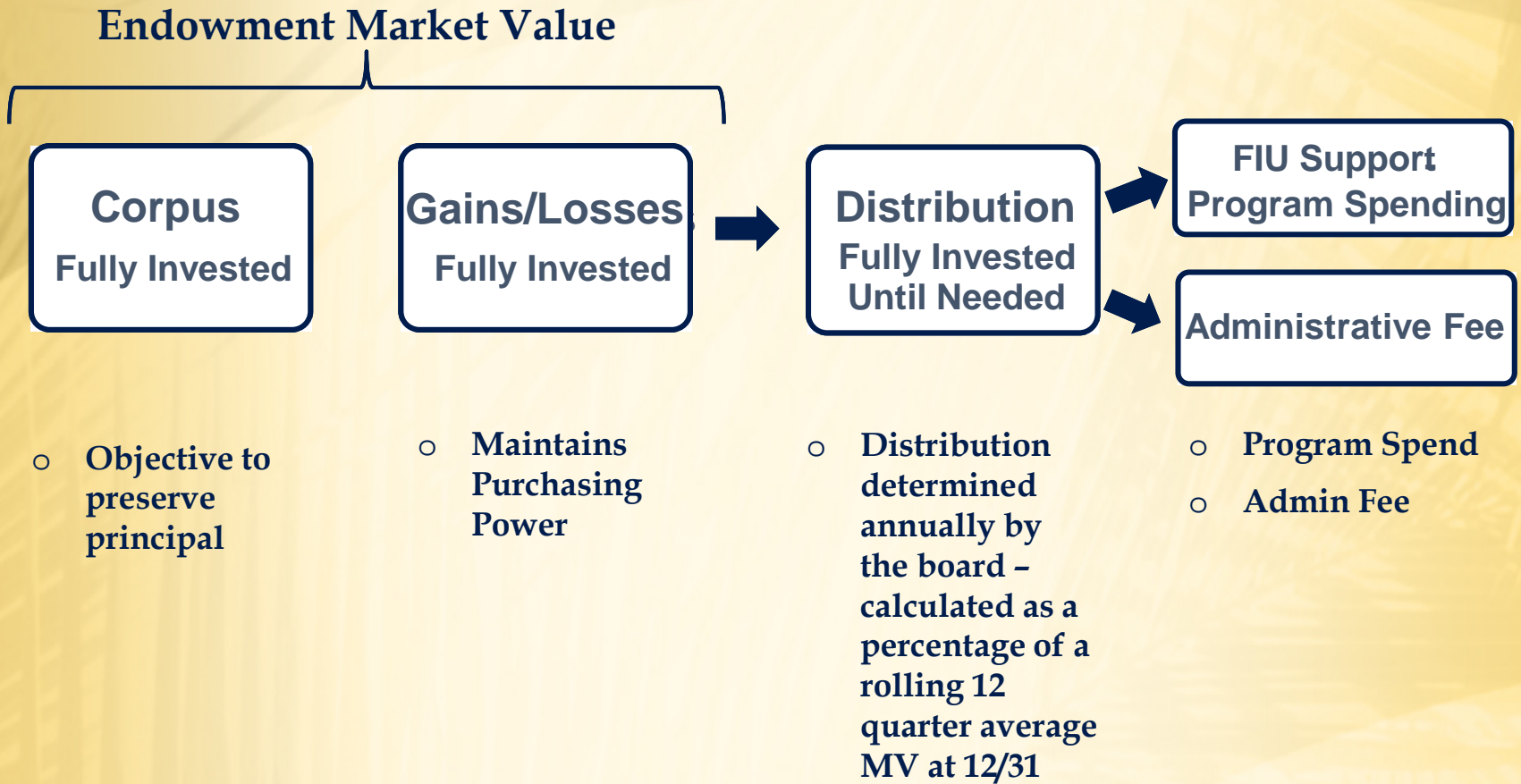**Real Property** → Real Estate Subcommittee Review → New LLC

