Bureau of State Accounting Operations
Budgets and Spending

Dainelle Whitman, Megan LaFountain, Molly Gibbons
Appropriation – Defined

A statutory authorization to make expenditures

- By a State Dept or Agency
- Payable from a Specified Fund
- For a Named Program
- Intended for a Specified Account
Appropriation Periods

- **State Finance Law – Section 40** - provides Liability Periods, Appropriation Periods and Lapse Dates

- **State Constitution** - 2-Year Life Maximum

- **April 1st to March 31st** - plus a carryout period for outstanding liabilities

- Budget Bills oftentimes NOTWITHSTAND State Finance Law and permit liabilities ‘Heretofore’ or ‘Hereafter’ to be paid from Current Year appropriations
Appropriation Types

- State Operations
- Local Assistance
- Capital
- Debt Service
Appropriation Types – State Operations

- Personal Service
- Non-Personal Service
- General State Charges
Appropriation Types – Local Assistance

• Used for GRANT Payments to:
  • Local Governments
  • School Districts
  • Not-for-Profit Organizations
  • Financial Assistance To, Or On Behalf Of, Individuals
Appropriation Types – Capital Projects

- State Construction Projects
- State Assistance for Local Government Projects
- Construction Management (e.g. Design & Supervision)
Appropriation Types – Debt Service

- Principal & Interest on State Debt
- Principal & Interest on Public Authority Debt
- Lease-Purchase and Contractual Obligations for State Facilities and Programs Financed with Non-State Debt
- Debt-Related Expenses
The Budget Process

• **June – September/October:**
  Agency Budget Preparation

• **September/October – December:**
  Division of Budget Review

• **November – January:**
  The Governor’s Decisions

• **January – March:**
  Legislative Action

• **April – March:**
  Budget Execution
## Lapsing Periods

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Period of Appropriation</th>
<th>Lapse Period</th>
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<tr>
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<td>07/01-09/30</td>
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<tr>
<td>SUNY-Local Assistance Community College</td>
<td>04/01-03/31</td>
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<td>07/01-06/30</td>
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<td>State Operations-All other Depts.-Ch. 50</td>
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<td>04/01-06/30</td>
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<td>Legislature &amp; Judiciary-Ch. 51</td>
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<td>Special Purpose Bills or Appropriations</td>
<td>See SFL: Section 40, subdivision 3, par. (d)</td>
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<tr>
<td>Special Emergency Appropriations</td>
<td>See SFL: Section 53, subdivision 5</td>
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Lapsing Process and Agency Responsibilities

• **Prior to lapsing:**
  - Review the NYKK0004 - Appropriations Due To and Not Due To Lapse - report discrepancies to Appropriations@osc.ny.gov
  - SFS report NYKK0264 - Identify Negative Segregations balances
  - FBIC journals with errors
  - SFS report NYAP1547

• **Day of lapsing:**
  - No agency transactions after 5pm

See OSC Guide to Financial Operations (GFO), Chapter XVII, Section 3 for lapsing guidance and lapsing transaction deadlines.
Budget Transactions and Movement of Appropriation Authority
Types of Budget Transactions

• **Regular Budget Journals**
  - Only OSC uses KK_SEG
    - To put the Budgets up
  - Agencies will only use KK_PRJC or Agency KK

• **Budget Transfer or Interunit Transfer journals**
  - When dealing with appropriations always use the KK_SEG ledger

See [GFO Chapter VI, Section 1 – Budget Control](#) for additional information.
Movement of Appropriation Authority

- There are 6 types:
  - Interchange
  - Departmental Suballocation
  - Apportionment
  - Transfer
  - Consolidated Transfer
  - Suballocation

- It is important to understand the difference between these and the proper way to reappropriate the available funds if necessary.

See [GFO Chapter VI, Section 3.A – Overview](#) for more information.
AP Adjustment Voucher
(Refund of Appropriation)
Adjustment Voucher

An AP Adjustment Voucher is used to apply a full or partial refund received from a vendor, recipient, or employee against the payment it was originally made from. An Adjustment Voucher used to record a return of a payment is also referred to as a “Refund of Appropriation” (ROA).

