

Presentation to New Chairs, Heads, and Directors

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Fiscal Management from
the Departmental Point of View

Fiscal Management Responsibilities

Day – to – Day

- Accounting (especially document processing)
- Payroll/HR
- Grants Administration

Management, Oversight, Planning

- Budgeting
- Management information
- Certified Approver

What is the Chair's Role in Fiscal Management?

SCHMERDLY, THE DEPARTMENT CHAIR



... AS SEEN BY THE
DEAN'S OFFICE



... AS SEEN BY
HIS DEPARTMENT



... AS SEEN BY
SCHMERDLY

Overview of a Department Budget

- Fund Accounting
- CUFS = College & University Financial System
- “Sources and Uses” Example

CUFS Account Structure

Fund-Area-Org

Fund: A 4-digit number that answers the question, “Where are the funds coming from?” It is the first four digits of an account string.

Examples: 1003 General Operations and Maintenance
1856 U of MN Foundation

CUFS Account Structure

Fund-Area-Org

Area: A 3-digit number that answers the question, “Who is responsible for these resources?” It is the second part of a CUFS account string.

Examples: 501 Art
331 Industrial Relations

CUFS Account Structure

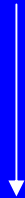
Fund-Area-Org

Org: A 4-digit number that answers the question, “What project or program are these resources being used for?” It is the third part of a CUFS account string.

Examples: 1005 New Faculty Setups
3000 McMillan Travel

CUFS Account Structure

Fund-Area-Org



1043 - 452 - 1400, translated, means:

Indirect Cost Recovery funds in the department of American Indian Studies, used for faculty setups.

Department of Alchemy
Fiscal Year 2000 (1999-00)

	fund type					totals
	1003	1043	1198	1856	1898	
RESOURCES						
carryforward from previous year	\$ 22,000	\$ (500)	\$ (16,000)	\$ 27,000	\$ 89,000	\$ 121,500
state support (central allocation)	\$ 950,000	\$ -	\$ -	\$ -	\$ -	\$ 950,000
transfers in	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000
donated funds	\$ -	\$ -	\$ -	\$ 60,000	\$ -	\$ 60,000
Donald Trump endowment	\$ -	\$ -	\$ -	\$ -	\$ 165,000	\$ 165,000
student lab fees, other misc.	\$ -	\$ -	\$ 28,000	\$ -	\$ -	\$ 28,000
ICR	\$ -	\$ 12,000	\$ -	\$ -	\$ -	\$ 12,000
TIP interest on balances	\$ -	\$ -	\$ 100	\$ 200	\$ 300	\$ 600
TOTAL resources during Fy00	\$ 1,025,000	\$ 12,000	\$ 28,000	\$ 60,000	\$ 165,000	\$ 1,290,000
						\$ -
Total + carryforward	\$ 1,047,000	\$ 11,500	\$ 12,000	\$ 87,000	\$ 254,000	\$ 1,411,500

USES

academic salaries	\$ 625,000	\$ -	\$ -	\$ -	\$ 75,000	\$ 700,000
academic fringe	\$ 171,875	\$ -	\$ -	\$ -	\$ 20,625	\$ 192,500
grad assistant salaries	\$ 70,000	\$ -	\$ -	\$ -	\$ 18,000	\$ 88,000
grad assistant fringe	\$ 35,000	\$ -	\$ -	\$ -	\$ 9,000	\$ 44,000
staff salaries	\$ 65,000	\$ 4,000	\$ -	\$ -	\$ 10,000	\$ 79,000
staff fringe	\$ 18,135	\$ 900	\$ -	\$ -	\$ 3,000	\$ 22,035
student aid	\$ -	\$ -	\$ -	\$ 32,000	\$ -	\$ 32,000
supplies & printing	\$ 12,000	\$ -	\$ 1,000	\$ -	\$ -	\$ 13,000
phone - local	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ 12,000
phone - long distance	\$ 2,000	\$ -	\$ -	\$ -	\$ -	\$ 2,000
travel	\$ 5,000	\$ -	\$ -	\$ -	\$ 1,500	\$ 6,500
computers	\$ 7,000	\$ 2,500	\$ 6,500	\$ -	\$ -	\$ 16,000
equipment	\$ 4,000	\$ 3,000	\$ -	\$ -	\$ -	\$ 7,000
space rental & other misc.	\$ 8,000	\$ -	\$ -	\$ -	\$ -	\$ 8,000
transfers out	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ 3,000
TIP interest charged on deficits	\$ -	\$ -	\$ 400	\$ -	\$ -	\$ 400
TOTAL USES	\$ 1,038,010	\$ 10,400	\$ 7,900	\$ 32,000	\$ 137,125	\$ 1,225,435

BALANCE	\$ 8,990	\$ 1,100	\$ 4,100	\$ 55,000	\$ 116,875	\$ 186,065
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What to Expect from Your Financial Staff

- Regular reports on the status of departmental finances
- Projections for the next fiscal year
- Preparation of annual budget in the spring for the next fiscal year
- Assistance with locating and interpreting financial policies
- Knowledge of all departmental CUFS accounts and foundation fund accounts
- Pro-active approach in bringing issues of concern to your attention
- Avoid deficits, but be clear what resources are available
- Any sponsored project issues

Donated Funds

- U of MN Foundation
 - Demand
 - Quasi-endowment
 - Endowment
- Asset Management
 - Quasi-endowment
 - Endowment
- CUFS Accounts
- Stewardship Responsibilities

Grants Management

- Role of Department Head
- Role of Certified Approvers

Tools and Resources

- Financial Oversight Reports for Grants

www.financial.reports.umn.edu

- Management Reports for Budgets, HR, Enrollment Data

www.umreports.umn.edu

- Data

www.irr.umn.edu

A Few Final Suggestions

- Build relationships
- Create a departmental fact sheet