*All cash donations are invested in the Foundation's investment pool, in accordance with the Board-approved Asset Allocation Policy, unless otherwise stipulated by the donor.
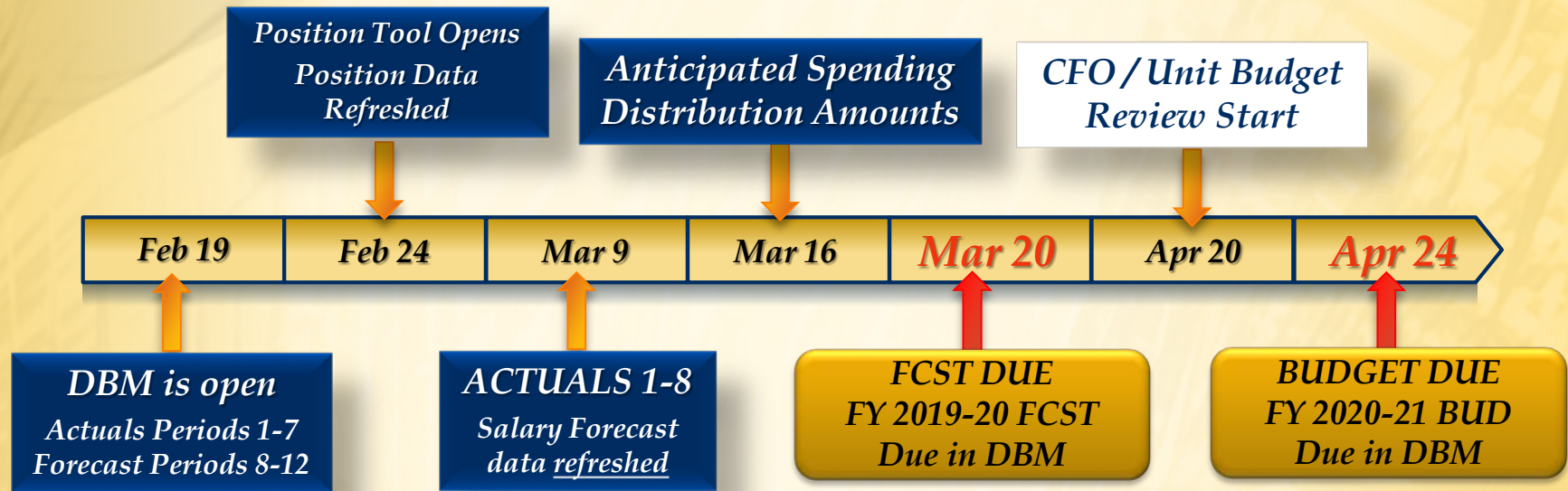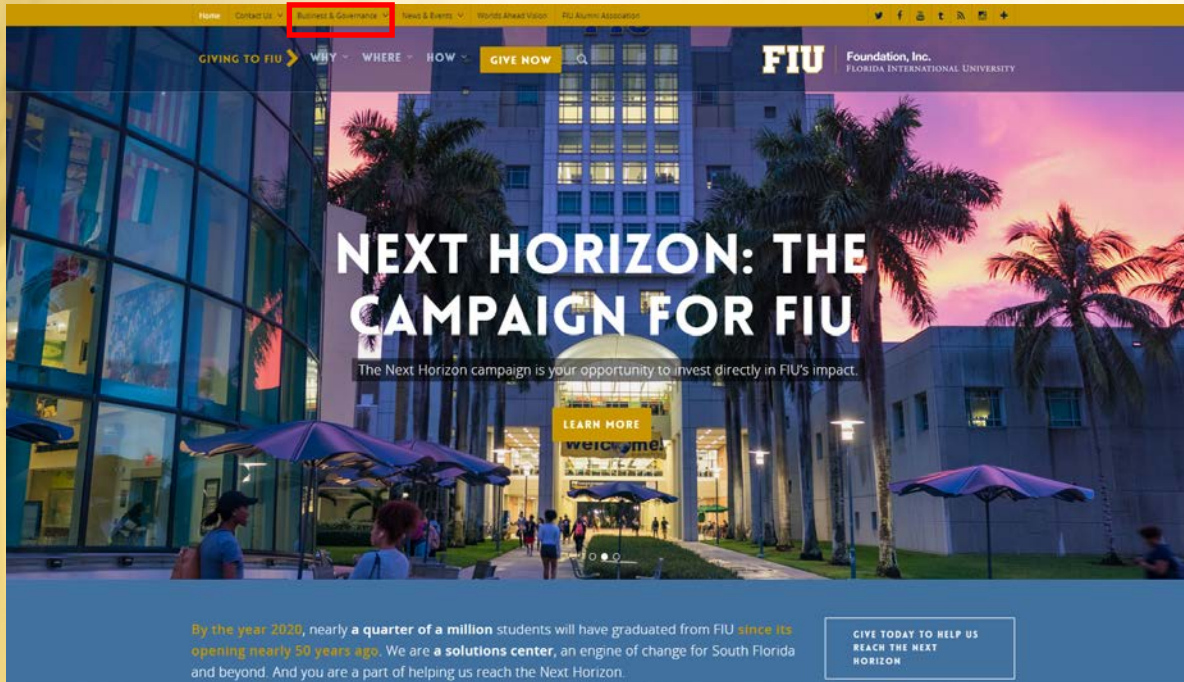
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Funds

