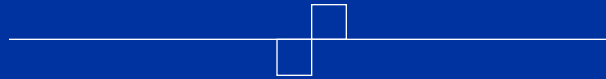


Martin-Gatton College of Agriculture, Food and Environment

# Year-End Process Training



*Extension Business Operations*

# Topics

- KRS & Campus Requirements
- Planning & Preparation
- Methods of Accounting
- Budget Workflow/Teams Folders





# Planning & Preparation

# KRS & Campus Requirements

- **July 26 (Friday)**  
All entries related to FY24 completed in QBO  
Year-End Accruals and Prepays last day to submit to EBO
- **August 2 (Friday) – EBO Books Closed**
- **August 16 (Friday)**  
Budget Analysts will have the Fiscal Year 2024 Year-End Actuals uploaded to the Teams folder: “**Extension Budgets FY24**”
- **August 29 (Thursday)\*** *per KRS 45 days after July 15<sup>th</sup>*  
AED gets the Year-End Actuals approved by EDB  
AED enters the Fiscal Year 2024 Year-End Actuals on the DLG portal

# EBO Reminders

- FY24 Budget Amendment workbooks should be requested from Budget Analysts.
- If MOA amount that is due to UK increases by \$12,000+, an additional MOA payment should be made this fiscal year; if \$12,000 threshold is not met, additional MOA payment is *optional*.
- Budget Analysts need to calculate the line-item breakdown of all required and optional MOA payments for entry into QBO.
- Updates in QBO will happen once signed amended budget and EDB minutes are received.

# EBO Reminders

- Accruals and Prepaid forms are found on the EBO website.  
[https://cafebusinesscenter.ca.uky.edu/ebo\\_forms](https://cafebusinesscenter.ca.uky.edu/ebo_forms)
- In the event of additions/changes to Accruals/Prepays, it is ideal that all information is submitted again on the same form. This will be attached to the Journal Entries in QBO.

# Planning & Preparation by Counties:

- Address any overages prior to the June 28 deadline.
- Ensure **all** Revenues and Expenditures have been entered into QBO by the July 26 deadline. *This would include Reconciliations, Interest Earned, Bank Fees, etc.*
- If applicable, Accruals and Prepaids journal entries can be submitted to EBO from **June 28<sup>th</sup> - July 26<sup>th</sup>**!

Please Do Not Wait to Submit Entries to EBO!



# Methods of Accounting



# Methods for Accounting

## Cash Basis

- Under the cash basis of accounting, revenues and transfers in are not recognized until cash is received, and expenditures or expenses (as appropriate) and transfers out are recognized only when cash is disbursed.

## Accrual Basis

- Under the accrual basis of accounting, most transactions are recognized when they occur, regardless of when cash is received or disbursed. Items not practicably measurable until cash is received or disbursed are accounted for at that time using either basis of accounting, as may be items whose measurement would be approximately the same under either basis or that are immaterial.

Consult with your auditor (or recent audit reports) to understand the method of accounting used in your audited financial reports.

# Basis for Accounting

- **Modified Accrual Basis** of accounting is a method that **combines the elements** of two major accounting practices; **cash** and **accrual** accounting.
  - **Revenues** are recognized when they are both measurable and available (more like cash basis).
  - **Expenditures** are recorded when liabilities are incurred (accrual basis).
  - **Asset purchases** are recorded as expenditures (more like cash basis).
- Consult with your auditor (or recent audit reports) to understand the method of accounting used in your audited financial reports.

I NEED A BUDGET ESTIMATE FOR MY PROJECT, BUT I DON'T HAVE A SCOPE OR A DESIGN FOR IT YET.



ibert.com DilbertCartoonist@gmail.com

OKAY, MY ESTIMATE IS \$3,583,729.



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YOU DON'T KNOW ANYTHING ABOUT MY PROJECT.



THAT MAKES TWO OF US.



# Budget Amendments

# What is an Amendment

- A Budget Amendment is the mechanism used to revise the working budget to reflect changes throughout the fiscal year.
- There are two ways to complete a budget amendment. They are:
  - Budget Revision
  - Line Item Transfer

# Budget Revision & Line-Item Transfer

## Budget Revision

- **Does increase overall spending** above the original budget.
- Requires **approval by the Board AND a new updated signed budget and MOA** to be completed and routed.
- Changes **MUST be reported on DLG Budget Summary Form.**

## Line Item Transfer

- **DOES NOT increase overall spending** above the original budget.
- Requires **approval by the Board and a signed amended budget plan but DOES NOT require a new MOA to be routed.**
- Changes **MUST be reported on DLG Budget Summary Form.**

# Review of the Budget vs. Actuals

Using this section from the budget vs actuals on the right, what is your first observation?

Does this require a budget amendment?

	TOTAL		
	ACTUAL	BUDGET	OVER BUDGET
▼ 53000 Contracted Services			
53001 Advertising and Printing	1,369.57	1,200.00	169.57
53002 Professional Services	22,456.98	25,000.00	-2,543.02
53003 Maintenance and Repairs	4,668.98	7,500.00	-2,831.02
53007 Equipment Repair	1,555.00	2,500.00	-945.00
▼ 53100 Utilities		11,000.00	-11,000.00
53101 Electric	2,016.84		2,016.84
53102 Gas	3,452.12		3,452.12
53103 Water	909.19		909.19
53106 Internet	1,608.28		1,608.28
<b>Total 53100 Utilities</b>	<b>7,986.43</b>	<b>11,000.00</b>	<b>-3,013.57</b>
<b>Total 53000 Contracted Services</b>	<b>38,036.96</b>	<b>47,200.00</b>	<b>-9,163.04</b>

# Review of the Budget vs. Actuals

Using this section from the budget vs actuals on the right, what is your first observation?

