Office of Budget and Planning

Guidelines for Correcting Budget Checking Errors (BCE)

A budget checking error (BCE) occurs when an expense is being posted to a chargeline with insufficient or nonexistent budget.

AVOIDING BUDGET CHECKING:

- Preventing BCEs benefits the University enormously. The fewer BCEs we need to fix, the less staff time is spent making corrections and the quicker it is for the University to close the books. It actually takes Budget units more effort and time to fix BCEs than to avoid them.

- The key to avoiding or minimizing BCEs is to keep monitoring your budgets and expenses through your web monthly or nVision reports.
  - Did you submit PLDCNs so that payroll is hitting the new budget lines?
  - Are there budgets for the positions you want to create or fill?
  - Did you give your staff the new chargelines for the year?
  - Did you update the default chargelines for mailings, conference and events, etc?
  - Is your staff correcting the chargelines in their PCARD purchases?

- If you do not know if the charges belong to your budget unit, please check with your staff to confirm if the charges are indeed yours. If nobody in your budget units knows anything about the charges, you may want contact the appropriate contact person for that kind of charges (please refer to the contact list).

If the charges belong to your budget unit, there are two general approaches to correcting budget checking errors problem: charge the expense somewhere with a budget, or transfer or increase the budget to cover the expense.

- **Budget Transfer**: Transfer budget from a different chargeline to the one with insufficient or non-existing budget. Budget transfers are generally allowed if they are:
  1. Between two or more deptids that belongs to your budget unit and the same program (say, 11000 or the same gift);
  2. Between two or more budget accounts for the same gift;
  3. Between program 11000 and, an endowment fund (so long as other restrictions are met, e.g., does not exceed maximum draw);
  4. Between two budget accounts of the same type (e.g., 6141 and 6130 or 6190 and 6180) and the same program (say 11000)
  5. Between two accounts and the same gift:

Other types of transfers may need to be reviewed by the Budget Office.

- Fill out the form that is found on the Budget and Planning website [http://www.brandeis.edu/budgetandplanning/forms.html](http://www.brandeis.edu/budgetandplanning/forms.html)
- Send to budgetandplanning@brandeis.edu (or, if the capability has been set-up for your department, complete transfer on-line)
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• **Request Gift Budgets:** If the chargeline is for a gift with funds left unbudgeted, you may submit a request to increase the gift budget.
  o Fill out the form that is found on the Budget and Planning website [http://www.brandeis.edu/budgetandplanning/forms.html](http://www.brandeis.edu/budgetandplanning/forms.html)
  o Send to budgetandplanning@brandeis.edu
  o **Tips:** When you are considering transferring budget amounts among budget categories, please make sure that you request a budget amount sufficient to cover what you have expended to date and any additional expenses you expect to charge to that gift.

• **Request for Budget Increase**
  Requests for Budget increases involving endowment funds and program 11000 should be explained in writing to the Budget Office

• **Correct Chargeline before Posting:** You may submit a correction to the chargeline previously submitted for the expense to allow the expense to be posted.
  o Open the Excel file with the budget checking error, and insert a column for corrections. Write in the corrected chargeline and send to financialsystems@brandeis.edu for journals or accountspayable@brandeis.edu for vouchers. See the example provided.
  o When the journal or voucher posts, the expense will be posted to the corrected chargeline.

• **Move a Posted Expense:** You may move other, already posted, expenses, thus freeing up the budget on the chargeline where you have a budget checking error, provided that you meet other goals, such as donor intent.
  o Fill out the Journal form that is found on the Financial Affairs and Treasury website [http://www.brandeis.edu/financialaffairs/forms/controller-forms.html](http://www.brandeis.edu/financialaffairs/forms/controller-forms.html) to transfer posted expenses to a different chargeline.
  o Send or deliver the form to Financial Affairs and Treasury Office.
  o **Tips:** Please remember that this process of moving expenses may take more than a day. Therefore, it is helpful to do this journal in advance to prevent to avoid having to fix budget checking errors on new charges. This point is particularly important when the University is in the process of closing the books.

• **Submit RLDC/PLDCN:** Payroll Budget Checking Errors cannot be corrected through a journal entry. Employees must be paid! This means that the budget checking error has to be overridden by OBP (and the expense posted) before the chargeline can be corrected.
  o To correct the chargeline of posted payroll expenses, a Retroactive Labor Distribution Change form (RLDC) must be submitted to the Payroll Department.
Avoiding future Payroll Budget Checking Error by submitting PLDCN – If you changed the funding source of salaried personnel, you will need to submit to Janice Elmlouk a Prospective Labor Distribution Change Notice (PLDCN). This situation is often the case at the beginning of the fiscal year. However, if you already submitted an RLDC and you also want the change in chargeline to be in effect for the rest of the year, then you will also need to submit a PLDCN to the Financial Affairs Office via the Budget Office. The RLDCN and PLDCN can be found at the Financial Affairs and Treasury website

Both forms may be found at http://www.brandeis.edu/financialaffairs/forms/payroll-forms.html

A note on Financial Aid: Financial Aid budget checking errors are slightly more complex because Financial Aid usually runs through the student system (SAGE) first. The University would like the corrections to be performed within the student system rather than within the financial system (PeopleSoft).

When you have completed your corrections, please rerun the budget checking query to verify that the issue has been resolved.

It is important to resolve budget checking errors promptly. One budget checking error will prevent the entire feed from posting, creating a buildup of unposted expenses.

Please call the Office of Budget and Financial Planning at ext. 68312 or email budgetandplanning@brandeis.edu if you have any questions or need additional guidance.

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