Gift Classifications

Unrestricted (Board Controlled)
>Discretionary Funds
>Annual Fund
>Dues

Temporarily Restricted (Donor-imposed restrictions; for current use)
>Building Funds
>Scholarships

Permanently Restricted (Donor-imposed restrictions; endowment)
>Endowed Scholarship
>Endowed Professorship
>Endowed Chair

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Endowment Operations

Endowment Market Value

Corpus	Gains/Losses	Distribution
Fully Invested	**Fully Invested**	**Fully Invested Until Needed**

→ **FIU Support Program Spending**

→ **Administrative Fee**

- Objective to preserve principal
- Maintains Purchasing Power
- Distribution determined annually by the board – calculated as a percentage of a rolling 12 quarter average MV at 12/31
- Program Spend
- Admin Fee

Forecast and Budget Timelines

Position Tool Opens
Position Data Refreshed

Anticipated Spending Distribution Amounts

CFO / Unit Budget Review Start

| Feb 19 | Feb 24 | Mar 9 | Mar 16 | Mar 20 | Apr 20 | Apr 24 |

DBM is open
Actuals Periods 1-7
Forecast Periods 8-12

ACTUALS 1-8
Salary Forecast data *refreshed*

FCST DUE
FY 2019-20 FCST
Due in DBM

BUDGET DUE
FY 2020-21 BUD
Due in DBM

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✓ Budget Portal

- Website

- Budget Manual

- Budget Training

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Foundation Website

NAVIGATION:

- Visit Foundation website: http://give.fiu.edu

- Click on "Business & Governance" tab at the top of the page.

- On the right side of the page, click on "Business Office" tab and click on Operating Budget link.

Quick Break

Run
- BX Report
- Foundation Financial Statement

Meet
- Development Officer
- Dean/Administrator/Director of Budget

Plan
- Revenue Amount
- Expense Breakdown
- Comply with project's intent/purpose

Submit
- DSO Tool
- DBM

Run
- BX Report

Guidelines for Estimating FY 2019-20 Forecast

- ✓ Enter a <u>4-month</u> revenue and expense forecast for EACH project

- ✓ Do not assume FY 2019-20 Original Budget = FY 2019-20 Forecast

- ✓ An allocation will run <u>*nightly*</u> that will automatically reduce all forecasted revenues by the 3% gift fee (exceptions built it).

- ✓ Expected pledge payments from signed pledged/ gift agreements in Raiser's Edge as of January 31, 2020 that are due between March 1, 2020 and June 30, 2020 will be <u>pre-populated</u> for you in the Actual ledger using budget account R14001.

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Guidelines for Estimating Forecast – continued

- ✓ Work with your Deans and Development Officers in forecasting NEW gifts.

- ✓ Do not forget to **add projects** to your forecast that did not have any activity during the first 8 months of the fiscal year but for which you expect revenues and/or expenses between March 1st and June 30th.

- ✓ Forecasted expenses for periods 9 – 12 must be less than or equal to the February 29th ending spendable balance plus forecasted non-endowed revenues, net of the 3% gift fee where applicable, for periods 9 – 12 for each project.

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Guidelines for Budgeting Revenues

- ✓ Revenues are to be budgeted on a CASH basis by project, by month.

- ✓ Budget non-endowed and endowed revenues SEPARATELY for <u>each</u> project. Use fund **900** for non-endowed revenues and fund **903** for endowed revenues.

- ✓ Use budgetary account **R14000** to budget revenues with the exception of Annual Fund revenues and investment returns.

- ✓ An allocation will run <u>*nightly*</u> that will automatically reduce all budgeted revenues by the 3% gift fee (exceptions built it).

- ✓ Expected pledge payments from signed pledged/ gift agreements due between 7/1/2020 – 6/30/2021 will be <u>pre-populated</u> for you in the Requested ledger using budget account R14001.

