



University Service Provider Federal Fund Balance Training

April 2022

What is the Federal Fund Balance?

- The federal fund balance is a calculation to calculate the federal surplus or deficit

$$\text{Revenue} - \text{Expenses} + \text{Unallowable Expenses} = \text{Federal Fund Balance}$$

- This calculation is important as it allows us to show that we are not overcharging the government for the services we are providing

Federal Fund Balance

Workday has two reports that are useful when completing the federal fund balance

- SOA YTD Actuals with 3 Year Trend – Yale

SOA YTD Actuals with 3 Year Trend - Yale 🔍 9/16/21

> Details

39 items

Ledger Account	Jun YTD			
	2018 Actuals	2019 Actuals	2020 Actuals	2021 Actuals
Fund Balances (begin year)	(45,690)	0	6,708	0
Revenue				
Tuition, Room & Board - Gross	0	0	0	0
Tuition Discount	0	0	0	0
Tuition, Room & Board - Net	0	0	0	0
Grant & Contract Income	0	0	0	0
Medical Services Income	0	0	0	0
Gifts	0	0	0	0

- Detailed Transactions – Yale
 - This should be exported and made into a pivot table to show ledger, Revenue Category, Spend Category, Amount Natural Debit/Credit

Detailed Transactions - Yale 🔍 9/16/21

> Details

This report will list journal lines that match the criteria provided in the prompts. By default, the report will run for Actuals in the current open fiscal period and includes journals in a Posted status.

Notes:
- Revenue and Expense ledger account types are included by default, but can be changed using the "Ledger Account Type" prompt below.

912 items

Turn off the new tables view

Period	Fiscal period [Sortable]	Accounting Date	Budget Date	Ledger Account	Debit Amount	Credit Amount	Amount of Natural Debit/Credit	Cost Center	Cost Center Code	Assignee	Assignee Cost Center	Fund	Grant	Grant P Invest
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Federal Fund Balance

Completing the Federal Fund Balance – Section 1 Operating Results

- Using the SOA report, you can enter in the details around Revenue & Operating expenses
- For revenue you will want to break up based on categories
 - Internal Revenue (50002) – enter as a positive number
 - All Other Internal Revenue – not common in USPs
 - External Income – this is generally what is in the section called “Total External Revenue”
 - All other revenue categories (exclusions) – should include revenue not related to services provided by the USP, i.e. funding for the USP via Endowment
- For operating expenses – this should be the line called “Total Expenses – Before Internal Revenue”
- The operating results should tie to the line called “Operating Results”, this is prior to fund transfers

	Actual FY 2009	Actual FY 2010	Actual FY 2011	Actual FY 2012	Actual FY 2013	Actual FY 2014	Actual FY 2015	Actual FY 2016	Actual FY 2017	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021
USP Revenue (Internal & External)													
50002 Internal Service Credit													
All Other Internal Revenue													
External Income													
All Other Revenue Categories (Exclusions)													
Total USP Revenue (agrees to University Statement)	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal Operating Expenses													
Operating Results (before transfers - agrees to University)	0	0	0	0	0	0	0	0	0	0	0	0	0

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Completing the Federal Fund Balance – Section 2 Unallowable Revenue Exclusions

- There are a few Revenue Categories (RC) that should be excluded
 - Internal Income – Discounts on Std Rates (RC123)
 - External Income – Discounts on Ext USP Sales (RC076)
 - External Income – Premium on Ext USP Sales (RC075)
- These are exclusions because discounts and premiums are a choice of the USP and all users should not be impacted by the decision to include in your rates

		Actual FY 2009	Actual FY 2010	Actual FY 2011	Actual FY 2012	Actual FY 2013	Actual FY 2014	Actual FY 2015	Actual FY 2016	Actual FY 2017	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021
Revenue Exclusions (input premiums/surcharges as a positive number, and discounts as a negative number)														
50002	Internal Income - Discounts on Std Rates (RC123)													
45018	External Income - Discounts on Ext USP Sales (RC076)													
45017	External Income - Premium on Ext USP Sales (RC075)													
	All Other Revenue Categories	0	0	0	0	0	0	0	0	0	0	0	0	0
	Subtotal"Unallowable" Revenue Exclusions	0	0	0	0	0	0	0	0	0	0	0	0	0

Federal Fund Balance

Completing the Federal Fund Balance – Section 3 Unallowable Cost Exclusions

- Unallowable costs follow the guidelines of 2 CFR 200 of what is not allowed to be charged to awards
- The unallowable list can be found in the rate form on the tab called “Unallowable Costs”
 - The first 3 ledger/spend categories listed on the form are those that are most used
- Using the detailed transaction pivot table, this will help you easily identify those that should be excluded

Cost Center(s):		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Program(s):		FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY
Project(s):		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Unallowable Cost Exclusions:														
Add LA & SC as needed for USP in row 31 - 58														
91001	Allocation Expense - Fringe Benefits													
81037	Entertainment and Alcohol Expense (SC256)													
81038	Equipment (All SC with equipment > \$5,000)													

Federal Fund Balance

Completing the Federal Fund Balance – Section 4 Other Adjustments

- The other adjustments section is to capture items that should be included, these are allowable but do not reside on the general ledger for the USP.
- The two most commonly used are:
 - Fringe Benefits at negotiated rates – this takes the salaries at the federal fringe and adds back in, as we have removed the fringe benefits at the University rates
 - Depreciation – this should be all the non-federally funded depreciation that is allowable to charge on rates. This expense does not sit on the COA for the USP as it is held at University level
- For any others, please reach out to ISP@yale.edu to determine whether those are applicable to your USP.

	Actual FY 2009	Actual FY 2010	Actual FY 2011	Actual FY 2012	Actual FY 2013	Actual FY 2014	Actual FY 2015	Actual FY 2016	Actual FY 2017	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021
Other Adjustments(Federal Allowable-Contact ISP@yale.edu with '?'s):													
Fringe Benefits at Negotiated Rates	0	0	0	0	0	0	0	0	0	0	0	0	0
Moveable Equipment Depreciation (excl. Depreciation on Fed Purchases) <i>Prior to FY20, input the amounts from prior fund balance calculations.</i>												0	0
Building & Fixed Equip Depreciation													
Allowable Interest Expense													
Other Property Expenses													
Other Adjmts (Please Specify):													

Federal Fund Balance

Completing the Federal Fund Balance – Section 5 Fund Balance Transfers

- The beginning and ending book balances should agree to the SOA.
 - As a note, we know that there are some difference when we rolled over to Workday, if you need assistance with changing your beginning balance, please contact ISP@yale.edu and we can adjust the beginning balance as needed.
- The “Fund Balance Transfers” line comes from the SOA, this is the line called “Total Fund Transfers”.

Cost Center(s):	Actual FY 2009	Actual FY 2010	Actual FY 2011	Actual FY 2012	Actual FY 2013	Actual FY 2014	Actual FY 2015	Actual FY 2016	Actual FY 2017	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021
Program(s):													
Project(s):													
Beginning Book Fund Balance (agrees to Workday)		0	0	0	0	0	0	0	0	0	0	0	0
Fund Balance Transfers													
Ending Book Fund Balance (agrees to Workday)	0	0	0	0	0	0	0	0	0	0	0	0	0
University Statement: Fund Balances at Year-end Difference (s/b=0)	0	0	0	0	0	0	0	0	0	0	0	0	0

Total Fund Transfers	(46,588)	67,943	1,117,608	629,459
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Federal Fund Balance

Completing the Federal Fund Balance – Section 6 Fringe Calculation at Negotiated Rates

- This section allows us to recalculate the salaries at the Negotiated Federal Fringe Rates (see section 4 other adjustments)
- Using the detailed transactions pivot table, include the payroll ledger accounts 71XXX and 72XXX to populate on the appropriate line to recalculate the fringe rates

Fringe Calculation at Negotiated Federal Fringe Rates		FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Salary	Exempt													
	Non-Exempt													
	PT													
Federal Fringe %	Exempt	28.5%	31.5%	31.0%	30.1%	31.2%	32.4%	29.5%	30.8%	31.1%	32.3%	30.5%	27.5%	29.5%
	Non-Exempt	44.0%	48.0%	46.0%	52.4%	54.5%	54.6%	56.9%	61.7%	62.5%	61.7%	69.2%	68.1%	72.4%
	PT	8.0%	8.5%	9.0%	8.8%	8.3%	7.8%	8.6%	8.9%	8.7%	7.6%	7.1%	8.8%	8.6%
Fringe	Exempt	0	0	0	0	0	0	0	0	0	0	0	0	0
	Non-Exempt	0	0	0	0	0	0	0	0	0	0	0	0	0
	PT	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total	0	0	0	0	0	0	0	0	0	0	0	0	0

Questions?