

# Budget Tracking Reference

## Goals

- Have a detailed picture of how Questrom funds are spent
- Make accurate projections to inform spending decisions
- Quickly catch and fix problems

## Why track the budget?

- Prevent and correct mistakes  
*Expenses might be accidentally charged to the wrong account or wrong GL*
- Prevent overspending  
*Budget tracking allows you to project future expenses/revenue*
- Provide more information and context  
*Cannot always get necessary information from SAP*

## Budget Terms and Concepts

**Budget** - The budget numbers are set for the fiscal year on base and EP accounts and pre-populated in the spreadsheets. These numbers won't change and should always match the budget numbers on SAP. Discretionary accounts do not have budgets.

**Commitments** – When a commitment is created, funds are encumbered but not yet charged to the account. It is a “promise to pay” to the vendor or service provider and a planning tool for the department. Expenses will be charged to your account as invoices are submitted and paid, or as internal service providers close the ISR.

Some commitments may cross fiscal years and will automatically roll to the next year at fiscal close.

**GL accounts** – Categories of expenses.

**Fringe** – a standard rate that is charged on salaries to cover the cost of benefits. Fringe is not charged on base accounts.

**F&A Internal (Overhead)** – 10% charged on non-salary department spending to cover overhead costs. Only charged on EP accounts.

## What to Track

	Base Accounts	Discretionary/ Gift / Endowment Accounts	EP Accounts
Revenue	No	Yes	Yes
Faculty/Staff Payroll	No	Yes	No
Student Payroll	Yes (exclude teaching)	Yes	Yes
Operating Expenses	Yes	Yes	Yes
Fringe	N/A	Yes	Yes
Overhead	N/A	N/A	Yes