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Guidelines for Budgeting Revenues - continued

✓ Do NOT include Building Funds revenues in your projections. Instead, communicate anticipated revenues for NEW building funds to the Foundation Business Office.

✓ Distribution of investment earnings to endowment operations is NOT to be budgeted as revenue.

✓ Please do not use STRAIGHTLINE METHOD in budgeting revenues. Gift installments are usually received once annually (unless it's payroll deduction).

✓ Historical revenues are *not* necessarily an indication of future revenues.

FIU

Guidelines for Budgeting Expenses

- ✓ Expenses are to be budgeted by project, by month.

- ✓ Budget ALL expenses using fund 900.

- ✓ Use the following budgetary accounts to forecast and budget expenses
    Reimbursements to FIU:
    - E57000   Transfers Out – All Other Expenses
    - E57001   Transfers Out – Equipment Expenses
    - E57002   Transfers Out – Scholarship Expenses
    - E57003   Transfers Out – Construction Expenses
    - E57004   Transfers Out – Salary Expenses

    All other expenses:
    - Use the University Budgetary Accounts

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Budget Reports

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Foundation, Inc.
PantherSoft Users Access Form

Complete one form for EACH user within your area.

USER INFORMATION:

Name: _____
Panther ID #: _____
Telephone: _____
Department: _____
Location: _____
Email: _____

AUTHORIZED SIGNATURE (by VP or Dean ONLY):

_____

_____
Print Name   Title

SUBMIT TO:

Pierre Chammas
Foundation Office
MARC 5th Floor
Phone: 305-348-3338
Fax: 305-348-3824

Budget Reports

✓ FIU Foundation budget managers can review their entries to the ACTUAL ledger for Forecast FY 2019-20 and to REQUESTED ledger for the Budget FY 2020-21 through one of two ways:

- Query FIU02_BUDGET_DATA

- Nvision report FIU02_BUDGET_BX_BY_PROJECT

- nVision report -- FIU02_R2_Foundation

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Budget Reports

Query
Extract information using visual representations of your PS database.
- Query Manager
- Query Viewer
- Schedule Query

PS/nVision
Design and create MS Excel spreadsheet reports on PeopleSoft data.
- Define Report Book
- Register Drilldown Layout
- Define Report Request
- Define Scope

Query Tools

nVision

Budget Reports

Budget Reports

Budget Reports

QUESTIONS & ANSWERS

The Process Goal

$10,000
Scholarships

The Donor

The Students

In this example the goal is to use a donor's gift to fund scholarships

The Donation

The Donor

$10,000 Gift

FIU02

Business Unit Entry	Budget Entry	Tool
FIU02	Revenue	DBM

The Scholarship

FIU01

$10,000
Scholarship

The Students

Business Unit Entry	Budget Entry	Tool
FIU01	Scholarship Expense	DBM

The Reimbursement

FIU02

FIU01

Foundation, Inc.

$10,000
Reimbursement

FLORIDA
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Business Unit Entry	Budget Entry*	Tool
FIU01	Revenue	DSO Reimbursement
FIU02	Transfer out	DSO Reimbursement

*The timing of disbursements are subject to timing, but generally they occur in **September** for Fall, **January** for Spring, and **May** for Summer. If unsure, work with the Financial Aid and timely submit the scholarship e-form*

General Terms

Forecast = FY 2019-20

Current Year (CY)

Budget = FY 2020-21

Next Year (NY)

Tools Guide

ENTRY TYPE \ TOOLS	DBM	FIU Position Budget	FIU Transfers In/Out	FIU DSO Reimbursements	OPS Worksheet	FC Report
Revenue	FCST BUD					
Permanent Positions			FCST BUD			FCST
OPS	FCST BUD				FCST BUD	
Other Expenses	FCST BUD					
Cash Transfers						
DSO Reimbursments				FCST BUD		

Processes run to update DBM every hour

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The DSO Reimbursement Tool

"Transfers to University" budget in the DSO

=

"DSO Revenues" in FIU01

The DSO Reimbursement Tool

Step 1

Insert the information in the "Search Criteria" box in the following order:

