

## FY 2013-14 Gift Program Load

The total amount that was loaded for each gift program was the FY 2012-13 year-end cash balance. This is the same as has been done in previous years. Also, gift programs will remain on an appropriation link and any cash received will be applied to the 500000 operating expense budget pool as done in previous years.

The **difference** this fiscal year is that gift programs have been budgeted into **separate pools -salary, fringe, and operating**. The Budget Office took the salary and posted fringe amounts in the Budget Preparation System to determine the initial amount needed in the salary and fringe pools. The difference between the FY 2012-13 year-end cash balance and the amounts in the salary and fringe pools is what was loaded into the operating expense pool. In some cases this resulted in a negative operating expense balance when the gift program did not have sufficient year-end cash to cover salary and fringe budgeted on the gift program for the fiscal year. This negative operating expense budget is the credit that the gift program needs. The credit **must** be covered by cash received throughout the fiscal year **before operating expenses are incurred**. This will be completed automatically as cash the program receives is applied to the operating expense pool per normal procedures.

In order to enable Units to have flexibility in their gift budgets, all Units have been granted online access to complete online transfers within pools of the same gift program.

**Exception to Automatic Application of Cash to Operating Expense:** The Budget Office will consider allowing exceptions for gift programs that need to incur operating expenses before sufficient cash is received to cover the entire gift program credit. To request an exception please complete a paper BTR with the budget entries you are requesting and a detailed description of how the gift program is planning to cover the credit.

**Example:**

Gxxxx

FY 2012-13 year-end cash balance is \$25,000

Current Budget

500000 Operating Expense	<b>\$(50,000)</b>
511000 Salary	\$58,000
<u>512000 Fringe</u>	<u>\$17,000</u>
Total	\$25,000

For this gift program a \$50,000 credit is needed to cover salary and fringes budgeted on the gift program for the fiscal year.

If an operating expense budget of \$10,000 is needed before cash is received to cover the \$50,000 credit then the following entries on a paper BTR should be completed and submitted to your assigned budget analyst.

**Paper BTR**

500000 Operating Expense	\$60,000
<u>513000 Credit Pool</u>	<u>\$(60,000)</u>
Total	\$0

If approved this BTR would result in the following budget pools on the gift program:

500000 Operating Expense	\$10,000
511000 Salary	\$58,000
512000 Fringe	\$17,000
<u>513000 Credit Pool</u>	<u>\$(60,000)</u>
Total	\$25,000

Then as the gift program receives cash, a BTR will need to be completed to move money from the 500000 operating expense pool to the 513000 credit pool to cover the credit.

If you have any questions please contact your assigned Policy and Budget Analyst.