- The first line item 53001 Advertising and Printing exceeds the budgeted amount by \$169.57

Does this require a budget amendment?

- In short no amendment is required. While 53001 exceeds the budgeted amount by \$169.57 the parent account 53000 Contracted Services is within the total budgeted amount.
- EBO's recommendation is for the EDB to recognize the overage during the next board meeting.

	TOTAL		
	ACTUAL	BUDGET	OVER BUDGET
▼ 53000 Contracted Services			
53001 Advertising and Printing	1,369.57	1,200.00	169.57
53002 Professional Services	22,456.98	25,000.00	-2,543.02
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<b>Total 53000 Contracted Services</b>	<b>38,036.96</b>	<b>47,200.00</b>	<b>-9,163.04</b>

# Review of the Budget vs. Actuals

An easy way to determine if an amendment required is by running the report Budget Vs. Actuals.

Then click **collapse** on the top left of the report. This will roll up all line items to provide an easier view of the parent accounts.

Collapse Sort Add notes

**Budget vs. Actuals: FY 24 OBGT - FY24 P&L**  
July 2023 - June 2024

	100 EDB GENERAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
▼ Revenue				
41000 Taxes	309,018.92	339,670.00	-30,651.08	90.98 %
44000 Other Revenues	51,697.96	11,000.00	40,697.96	469.98 %
<b>Total Revenue</b>	<b>\$360,716.88</b>	<b>\$350,670.00</b>	<b>\$10,046.88</b>	<b>102.87 %</b>
GROSS PROFIT	\$360,716.88	\$350,670.00	\$10,046.88	102.87 %
▼ Expenditures				
51000 Personal Services	213,424.00	213,424.00	0.00	100.00 %
53000 Contracted Services	25,624.42	29,400.00	-3,775.58	87.16 %
54000 Materials and Supplies	23,431.45	20,340.00	3,091.45	115.20 %
55000 Administration	28,239.47	44,600.00	-16,360.53	63.32 %
61000 Capital Outlay	30,938.90	5,500.00	25,438.90	562.53 %
62000 Debt Service	38,381.24	38,388.00	-6.76	99.98 %
<b>Total Expenditures</b>	<b>\$360,039.48</b>	<b>\$351,652.00</b>	<b>\$8,387.48</b>	<b>102.39 %</b>





Budget Workflow / Teams  
Folders

# Budget Workflow / Teams Folders

**STEP 1:** Using the Teams **Extension Budgets FY24 folder**, Budget Analysts will upload the following documents to Microsoft Teams by the August 16<sup>th</sup> deadline. A folder for each county titled “Year-End Actuals” will house the following:

- a) Statement of Financial Position
- b) Budget Vs. Actuals
- c) Statement of Activity
- d) FY24 Excel Budget Workbook with the completed Year-End Actuals tab

**STEP 2:** AED will review the Year-End Actuals tab and supporting documents. Prior to the August 29<sup>th</sup> deadline is the time to consult with EBO regarding any questions.

# Budget Workflow / Teams Folders

**STEP 3:** AED will share Year-End Actuals with the fiscal contact, who will review them. If no updates are required, the fiscal contact, EDB treasurer, and AED will sign, signifying approval of Year-End Actuals.

\*Digital Signatures are needed on the Year-End Actuals tab (EDB treasurer) and

Wet Signatures are needed on the Offset Voucher (Fiscal Contact, EDB Treasurer, AED)

\*\* again, no UFIRS for the Fiscal Year 2024.

**STEP 4:** AED will be responsible for entering the Year-End Actuals in the DLG portal by August 29<sup>th</sup>.

\* The AED will also submit the *digitally* signed (see clarification under Step 3) Year-End Actual tab and Offset Voucher tab to the EBO office. Last year the RSS uploaded YEA electronically to respective Regional OneDrive and mailed Offset Voucher with wet signature.

# Questions



# Extension Business Operations Team

<https://cafebusinesscenter.ca.uky.edu/extension-business-operations>

**Rebecca Amsler**, Director Extension Business Operations

**Zach Waller**, Western Region Budget Analyst

**Ryan Martin**, Central Region Budget Analyst

**Lindsay Poore**, Eastern Region Budget Analyst

**Tina Ward**, Budget Analyst

**Natalie Simpson**, Administrative Assistant

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U.S. Department of Agriculture  
Office of the Assistant Secretary for Civil Rights  
1400 Independence Avenue, SW  
Washington, D.C. 20250-9410; or

**fax:**  
(833) 256-1665 or (202) 690-7442;

**email:**  
[program.intake@usda.gov](mailto:program.intake@usda.gov).

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**correo postal:**  
U.S. Department of Agriculture  
Office of the Assistant Secretary for Civil Rights  
1400 Independence Avenue, SW  
Washington, D.C. 20250-9410; o'

**fax:**  
(833) 256-1665 o' (202) 690-7442;

**correo electrónico:**  
[program.intake@usda.gov](mailto:program.intake@usda.gov).

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