1. Business Unit: *FIU02*
2. Ledger: *ACTUAL for Current Year for Forecast*
   OR
   REQUESTED for Next Year(NY) budget
3. Activity Nbr: NONE
4. Project: *XXXXXXX (the project ID where the donation was booked)*
5. Fiscal Year: *CY for Forecast NY for REQUESTED*
6. Fund Code: 9XX depending on funding source (click magnifier to see the options)
7. Account:

   E57000 Transfer Out - Within Univ
   E57001 Transfers Out - Equipment
   E57002 Transfers Out - Scholarship
   E57003 Transfers Out - Construction
   E57004 Transfers Out – Salaries
8. *Click "Search"*

The DSO Reimbursement Tool

Step 2:

Insert the information in the "Reimbursement To" box in the following order:

1. Enter "Cost PID From" , "Bud Ref From" And/OR "Task From" (Very Rare)
2. "Account" R89090 DSO Revenue / R89000 Non-Operating Revenue
3. "To Activity Nbr" (where the scholarship got disbursed)
4. Enter "To Cost PID" , "To Bud Ref" And/OR "To Task"
5. Accounting Period: When the reimbursement will take place (NOT when the Donor gives the money OR when the scholarship is awarded
6. Amount: $10,000
7. Click the ➕ to add additional Reimbursement from the same Project ID
8. Click Save

Reimbursements To   Personalize | Find | 📄 | 🎞 First ◀ 1 of 1 ▶ Last

Transaction Details | Updated By Info

Business Unit	Ledger	From Account	Dept. From	Activity Nbr From	From Fund	Cost PID From	Project From	Bud Ref From	Task From	To Bus Unit	Account	To Activity Nbr	To Cost PID	To Department	Fund Code	Site	Program	To Task	To Bud Ref	Accounting Period	Amount		
1 FIU02	ACTUAL	E57000	111302000		900		0000100			FIU01											0.00	➕	➖

Balancing

Calculate Totals	Total To:	0.000
	Total Budget:	0.000

💾 Save   ✉ Notify   ➕ Add

How to Review the Revenues in FIU01

Using the FIU "Transfers In/Out" Tool

How to Review the Revenues in FIU01

Insert the information in the "Search Criteria" box in the following order:

1. Ledger: ACTUAL for Current Year for Forecast
   OR
   REQUESTED for Next Year(NY) budget
2. Activity Nbr: The FIU01 Activity Nbr where the revenue was entered using the DSO Reimbursement Tool
3. Fiscal Year: CY for Forecast NY for REQUESTED
4. If any transfers In OR DSO Reimbursement Revenues were entered in that Activity Nbr, the "View Transfers In and DSO Reimbursements" link will turn blue giving access to the details

How to Review the Revenues in FIU01

Ledger: REQUESTED   **Task:**

Activity Nbr: 2202010001   **Bud Ref:**

Fiscal Year   *2020*

Chartfield Information

Description:

Department: 220200000   **Fund Code:** 604   **Site:** 02   **Program Code:** 11

Transfers From Other Departments

Personalize | Find | 🖼 | 📅   First ◀ 1-26 of 26 ▶ Last

Transaction Details   Updated By Info

	Business Unit	Dept. From	Account	Activity Nbr From	Project From	Fund From	Cost PID From	Bud Ref From	Task From	Descr	To Department	To Activity Nbr	To Cost PID	To Task	To Bud Ref	Accounting Period	Amount
1	FIU02	220001000	R89090		1900060	901					220200000	2202010001				7	4,000.00
2	FIU02	220001000	R89090		1900060	901					220200000	2202010001				11	4,000.00
3	FIU02	220001000	R89090		1900170	901					220200000	2202010001				1	388.56
4	FIU02	220001000	R89090		1900170	901					220200000	2202010001				2	388.56
5	FIU02	220001000	R89090		1900170	901					220200000	2202010001				3	388.56
6	FIU02	220001000	R89090		1900170	901					220200000	2202010001				4	388.56
7	FIU02	220001000	R89090		1900170	901					220200000	2202010001				5	388.56
8	FIU02	220001000	R89090		1900170	901					220200000	2202010001				6	388.56
9	FIU02	220001000	R89090		1900170	901					220200000	2202010001				7	388.56
10	FIU02	220001000	R89090		1900170	901					220200000	2202010001					
11	FIU02	220001000	R89090		1900170	901					220200000	2202010001					
12	FIU02	220001000	R89090		1900170	901					220200000						
13	FIU02	220001000	R89090		1900170	901											
		R89090		1900170	901											

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Questions or Comments?

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