CAMPUS FINANCIAL REPORTING

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Vice Chancellor for Administration and Finance
February 26, 2024
• Fiscal sustainability for SIU
• Positioning us to align our resources with our strategic plan
• Transparency with our financial position
• All areas of campus managing fiscal resources on the same basis
  • Official financial information will agree with our audited financial statements
CASH VS ACCRUAL BASIS

CASH – what I have in my checking account right now – my expenses only reflect checks that have cleared the bank.

Accrual – I wrote a check for $500 that has not cleared the bank. I include it in my expenses for FY22 because it was an expense for June (FY22), but it did not clear the bank until July (FY23).
Accrual Basis = Audited Financial Statements
Modified Cash Basis = Historical State Budget Reports at SIU

Fiscal Year (Jul 1 - Jun 30)

Audited Financial Statements

Internal State Budget Reports

Manual adjustments to the State Reports for Items accrued in FY22, but not paid in cash until FY23 in July or August

Manual adjustments to the State Reports for Items accrued in FY21, but not paid in cash until FY22 in July
Cash at 6/30/2022 (audited financials)
- Items paid in FY22 moved back to FY21
+ Items paid in FY23 moved back to FY22
= Lapse Close Year End Reports
I am changing our budget reporting from modified cash-basis reports to accrual basis reports

- Our budget reports will tie to our general ledger data by accounting period
- Our budget reports will tie to our audited financial statements
- Our budget reports will not require “lapse period” manual adjustments
- We will soon have five-year data sets with our financial data, and we cannot use reports that have been manually adjusted for financial/trend analysis
- Will eliminate confusion on campus
- Areas will still need to monitor cash balances, but our revenues and expenditures will be on the accrual basis
REPORTS

- Planning and Budget Information System (PLABIS) – we have changed the reports to accrual-based.
  - The reports do not show your current cash balance
- Power BI reports
  - We are working to convert those to accrual-based and to have them show current cash balances
  - We are working on dash boards with summary level data
  - When Power BI reports are ready, we will move away from PLABIS platform

- Fiscal Manager Reports
  - These are cash-based
  - Cannot go back and run a period, so this is an issue getting a true June 30th report since we hold the period open at year-end.
    - Final June 30th reports are not final until the end of August or when accounting notifies us that the books are closed
  - Will stop distributing this report after we move to Power BI reports
Position Budgeting

- Establish and maintain a position-by-position personnel budget in all funds
  - Personnel is the largest part of our budget
  - We need to be able to track open and filled positions
  - We will budget salary increases on the “sal inc” line and the system will apply the amounts to the budget when raises are processed
  - We will not change the budget on a position line unless it is a permanent increase or decrease or a reorganization of positions

- Last year we worked on it and the budget office used organization charts and worked with units to establish correct position budgets
  - The budget office will load the position budgets into the system

- We are working on a process to keep changes updated during the year
- We are working with HR on our processes to line up hires with the position numbers
Capital Budgets – Use of Plant Funds

• SIU will begin separating the operating budget from the capital budget by utilizing plant funds for capital projects

• Cash will be transferred from the operating budget to the plant funds for approved projects. (these are primarily General Improvement Requests GIR’s)
  • This will eliminate the issue of end of budget year funding
  • Projects over $25K will have their own plant fund (CIP – construction in progress)
  • Facilities will have a CIP plant fund where they will monitor multiple projects under $25K

• Equipment purchases
  • If they are with a renovation or construction project, they will be tracked in the plant fund
  • Other equipment purchases (scientific equipment for example) will be charged to your operating budget
# FY 2025 Budget Cycle Schedule

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<thead>
<tr>
<th>BUDGET PHASES</th>
<th>STARTING</th>
<th>ENDING</th>
<th>BUDGET PHASES</th>
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<td>STATE BUDGET TARGETS RELEASED</td>
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<td>5/10/2024</td>
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Discussion