

---

# Finance and Budget Training for Department Administrators

March 30, 2007

*Sunny Callahan - Tufts University, Division of Advancement*

*Tracy Filosa - TAF Consulting*

# Managing the institution

“Most institutions have designed their internal controls and budget management practices on the assumption that they have well-trained and competent departmental administrators carrying out the institution’s business. This is truer today than ever before with the use of self-service and technology-enabled business practices...

# Managing the institution

Consequently, it is critical that we offer staff a comprehensive set of training opportunities to ensure staff has all the necessary skills.”

-Thomas McGurty

VP for Finance and Treasurer

Tufts University

# Today's Agenda

---

- The institutional environment today
- Tufts University: Division of Advancement
- Components of a successful training program
- Advancement's training programs
- Next steps

# The Business Climate

---

- Accountability
  - Responsible stewardship, reporting
  - Valid business expenses
  - Scrutiny from media, donors, granting agencies, rating agencies, government oversight, non-profit regulators, etc.
- Do more with less
  - Stretch scarce resources
  - Resources invested in mission-related activities
  - Attract more resources by proving that resources are working directly toward mission

# It all starts in the departments

---

- Rely on administrators to:
  - Spend appropriately
  - Account accurately
- Rely on managers to:
  - Manage and review financial activity
  - Report on activity vs. plans
  - Anticipate needs, opportunities
  - Link department goals to budget and strategic plan

# It all starts in the departments

---

- Responsibilities cannot be fulfilled without:
  - Information
  - Tools
  - Skills
  - Communication

# Tufts University: Division of Advancement

---

- Tufts University: “A University poised...”
- Division of Advancement
  - Launch of *Beyond Boundaries: the Campaign for Tufts*
  - Largest in history of Tufts
  - Large, immediate growth in resources
  - Advancement’s budget structure

# Tufts University: Division of Advancement

---

- Pulling it all together
  - Reinforce culture of accountability
  - Consistent accounting practices
  - Adherence to financial policies and procedures
  - Accurate quarterly reporting
  - Strategic budgeting

# Developing a successful program

---

- Prioritize
  - Organizational goals
  - High volume, high frustration business processes
  - Planning needs
    - Accurate accounting
    - Realistic budgeting process
- Organize by audience
  - Who is responsible?
  - Who is doing the work?

# Delivering a successful program

---

- Get to the point
- Make it relevant
- Demystify budget and financial information, processes, purposes
- Encourage dialogue
- A beginning not an end

# Documenting a successful program

---

- Checklists
- Policy translations – language of Advancement
- Annotated screen shots, reports
- Step by step instructions
- Examples



# Tufts University: Division of Advancement's Training Programs



Excerpts from trainings

# Micro to Macro

---

- It all starts with the expenses...
- Oversight
- Quality financial information
- Strategic budget planning

# Nuts & Bolts Training: Accurate Expenses

---

## Transaction Detail Review Process

- Promotes timely review
- Ensures accuracy of expenses and location of expenses
- Ensures accountability
- Encourages relationship between budget and expenses

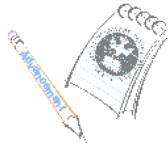
# Nuts & Bolts Training: Policies & Procedures

---

## Policies & Procedure Guide

- Merely restating University's policies in an easy to grasp way
- Relays critical compliance information
- Distributed widely, kept current
- Ensures compliance, consistent accounting
- Customer-service focus

