

Tracking Departmental Expenditures

RESPONSIBILITY

University departmental personnel are responsible for closely monitoring departmental accounts to ensure that:

- Departmental expenditures stay within budgeted allocations.
- Each departmental expenditure is properly authorized, accounted for, and recorded.

TRACKING PROCEDURE

To permit efficient reconciliation of departmental accounts, the following recordkeeping procedures are suggested.

NOTE: The actual tracking system used depends upon the type and complexity of departmental accounts. Some departments may elect to develop a simple computerized tracking system on a personal computer using spreadsheet or database software.

Establish Files

Establish a set of electronic or paper files for each project account. The set should include a separate pending file for each expenditure object. Files established for two projects' accounts might appear as follows:

File No.	File Label	File No.	File Label
1.	06A-2100-0001 General	8.	11A-2100-1234 General
2.	06A-2100-0001 Obj 00	9.	11A-2100-1234 Obj 00
3.	06A-2100-0001 Obj 01	10.	11A-2100-1234 Obj 01
4.	06A-2100-0001 Obj 02	11.	11A-2100-1234 Obj 02
5.	06A-2100-0001 Obj 03	12.	11A-2100-1234 Obj 03
6.	06A-2100-0001 Obj 04	13.	11A-2100-1234 Obj 04
7.	06A-2100-0001 Obj 06	14.	11A-2100-1234 Obj 05
		15.	11A-2100-1234 Obj 06
		16.	11A-2100-1234 Obj 07
		17.	11A-2100-1234 Obj 08

File As Pending

File documents associated with purchases, encumbrances, expenditures or transfers in the appropriate pending file folder.

Example: A Departmental Requisition for a purchase supported by the grant above (11A-2100-1234) for an equipment item would be filed in folder #15.

Tracking Departmental Expenditures

Periodic Reconciliation

Periodically, review and compare file documents with financial information provided by the Controller's Office. The Controller's Office provides financial information to University departments in the following formats:

- The printed Budget Statements distributed each month to University departments. See *BPPM* 30.07 for more information about Budget Statements.
- The online Account Balances/Detail Application, which provides a record of all accounting transactions that have cleared the Controller's Office as of the previous working day. See *BPPM* 85.33 for access information.
- The online Financial Data Warehouse system, which provides a record of accounting information for budgetary accounts including account balances and account details. See the Data Warehouse Financial Data web site at:

esg.wsu.edu/business-systems/financial-data-warehouse/

- The online Purchasing, Accounts Payable, Receiving (PAPR) Application which contains detail information on all forms of non-WSU vendor payments. See *BPPM* 85.37 for access information.

Verification

Pull documents from the pending files when items appear on the Budget Statement, Account Balances/Detail Application, or Financial Data Warehouse system as either encumbrances or expenditures.

Compare each document with Section 4 of the Budget Statement, the Detail Report in Account Balances/Detail, or the Accounting Activity in the Financial Data Warehouse system to verify that amounts are correct and reasonable.

If amounts appear to be in error, contact the Controller's Office.

File in regular departmental files all documents that have been verified. See *BPPM* 90.01 for records retention information.

Review unverified items that show on the Budget Statement, Account Balances/Detail, or the Financial Data Warehouse. Question the Controller's Office staff regarding undocumented and unexplainable items.

Tracking Departmental Expenditures

Determining Free Balance

Refer to the most recent Budget Statement or access the online Account Balances/Detail Application or the Financial Data Warehouse system.

Note the balance for the object in question as shown under **Balance**.

Calculate the total pending expenditures and encumbrances as indicated by documents in the appropriate object file. Subtract this total from the indicated balance.

The remainder is the uncommitted free balance for the object.

Facilities and Administrative (F&A) Costs

Personnel may need to calculate expenditures for facilities and administrative (F&A) costs to get an accurate accounting of expenditures supported by sponsored accounts (programs 11 through 14).

F&A costs are determined by multiplying the rate times the base. The rate is the percentage specified by the agreement and the base is either wages and salaries, total direct costs, or modified total direct costs charged to the agreement. Questions regarding the calculation of expenditures for F&A costs should be directed to the Sponsored Programs Services. See also *BPPM* 40.25.