See [GFO Chapter VII, Section 3 – AP Adjustment Voucher Overview](#) for additional information.
Reasons for Adjustment Vouchers:

- Overpayments or duplicate payments
- Reductions and/or close out of agency “cash advance” funds
- Refunds owed to the State by an employee
- Women and Infant Children (WIC) Rebates
- Fraudulently cashed checks
Adjustment Voucher

Effects of Adjustment Vouchers:

• Increase the segregation balance
• Increase cash in the fund
• Update the withholdings for a vendor
• Update contract balance
Adjustment Voucher

Transaction Coding:

- The original voucher containing the expenditure chartfields that were initially charged is the primary source of information.
  - Examples: account, program, fund, obligation date, withholdings, etc. should match

- The original voucher ID must be entered in the “Related Voucher” field.

*Note: Once entered in SFS, the ROA should have all agency approvals prior to it reaching BSAO.*
Active vs. Lapsed Appropriations

- In order for an ROA to be properly credited to the original charged appropriation, the appropriation must be active within SFS.

- ROA transactions against lapsed appropriations should be submitted with an Account code of: 32207 Refund – Lapsed Approps, on the credit line.
  - Increases cash in the fund, but has no effect on the segregation balance
Supplier/Vendor ID (*if the refund is not from the original vendor*):

- The original payment was issued using a single payment vendor ID - 0RSNGLPYMT

- The refund is from a vendor for items purchased with a procurement card - 0RPCARDPUR

- Expense report corrections, return of travel advances and other refunds from employees for non-state costs - 0REMPLOYREF
Supplier/Vendor ID continued:

- Medicaid/HIT/BHP Refunds – specific to DOH - 0RMEDIREFD

- Refunds for cash advances should have a vendor that begins with 041

If the original Supplier ID cannot be used, and none of the above situations apply, the Supplier ID should be 0RAR000000.
Accounts Payable Journal Vouchers vs. General Ledger Journal Entries

(APJV vs. GLJE)
APJV vs. GLJE

• AP Journal Vouchers
  • Are used for corrections to Accounts Payable transactions on a posted voucher (cannot cross funds)

• GL Journal Entries
  • Are used to correct expenditures that did not originate in the AP module (ex. payroll)
  • Used whenever crossing funds
  • For bulkload agencies who are not able to enter AP Journal Vouchers
  • When the Supplier on the original voucher is an interagency vendor (Supplier ID starts with ‘042’)

See GFO Chapter VIII, Section 1 – AP Journal Vouchers & GL Journal Entries Overview for additional information.
AP Journal Vouchers

- Must be same fund on debit and credit lines
- Must have a related (original) voucher
- Supplier ID, obligation date and coding should match related voucher
- GL Business Unit is the same on all lines
- Account codes should all be expenditure in nature (exception for ROA corrections that had revenue account codes)
General Ledger Journal Entries

- Complete explanations supporting the reason for the transaction must be provided in the description/comment field.
- Supporting documentation must be attached to each transaction.
- Valid Accounting Date and Obligation Date.
- Analysis Type of GLE for expenditure accounts and GLR for revenue accounts when using the Project field on a journal.
SFS Trees & Tree Viewer
“Roll-ups” & Trees – Transactional to Budget

The transactional values “roll-up” to different budgetary levels on each type of tree.

- KK_SW_PRGM – Commitment Control Statewide Program Tree
- KK_SW_ACCOUNT – Commitment Control Statewide Account Tree
- KK_SW_DEPT – Commitment Control Statewide Department Tree
- KK_DB_PRGM – Commitment Control DOB Program Tree
- RPT_SW_PRGM – Statewide Program Reporting Tree

Accounting entries for source transactions use “transactional” values.

- Vouchers
- Deposits
- Journal entries

GFO Section VI.1.A – Budgetary Chart strings
Tree Viewer

Enter any information you have and click Search. Leave fields blank for a list of all values.

Find an Existing Value

Search Criteria

Search by:  

begin with  KK_SW_PRGM

Search Results

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<tr>
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<th>SetID</th>
<th>Set Control Value</th>
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Navigator > Tree Manager > Tree Viewer
Statewide Program Tree

Tree Viewer

SetID: SHARE
Effective Date: 04/01/2021
Tree Name: KK_SW_PRGM
Last Audit: Valid Tree
Status: Active

KK Program Tree

00000 > 30305 > 30315

Collapse All | Expand All | Find | First Page 60 of 17090 | Last Page

- 30305 - Disaster Assistance
  - 30315 - Disaster Assistance General
    - [30357] - Disaster Assistance General
  - 30316 - Disaster Assistance 2005-06
  - 30322 - World Trade
  - 30323 - Hurricane Irene

Level 2 – Major Program Value
Level 3 – Budgetary Value
Level 4 – Transactional Value
Statewide Program Trees

Tree Viewer

SetID: SHARE
Effective Date: 04/01/2020
Tree Name: KK_SW_PRGM

Last Audit: Valid Tree
Status: Active
KK Program Tree

Close | Display Options | Print Format

00000 | >37027 | >37030 | >Detail

Collapse All | Expand All | Find

First Page | 60 of 15988

Major Program

Budgetary Program

Transactional programs

37027 - Secure Treatment
37030 - Secure Treatment General
[37422] - STP Services General
[37430] - STP Ongoing
[37431] - STP Ongoing ADJ
[37432] - STP Cent Mgd Gen
[37433] - STP Temp Emp Services
[37434] - STP Asset Maint
[37435] - STP PNA
[37436] - STP Health Svc Prog
[37437] - STP Utilities & Fuel
[37438] - STP Psych Rehab
[37439] - STP OHC
[37440] - STP Laundry
Statewide Account Tree

Tree Viewer

SetID: SHARE
Effective Date: 04/01/2021
Tree Name: KK_SW_ACCT

Last Audit Status: Valid Tree, Active

00000 > 50010 > 50000 > 50100

Expense Accounts

- 59100 - Prompt Pymt Interest Clearing
- 50010 - State Operations
  - 50000 - Personal Service
    - 50100 - Personal Service Regular
      - [50101] - Regular Employee - Base Salary
      - [50104] - Reg Employee-Uniform Allowance
      - [50105] - Regular Employee - Standby Pay
      - [50106] - Regular Employee-Extra Service
      - [50107] - Regular Employee - Lump Sum
      - [50108] - Reg Employee-Additional Comp
      - [50PSC] - Personal Service Reg CNV
    - 50200 - Temporary Service
    - 50300 - Holiday/Overtime Compensation

- Budgetary Value for SNY & CNY
- Budgetary Value
- Transactional Value
Statewide Program Trees

New Program Value Process:

- The Bureau of State Accounting Operations will reach out to agencies, based on the new year Executive or Enacted budget, to determine if a new program value is needed.
- Agencies will be contacted for confirmation of new program, program naming and placement on the trees.
- Agency responses will be reviewed and approved by OSC’s Bureaus of State Accounting Operations and Financial Reporting and Oil Spill Remediation and the Division of Budget.
- OSC will submit the request for new Program values to SFS.
- SFS will assign one budgetary program value and one transactional value.
- Agency can request additional transactional values as needed.
Statewide Program Trees

- SFS will make the budgetary and transactional values available for use once the budget is enacted and they are approved for placement on the trees.

- Length of time taken to create a new program value depends on timeliness of agency responses regarding the placement of the new value.

Program values are maintained in KK and Reporting trees. The trees are located in tree manager with the names KK_SW_PRGM, KK_DB_PRGM, and RPT_SW_PRGM.
Reports & Resources
SFS Analytics
Information Resources

**Budget Reports**

- [DW620 - Appropriation Budget Overview](#)
- [DW264 - KK Financial Plan Budget Overview](#)
- [DW332 - Agency KK Budget Overview](#)
- [DW468 - Purchase Order PSP Overview](#)
- [DW838 - Project Budget Overview](#)
- [DW207 - Commitment Control Activity](#)
- [DW595 - KK Program Crosswalk](#)
- [DW268 - Encumbrances by Purchase Order](#)
**Budget Overview - Budget Report**

**DW620 Budget Report**

<table>
<thead>
<tr>
<th>Budgetary Department</th>
<th>Budgetary Fund</th>
<th>Budgetary Reference</th>
<th>Budgetary Program Level 2</th>
<th>Budgetary Program</th>
<th>Budgetary Account</th>
<th>Lapse Date</th>
<th>Original Appropriation</th>
<th>Current Appropriation</th>
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<th>Remaining Unreserved Balance</th>
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Lapsing Report – NYAP1547

Pending Transactions for Lapsing Budgets Report

• The Pending Transactions for Lapsing Budgets report was created to assist agencies and OSC in monitoring transactions that require action based on the Agency Calendar. OSC monitors these reports for items requiring OSC action. SFS runs these reports nightly on a statewide basis and makes them available through Report Manager each morning.

• **The path to access the reports on Report Manager:** Reporting Tools> Report Manager> search for Lapsing Folder (note: You will see 9 results. One report for each transaction type. Select the type of transactions you want to view.)

• **The path to access the queries:** Reporting Tools> Query> Query Viewer> Search for NYAP1547 (note: You will see 9 results. One query for each transaction type. Select the one you would like to run, enter the lapse date and business unit.)
Lapsing Report – NYKK0004

Appropriations Due To and Not Due To Lapse Report

• The NYKK0004 Appropriations Due To and Not Due To Lapse report is made available to agencies through SFS. Once agencies are notified by OSC that the lapse dates have been updated based upon the recently enacted State budget, it is critical that agencies thoroughly review the NYKK0004 to ensure that appropriations are NOT erroneously lapsed.

• Appropriations appearing on the NYKK0004 which should NOT be lapsed should be immediately reported to your Bureau of State Accounting Operations (BSAO) Budgets and Spending Accounting Section Accountant or Appropriations@osc.ny.gov via e-mail with the full budgetary chart string, along with the reference to the reappropriation from the enacted State budget (examples: Chapter, Section, Law, Page and Line.)

• Agencies should run the report for their own business unit by navigating to: SFS > Main Menu > Commitment Control > Budget Reports > App Due/Not Due To Lapse (KK0004).
Negative Appropriation/Segregation Budgets

• Appropriations/Segregations can **NOT** lapse with a negative balance (where expenditures have exceeded the budget amount). All negative balances on appropriations and segregations due to lapse must be corrected no later than five business days prior to the lapse date.

• To run the report, navigate to: Commitment Control > Budget Reports > Negative Segregation Balance. The report can be viewed in Report Manager or through the Process Monitor > Details > View Log/Trace.

• Agencies must immediately update any position pool within PayServ which contains a Chartfield against an appropriation which is scheduled to lapse. Please refer to the current payroll bulletin on updating PayServ Chartfield Strings for lapsing events for deadlines and additional information.
### Search Trainings - Access SFS user training and materials

Leaving all fields blank brings back all results; additional criteria returns more specific results.

#### Search Results

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<thead>
<tr>
<th>Process Area</th>
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<th>Notes</th>
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<tbody>
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<td>Introduction to Commitment Control (KK) concepts and terminology</td>
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<td>Enter and maintain budget journals, approve budget journals, manage the budget</td>
<td>SELF-PACED TRAINING</td>
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<td>KK</td>
<td>+ JAA-KK215-002</td>
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Budgets and Spending Section Contact

For questions related to the information presented please email: Appropriations@osc.ny.gov

Prior year’s Fall Conference presentation location: OSC website/Agencies/Training Opportunities - https://www.osc.state.ny.us/state-agencies/training