# Policies & Procedures Guide



## TRAVEL OUTSIDE OF THE BOSTON AREA

1. Plan business trip and research options and costs of transportation, lodging and other fees. Make every attempt to secure low rates.
2. Complete Section I of Travel Authorization form: Basic information about trip, estimated expenses. Enter in correct Account and DeptID coding for travel related expenditures. Complete Section II if any expenses need to be paid before the trip begins. Remember to sign and date the form.
3. Complete Advancement Travel Approval Form, providing details about logistics and business that will be conducted on the trip.
4. Obtain approval from manager and get manager's signature on both forms.
5. Send form to Pamela Burnette (200 Boston Avenue, suite 1700, extension 7-3484) to obtain T-number. (Needed for reimbursement and insurance of traveler.)
6. Travel
  - Retain boarding pass as proof of travel if you did not use the two preferred University travel agencies, which are: ExpediaCorporate.com, Carlson Wagonlit, and the Travel Collaborative.
  - Retain all original receipts
  - If no receipt available for expenses under \$10 keep track of expense and remember \$25 limit a day for expenses without accompanying receipt
7. Complete Section III of Travel Expense Report: Employee Paid Expenses upon return
  - List expenses by day
  - Separate expenses by type: lodging, meals, telephone, tips, etc., even if they appear on one invoice.
  - If lose a receipt for expense over \$10, write 2 sentences about expense and lost receipt and obtain manager's signature
  - For business meals with donors or related to fundraising, list all of the people dining and the purpose of the meeting.
  - Enter in specific Account(s) and DeptID(s) to be charged for expenses incurred by the traveler.
  - Be sure to sign the form and obtain your manager's signature
  - Directors can sign for a dean's travel if they were not traveling together on the trip; otherwise, the director's manager should sign for both the director and the dean
  - Submit completed form to Pamela Burnette.



DON'T FORGET...

## TRAVEL OUTSIDE OF THE BOSTON AREA

### RECOMMENDED ACCOUNT CODES

Account Code	PS Description	Advancement Business Purposes
5301	Domestic Travel	<ul style="list-style-type: none"> <li>• Airfare charges</li> <li>• Hotel</li> <li>• Meals</li> <li>• Cab fare</li> <li>• Subway fare</li> <li>• Car service/rental car</li> </ul>
5302	Foreign Travel	<ul style="list-style-type: none"> <li>• Airfare charges</li> <li>• Hotel</li> <li>• Meals</li> <li>• Cab fare</li> <li>• Subway fare</li> <li>• Car service/rental car</li> </ul>
5307	Business Trip Expense	<ul style="list-style-type: none"> <li>• Meals with donors, colleagues at other institutions, etc. while traveling</li> </ul>
5606	Alcoholic Beverages	<ul style="list-style-type: none"> <li>• Only reimbursable when entertaining a donor (use of this account code is not required, use at manager's discretion)</li> </ul>

### POLICY REMINDERS

- Original receipts are required for all major travel expenses including airfare, hotel, and rental car bills, and any individual expense of \$10.00 or more.
- Tufts Travel MasterCard cards should be used to the fullest extent possible to pay all travel-related costs.
- If you do not use one of the University's preferred travel agencies (listed above) you must provide two of the following with your travel expense reimbursement form:
  - o Boarding pass and/or ticket stub
  - o Travel itinerary
  - o Credit card statement used to purchase the ticket
  - o Hotel bill identifying the dates of the trip and the city visited
- Use of the PCard for travel-related expenses is not permitted, with the exception of conference registration fees.
- If you use white-out when completing a travel expense report, the person who made the change must initial the change.
- The traveler must complete a Travel Authorization/Travel Advance and Expense form (an original) and submit it to Accounts Payable within thirty (30) days of returning from a trip. Use only your Tufts University Employee ID number on the form – please do not use your social security number!
- The use of fitness facilities cannot be reimbursed by the University.

# Manager Training: Oversight

---

## Transaction Detail Review Process

- Manager's eyes on monthly transactions
- Ensures accountability
- Encourages relationship between daily, monthly expenses and overall budget planning

# Manager Training: Quality Financial Information

---

## Quarterly Projection Process

- Promotes budget planning
- Training:
  - Communicates critical need for good information, early in the year
  - Highlights inter-relationship between departments and University
  - Breaks down “silo” thinking

# Sample Projection Worksheet

ADMIN: "Budget"  
verified monthly for  
any changes

ADMIN: "Actuals"  
Updated monthly based  
On financial summary

MGR: "Projections"  
Update ALL blank  
months

Year-end projection & Surplus/Deficit  
will auto-update.

