

# FINANCIAL INFORMATION SYSTEM

**Earmarked  
Funds**



# Course Objectives

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This course will help you:

- Understand the purpose of Earmarked Funds
- Create Earmarked Funds using Single and Multiple lines
- Post transactions using funds committed within Earmarked Funds
- Change and release Earmarked Funds
- Run reports to view the current balance of an Earmarked Fund

# Course Map

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- What are Earmarked Funds?
- Why Use Earmarked Funds?
- Creating Earmarked Funds
- Changing Earmarked Funds
- Using Earmarked Funds in FIS transactions
- Reporting Earmarked Funds
  - Funds Center Report
  - All Postings Line Item Report
  - Earmarked Funds

# What are Earmarked Funds?

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## Earmarked Funds are:

- FIS documents created by departments to reserve available budget dollars for expenses
- can be changed, reversed and released by the department at any time

### **Earmarked Funds are also referred to as:**

- *Manual Reserves*
- *Funds Commitments*
- *Encumbrances*

# Why Use Earmarked Funds?



| PROs   | CONs  |
|--|---|
| <ul style="list-style-type: none"><li>• Opportunity to “protect” available budget dollars for future expenditures (e.g., building renovations, written agreements)</li></ul> | <ul style="list-style-type: none"><li>• Need to have Earmarked Fund document number to “spend” as part of an A/P or journal entry posting</li></ul> |
| <ul style="list-style-type: none"><li>• Will appear on Funds Management reports as a Commitment</li></ul>  | <ul style="list-style-type: none"><li>• Not available for use on some FIS transactions (e.g. ERDD on the Web, Mastercard)</li></ul>                 |
| <ul style="list-style-type: none"><li>• Enables FIS users to “spend” the reserve amount through A/P or Journal Entry postings for values less than \$4,999.99</li></ul>      |   |
| <ul style="list-style-type: none"><li>• Provides change history detail on activity posted to reserve</li></ul>   |   |
| <ul style="list-style-type: none"><li>• Carried forward at end of fiscal year; stays in the system until changed by user</li></ul>   |   |

# Creating Earmarked Funds – Overview Screen



**SAP Menu Path:** Accounting >> Funds management >> Posting >> Earmarked Funds >> Funds Commitment >> Create

**Transaction Code:** FMZ1

**Doc. Text:**  
Enter overall  
**reason** for  
reserve

*Funds commitment: Create Overview scrn*

Park Document Entry

|                 |                           |                           |               |            |
|-----------------|---------------------------|---------------------------|---------------|------------|
| Document number | <input type="text"/>      | New                       | Document Date | 08.06.2012 |
| Document type   | 11                        | Funds commitment standard | Posting Date  | 08.06.2012 |
| Company Code    | UOFT                      | University of Toronto     | Currency/rate | CAD        |
| Doc.text        | Reason for Earmarked Fund |                           |               |            |
| Currency        | CAD                       |                           |               |            |
| Grand total     | 0.00                      |                           |               |            |

Line Items

| Overall amount | Document item | Commitment Item | Funds Center | Fund | G/L Account | Cost Center | Order | Vendor | Due on | Text |
|----------------|---------------|-----------------|--------------|------|-------------|-------------|-------|--------|--------|------|
|                |               |                 |              |      |             |             |       |        |        |      |

For **all lines** complete the following fields:

- Overall amount
- Funds Center & Fund (if applicable)
- Text - specific reason for each line

AND *either a) or b)*:

- G/L Account No. and Cost Center or Order
- ONLY** Commitment Item

**Vendor** field is “Optional” since payment not restricted to particular Vendor.

**QRG:** Funds Commitment – Create

- <http://finance.utoronto.ca/wp-content/uploads/2015/10/fccreate.pdf>

# Creating Earmarked Funds – Display Details



Select “Acct.asst.changeable” checkbox

Funds commitment: Create Detail screen: Indicator

Acct.asst.changeable       Redctn in LC only  
 Exceed without limit       Override Global Tol.

Funds commitment: Create Detail

Line Item: 1      Position: 1 / 1

Text: TEST EARMARKED FUND

Control data

Completion indicator       Item blocked       Item block      More

Values

Currency: CAD

Overall amount: 1,000.00

Open amount: 1,000.00

Due on:

Referenced document

Set to 'Done'

More data

Vendor:

Coding Block

Business Area: 1000

Cost Center: 11042      Order:

Commitment Item: SUPPLIES      Fund:

Funds Center: 100820

More

Click the “More” icon to make the “account assignments” changeable”.

- enables you to use **different account codes** (e.g., G/L, CC) when posting a transaction against the Earmarked Fund

**Note:** If you don't select the “Acct.asst.changeable” checkbox, the system will **only allow you to post to the account assignments used** in the Earmarked Fund.

# Changing Earmarked Funds



**SAP Menu Path:** Accounting >> Funds management >> Posting >> Earmarked Funds >> Funds Commitment >> Change

**Transaction Code:** FMZ2

Use the **Funds Commitment Change** function to:

- Increase/decrease the amount of the reserve:
  - **Increase Reserve:** the additional amount will be *deducted* from the funds available
  - **Decrease Reserve:** the difference will be *released* into the funds available
- Change account assignments associated with reserve
- Change Document and/or Reference text
- “**Complete**” or release the reserve to the funds available

**QRG:** Funds Commitment – Change or Display

- <http://finance.utoronto.ca/wp-content/uploads/2015/10/fcchngdisplay.pdf>



# Changing Earmarked Funds – Detail Screen



To increase or decrease Earmarked Fund:

**Overall amount** cannot be changed to less than the current level of Consumption

**Note:** Consumption = Overall amount - Open Amount(remainder).

**Example:**

$$\$5,000 = \$55,000 - \$50,000$$

*Funds commitment: Change Detail scr*

*Funds commitment: Change Detail scr*

Line Item 100945550 1 Position / 1

Text SPPG MPP Depart Fellowsh

Control data

Completion indicator  Item blocked  Item block [More](#)

Values

Currency CAD

Overall amount 55,000.00

Open amount 50,000.00

Due on

Referenced document

Set to 'Done'

More data

Vendor

Coding Block

Business Area 1000

Cost Center 19134 Order

Commitment Item SERVICES Fund

Funds Center 104128

[More](#)

# Using Earmarked Funds in FIS Transactions

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FIS users can “**spend**” directly against the Earmarked Fund through A/P or Journal Entry postings. Transactions greater than \$4,999.99 must follow the Procurement Policy.

Required when entering a transaction for:

- **Single line item** reserves:
  - Earmarked Fund document number
  
- **Multiple line item** reserves:
  - Earmarked Fund document number **and** specific line item number

# Using Earmarked Funds in FIS transactions (cont'd)



**Example:** Posting an invoice against a **single** line item Earmarked Fund.

*Enter Vendor Invoice: Company Code UOFT*

Tree On Company Code Hold Simulate Park Editing Options

Transactn Invoice Bal. 0.00

Basic data Payment Details Tax Notes

Vendor 100817  
Invoice date 10042007 Reference TRAINING INV  
Posting Date 30.04.2012 Period 12  
Document type KN:A/P Vendor invoic  
Cross-CC no.  
Amount 10.00 CAD  Calculate tax  
Text Inv. processed against single line item Man.Res.  
Company Code UOFT University of Toronto

0 Items ( Screen Variant : Line Item Entry - FB60 + FB65 )

| Status | G/L acct | Short t... | D/C   | Amount in d... | Text                             | Earmarked funds | Earmarked funds: Document iter |
|--------|----------|------------|-------|----------------|----------------------------------|-----------------|--------------------------------|
|        | 825000   |            | Debit | 10.00          | Example of single line item Man. | 100041957       |                                |
|        |          |            | Debit |                |                                  |                 |                                |

To pay against the Earmarked Fund, enter the **reserve number** in the “**Earmarked funds**” field

**NOTE:** If the account assignments are changed, there will be a warning message. Press “**Enter**” to continue.

# Using Earmarked Funds in FIS transactions (cont'd)



**Example:** Posting an invoice against a **multi-line item** Earmarked Fund.

*Enter Vendor Invoice: Company Code UOFT*

Tree On Company Code Hold Simulate Park Editing Options

Transactn Invoice Bal. 0.00

Basic data Payment Details Tax Notes

Vendor 100817  
Invoice date 30.04.2012 Reference TRAINING INVOICE  
Posting Date 30.04.2012 Period 12  
Document type KN:A/P Vendor invoice  
Cross-CC no.  
Amount 50.00 CAD  Calculate tax  
Text Training example of inv processed against Man.Res.  
Paymt terms 25 Days net  
Baseline date 30.04.2012  
Company Code UOFT University of Toronto

Vendor Address  
Grand & Toy  
Box 5500  
Don Mills ON M3C  
416-3918100  
Bank account Not available

1 Items ( Screen Variant : Line Item Entry - FB60 + FB65 )

| Status | G/L acct | Short text    | D/C   | Amount in doc.curr. | Earmarked funds | Earmarked funds: Document item |
|--------|----------|---------------|-------|---------------------|-----------------|--------------------------------|
| ✓      | 825000   | Suppl:general | Debit | 50.00               | 100806251       | 2                              |
|        |          |               | Debit |                     |                 |                                |

To pay against a specific line, enter the **reserve number** in the “Earmarked funds” field

**AND**

**line item number** in the “Earmarked funds: Document Item” field

**NOTE:** If the account assignments are changed there will be a warning message.  
Press “Enter” to continue.

# Reporting Earmarked Funds

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Earmarked Funds are displayed in the Commitments/Reserves section of reports.

They are displayed differently in reports depending on whether they were created using a **G/L account** or a **Commitment Item**.

Earmarked Funds created using:

- **G/L Accounts:**
  - displayed under the G/L details as individual documents
- **Commitment Items:**
  - G/L account field will be blank for line item details report (e.g., All Postings Report)

# Reporting Earmarked Funds – Funding: FC or Fund Report/Funds Center Report



## Funding: FC or Fund Report/Funds Center Report :

| <i>Funds Center Report</i>                |                      |  |              |              |                      |           |                              |
|---|----------------------|--|--------------|--------------|----------------------|-----------|------------------------------|
| <a href="#">Show all Commitment Items</a> |                      | <a href="#">Switch to spreadsheet view</a> |              |              |                      |           |                              |
| Funds Center Report                       |                      |  |              |              |                      |           |                              |
| