

Filling out a Federal Fund Balance Step-by-Step

- 1) Use the most recent [USP Rate Calculation Schedule](#)
- 2) Fill out the Fund Balance tab with existing information:
 - a. Populate the prior years' data using last year's Fund Balance by copying-pasting into the respective columns in the new rate calculation schedule.
 - b. Fill in the cells indicating Cost Center(s), Program(s), and Project(s) used to record the USP activity. You will use these to run the Workday reports.

<i>Enter the COA segments used to create the Fund Balance</i>	
Cost Center(s):	CC0123
Program(s):	PG00066
Project(s):	PJ012345

- 3) In Workday, run **SOA YTD Actuals with 3 Year Trend – Yale**
 - a. Start with this report to make sure the annual activity of the fund balance agrees to Workday reporting. See Table 1 below where the components in red indicate the activity for the year (Beginning Balance, plus Revenue, less Expenses, adjusted for Transfers, equals the Ending Fund Balance).
 - b. Enter the report parameters as follows:
 - i. Period. Select June of the fiscal year being filled out. The Fund Balance is 2 years in arrears, so if you are projecting your FY23 rates in the FY23 Rate Calculation Schedule, you will be filling out the Fund Balance for FY21.
 - ii. Cost Center / Cost Center Hierarchies (from Step 2, may be more than 1)
 - iii. Program (from Step 2, may be more than 1)
 - iv. Project (from Step 2, may be more than 1)
 - v. Do not change any of the report defaults parameters (e.g., Fund Hierarchies, Company).
 - c. Export the data to Excel and save down.
 - d. Fill out the Fund Balance for the respective fiscal year as follows (see Table 1 below):
 - i. "Internal Revenue" on the Fund Balance is "Internal Revenue" on the SOA report
 1. Enter this as positive number on the Fund Balance tab
 2. Note that the SOA report does not capture Discounts/Premiums. We will obtain this break-out on the Detailed Transaction report in the steps below.
 - ii. "External Revenue" on the Fund Balance is "Total External Revenue" on the SOA.
 - iii. "Subtotal Operating Expenses" on the Fund Balance is the "Total Expenses - Before Internal Revenue" on the SOA.
 - iv. "Fund Balance Transfers" on the Fund Balance is the "Total Fund Transfers" on the SOA.

1. Use the same sign (positive or negative) as shown on the SOA. Note that the sign will be flipped for this number on the Detailed Transactions report.
- v. The “Operating Results (before transfers - agrees to University Statement)” on the Fund Balance should agree to the “Operating Results” on the SOA.
 1. This is a calculated field on the Fund Balance, so is shown in green in Table 1 below. If it does not agree, revisit the income and expenses from above.
- vi. “University Statement: Fund Balances at Year-end” on the Fund Balance is the “Fund Balances (end year)” on the SOA.
 1. Your ending Fund Balance may or may not be \$0.
 2. If everything agrees to Workday, *including* your Beginning Fund Balance, then the Difference row on the Fund Balance should equal \$0 (a \$1 or \$2 rounding difference is generally okay). If you find that your beginning balance is off, work with your USP Rate Reviewer to determine how to adjust prior years.

Ending Book Fund Balance (agrees to Workday)		(0)
	University Statement: Fund Balances at Year-end	0
	Difference (s/b=0)	(0)

- vii. The Salary & Fringe totals are included on the SOA. The drop downs in the report will expand to show the ledger accounts, which is important to know the break-out of salary categories on the Fund Balance. Salary & Fringe can be filled in from the SOA or the Detailed Transactions report, which we will do in the section below. Both of these amounts are included in the Total Operating Expenses amount, so are shown in blue in Table 1 below.

21		
22		
23	Expenses	
24	Faculty Salaries	242,049
25	Faculty Salary	242,049
26	71002:Faculty Salaries - non-ladder	242,049
27	All Other Salaries	0
28	Employee Benefits	77,456
29	Fringe Benefit Allocations	77,456
30	91001:Allocation Expense - Fringe Benefits	77,456
	Total Salaries & Benefits	319,504

Table 1: Example SOA 3 Year Trend Report for FY21

Ledger Account	Jun YTD 2021 Actuals	
Fund Balances (begin year)	(360,761)	<---- Beginning Fund Balance
Revenue		
Tuition, Room & Board - Gross	0	
Tuition Discount	0	
Tuition, Room & Board - Net	0	
Grant & Contract Income	0	
Medical Services Income	0	
Gifts	0	
Endowment Distribution	0	
Allocation and Recovery of Endowment Income	0	
Other Income	82,978	
Total External Revenue	82,978	<---- Agrees to External Income
Expenses		
Faculty Salaries	242,049	<---- Agrees to Salaries in total
All Other Salaries	0	
Employee Benefits	77,456	<---- Agrees to Fringe Benefit
Total Salaries & Benefits	319,504	
Fellowships	0	
Non-Salary Expenses	1,565,819	
Interest / CRC / Other Amortization	0	
Allocation of Central Services	0	
Allocation of Other Costs	0	
Other Expenses	1,565,819	
Total Expenses - Before Internal Revenue	1,885,323	<---- Agrees to Operating Expenses
Internal Revenue	(255,848)	<---- Agrees to Internal Income (change sign to positive on Fund Balance)
Total Expenses - Net of Internal Revenue	1,629,475	
Operating Results	(1,546,497)	<---- Agrees to Operating Results (before transfers - agrees to University Statement)
Total Fund Transfers	1,907,259	<---- Agrees to Fund Transfers
Net Results - Add to/(Use of) Balances	360,761	
Fund Balances (end year)	0	<---- Ending Fund Balance

4) Run **Detailed Transactions – Yale** report. Because the SOA does not include Revenue Categories (RC) and Spend Categories (SC), we will run this report to get the additional information needed to complete the Fund Balance. See Table 2 below.

a. Enter the report parameters as follows:

i. Period. Select June of the fiscal year being filled out.

ii. Time Period. Select Current Period YTD

Period	*	x FY21 - JUN	☰
Time Period	*	x Current Period YTD ...	☰

iii. Cost Center / Cost Center Hierarchies (from Step 2, may be more than 1)

iv. Program (from Step 2, may be more than 1)

v. Project (from Step 2, may be more than 1)

vi. Do not change any of the report defaults parameters (e.g., Ledger Account Type, Ledger, Company, Book, Additional Options).

b. Export to Excel and save down.

c. Run pivot on data.

i. Select all data on the report tab (Ctrl + A)

ii. Insert Pivot Table. Select option to create on a new tab. Click OK.

iii. From the PivotTable Field list, select:

1. Ledger Account

2. Revenue Category (note this step was inadvertently skipped on the video)

3. Spend Category as Worktag

4. Amount of Natural Debit/Credit

iv. Under the Design tab at the top, go to Report Layout, and select to Show in Tabular Format

v. Next under the Design tab, go to Subtotals, and select No Subtotals

Table 2 – Example Detailed Transactions – Yale Report

Ledger Account	Revenue Category	Spend Category as Work	Sum of Amount of Natural	
42035:Research Service Income	Research Service Income (RC160)	(blank)	(82,977.79)	<--- External income
50002:Internal Service Credit	Internal Income - Discounts on Customer	(blank)	52,558.48	<--- Internal income
71002:Faculty Salaries - non-ladder	Internal Income - Research Services	(blank)	(308,406.74)	<--- Internal income
81018:Supplies and Materials Expense	(blank)	Faculty Salaries - non-ladder (SC602)	242,048.64	
	(blank)	Internal Expense - Supplies (SC174)	1,425.67	
		Supplies - Chemicals (SC134)	7,525.95	
		Supplies - Equipment (SC583)	17,161.47	
		Supplies - Office (SC498)	261.64	
		Supplies - Research (SC423)	29,850.96	
81023:Software Products	(blank)	Supplies - Software License and Maintenance (SC639)	444.79	
		Supplies - Software Purchased (SC182)	241.25	
81031:Services - Research Expense	(blank)	Internal Expense - Research services (SC221)	1,863.76	
81033:Services - Contractor Expense	(blank)	Services - Outside Contractors (SC247)	1,734.00	<--- unallowable
81034:Services Expense	(blank)	Campus Moves (SC209)	700.00	<--- unallowable
		Freight Shipping and Delivery (SC204)	2,529.93	
		Internal Expense - Campus Moves (SC210)	550.00	
		Internal Expense - Other Services (SC343)	528.00	
		Internal Expense - Shop Services and Supplies (SC200)	4,070.00	
81038:Equipment Expense	(blank)	Equipment - Computer - Asset Purchase (SC025)	25,873.12	<--- unallowable
		Equipment - Laboratory Instruments - Asset Purchase (SC034)	1,109,200.00	<--- unallowable
		Equipment - MEI Composite (SC417)	-	<--- unallowable
81039:Equipment Maint & 81047:Conferences and Admission Expense	(blank)	Maintenance of Equipment (SC263)	320,490.16	
81051:Other Expenses	(blank)	Conference & Seminar Attendance (SC257)	65.28	
90002:Internal Expense - Facilities Services	(blank)	Other Unallowable Costs (SC294)	108.82	<--- unallowable
91001:Allocation Expense - Fringe Benefits	(blank)	Internal Expense - Facilities Services - Physical Plant (SC281)	41,194.24	<--- unallowable
92011:Internal Program Support - Within Department	Internal Program Support - Within Department	Allocation Expense - Fringe Benefits (SC074)	77,455.56	<--- Fringe
		(blank)	(1,907,258.59)	<--- Fund transfer
Grand Total			(360,761.40)	

5) Fill in the Fund Balance with data from Detailed Transactions Pivot Table

a. Revenue amounts – highlighted in green in Table 2 above

- i. Note that these total amounts should agree to the SOA report. Ledger accounts that begin with a 4 are external revenue and ledger accounts that begin with a 5 are internal revenue.
- ii. Revenue signs are negative on both the SOA and Detailed Transaction report but are entered as positive numbers on the Fund Balance.
- iii. On the Fund Balance tab, there is a default line for Revenue account 50002. Note that this will include all RCs, including any Discounts. If you have additional internal revenue ledger accounts, add them together under 'All Other Internal Revenue' and list the ledger account(s) in the appropriate column.

USP Revenue (Internal & External)		
50002	Internal Service Credit	255,848
	All Other Internal Revenue	
42035	External Income	82,978
	All Other Revenue Categories (Exclusions)	
Total USP Revenue (agrees to University Statement)		338,826

- iv. Enter the Ledger Account number for External Income (in the screenshot above this is LA42035). There may be more than 1 external ledger category for external income. If so, list all accounts and add up the amounts.
- v. The next section of the Fund Balance adjusts to remove Discounts and Premiums. These can be identified in the Detailed Transactions report by the RC used (highlighted yellow in Table 2 above).

Revenue Exclusions (input premiums/surcharges as a positive number, and discounts as a negative number)		
50002	Internal Income - Discounts on Std Rates (RC123)	(52,558)
45018	External Income - Discounts on Ext USP Sales (RC076)	
45017	External Income - Premium on Ext USP Sales (RC075)	
	All Other Revenue Categories	0
Subtotal"Unallowable" Revenue Exclusions		(52,558)

b. Operating expenses – highlighted in tan in Table 2

- i. The sum of all operating expenses should agree to the SOA (see tan shaded cells in Table 2 above).
- ii. Salary expenses need to be broken out by category. This is important so that the correct fringe rates are calculated.
 1. Exempt salaries include Faculty and Managerial/Professional salaries.
 2. Non-exempt salaries include C&T salaries.
 3. PT salaries includes any part-time compensation including Students and Casual Employees.

Fringe Calculation at Negotiated Federal Fringe Rates		FY2021
Salary	Exempt	242,049
	Non-Exempt	
	PT	

c. Unallowable Cost Exclusions - highlighted in yellow in Table 2

- i. In order to determine which SCs are unallowable to be charged to sponsored awards, look up each ledger account-spend category pair (LA/SC) from your Detailed Transaction report and compare to the Unallowable Costs tab within

- a. 60 Days of Operating Expenses will populate if the activity for the year is running a surplus.
- b. Future Equipment Purchase for USP is appropriate to fill out if you know you will be purchasing equipment. Include the annual depreciation amount here. This is not important if your USP is already running at a deficit but could be helpful if running at a surplus.
- c. Adjusted Ending Federal Fund Balance indicates whether the USP is operating at a Surplus or Deficit. It is expected that most USPs will run at a Deficit. If you have a Surplus, it must be applied to the cost so that we are not overcharging for services. If you have a Surplus, work with your USP Rate Reviewer to apply the Surplus.

If you have any questions as you are preparing your Federal Fund Balance, reach out to isp@yale.edu.