DEPARTMENT NAME:		INPUT ACTUALS IN GRAY BOXES ONLY														YEAR-END PROJECTIONS & ACTUALS			
Dept ID #:		FY07 BUDGET	FY07 Actuals to Date	JULY	AUGUST	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY	JUNE	Projected Available Balance	FY06 Actuals	FY05 Actuals	FY04 Actuals
ACCT CODE	ACCOUNT DESCRIPTION																		
	<b>STUDENTS</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	41,486	22,676	6,888
	<b>REVENUE</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-
	<b>PURCHASED SERVICES</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	84,524	52,209	-
	<b>TRAVEL</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,056	-	-
	<b>MAT., SUP., etc.</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	87,113	103,117	34,120
	<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 214,179	\$ 178,002	\$ 41,008
<p>In this text box briefly explain the Projected Available Balance, e.g. why are you projecting to be under or over budget:</p>																			
	<b>STUDENTS</b>																		
5011	Student-Academic Year															0	28,330	18,776	6,888
5012	Student-Summer															0	11,573	3,611	-
5013	Contract Stud Acedm Yr Non Ben															0	-	-	-
5053	Student Benefits															0	384	283	-
	<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,486	\$ 22,676	\$ 6,888
	<b>REVENUE</b>																		
4101	Unrestricted Endowment Income															0			
4101	Clinical And Other Educ Activi															0			
4401	Other Sources															0			
4701	Gifts Via Development															0			
	<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>PURCHASED SERVICES</b>																		
5120	Professional Services															0	654	-	-
5125	Consultants															0	78,546	52,209	-
5125	Temp Help Agencies															0	-	-	-
5162	Subcon-V Over \$25k															0	5,324	-	-
	<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 84,524	\$ 52,209	\$ -
	<b>TRAVEL</b>																		
5301	Domestic Travel															0	322	-	-
5302	Foreign Travel															0	-	-	-
5304	Local(Auto,Bus,Taxi)															0	-	-	-
5305	Non-Employee Reimb															0	-	-	-
5306	Training															0	425	-	-
5307	Business Trip Expense															0	200	-	-
5308	Non-Business Trip Expense															0	-	-	-
5309	Meeting,Sem,w/ksh															0	110	-	-
5399	Nonallocable Travel															0	-	-	-
	<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,056	\$ -	\$ -
	<b>MAT., SUP., etc.</b>																		
5411	General Office Suppl															0	3,013	2,304	0
5413	Overnight Mail Service															0	80	173	395
5417	Trnmc Printing & Copying Servi															0	1,132	4,235	25
5450	Consumable Supplies															0	3,779	661	0
5453	General Consumable Supplies															0	1,075	1,859	6,841
5501	Telephone Expenses															0	-	-	-
5501	Telephone															0	-	-	-
5532	Tel Equip Charges															0	36,732	30,074	20,238
5535	Toll Charges															0	16,671	3,467	428
5538	Message Units															0	1,472	1,210	136
5543	Private Line Chrgs															0	1,345	674	0
6009	Catering ldr Charges															0	-	3,589	3,487
6042	Internal Postage-Metered Mail															0	19,351	17,618	2,510
6044	Internal Bulk Mailing															0	-	30,833	0
6049	Outside Copying Charges															0	2,463	421	0
	<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 87,113	\$ 103,117	\$ 34,120

Student  
Activity

Revenue  
activity

Purchased  
Services

Travel  
activity

All other  
expenses

always enter a minus (-) sign before the amount of revenue

SHOULD BE NO NEW CHARGES AGAINST THESE LINES

POTENTIAL  
recurring  
monthly  
charges -  
review w. cats/full

# Sample Projection Worksheet

Your projected "Budget Surplus/Deficit" will drive the content of the narrative

Projection Summary: all columns will auto-update

DEPARTMENT							
DEPTIDS	FY07 BUDGET	FY07 Actuals To Date	YEAR-END PROJECTED EXPENSES	FY06 Actuals	FY05 Actuals	FY04 Actuals	YEAR-END PROJECTED SURPLUS or DEFICIT
<b>C462500 - Development</b>							
STUDENTS	1,000	583	1,000	1,899	0	0	0
REVENUE	0	0	0	0	0	(50)	0
PURCHASED SERVICES	5,000	2,917	3,500	5,977	5,250	5,693	1,500
TRAVEL	26,000	15,167	30,000	12,151	12,771	15,191	(4,000)
MAT., SUP., etc.	54,000	31,500	56,125	17,038	10,942	71,830	(2,125)
<b>SUB-TOTAL</b>	<b>\$86,000</b>	<b>\$50,167</b>	<b>\$90,625</b>	<b>\$37,065</b>	<b>\$28,962</b>	<b>\$92,664</b>	<b>(\$4,625)</b>
<b>C463500 - Annual Fund</b>							
STUDENTS	0	0	250	0	0	0	(250)
REVENUE	0	0	0	0	0	0	0
PURCHASED SERVICES	2,000	1,167	500	300	2,950	570	1,500
TRAVEL	1,500	875	4,500	1,466	64	1,178	(3,000)
MAT., SUP., etc.	28,000	16,333	26,788	23,087	21,203	22,530	1,212
<b>SUB-TOTAL</b>	<b>\$31,500</b>	<b>\$18,375</b>	<b>\$32,038</b>	<b>\$24,853</b>	<b>\$24,217</b>	<b>\$24,278</b>	<b>(\$538)</b>
<b>C464200 - Alumni Relations</b>							
STUDENTS	0	0	0	0	0	0	0
REVENUE	0	0	0	0	0	(3,179)	0
PURCHASED SERVICES	1,000	583	583	2,580	2,050	585	417
TRAVEL	500	292	3,296	4,381	5,873	2,508	(2,796)
MAT., SUP., etc.	14,539	8,481	12,000	6,968	22,428	14,222	2,539
<b>SUB-TOTAL</b>	<b>\$16,039</b>	<b>\$9,356</b>	<b>\$15,879</b>	<b>\$13,929</b>	<b>\$30,351</b>	<b>\$14,136</b>	<b>\$160</b>
<b>C464400 - Alumni Weekend</b>							
STUDENTS	0	0	0	0	0	0	0
REVENUE	(1,500)	0	(1,000)	(745)	0	(1,880)	(500)
PURCHASED SERVICES	2,000	0	2,000	2,000	0	1,620	0
TRAVEL	3,000	0	3,000	3,721	0	120	0
MAT., SUP., etc.	12,000	1,356	12,000	13,451	(570)	11,886	0
<b>SUB-TOTAL</b>	<b>\$15,500</b>	<b>\$1,356</b>	<b>\$16,000</b>	<b>\$18,427</b>	<b>(\$570)</b>	<b>\$11,746</b>	<b>(\$900)</b>
<b>TOTALS</b>	<b>\$ 149,039</b>	<b>\$ 79,254</b>	<b>\$ 154,542</b>	<b>\$ 148,999</b>	<b>\$ 133,427</b>	<b>\$ 142,824</b>	<b>\$ (5,503) 103.7%</b>
In this text box briefly explain the overall Projected Surplus or Deficit. Brackets and minus (-) sign indicate you're projecting to overspend your budget:							



# Results

---

- Compliance with financial policies and procedures
- Connections between micro and macro
- Proactive communication
- Quality financial information
- Strategic budget planning

# Next steps

---

- Constant changes:
  - Staffing
  - Strategies, goals
  - Revenue sources
  - Business relationships
  - Technology
  - Regulatory environment
- A beginning not an end.

# Thank you

---

## **Sunny Callahan**

Director of Planning and Administration  
Tufts University Division of Advancement  
[sunny.callahan@tufts.edu](mailto:sunny.callahan@tufts.edu)

## **Tracy Filosa**

Principal  
TAF Consulting  
[tfilosa@tafconsulting.com](mailto:tfilosa@tafconsulting.com)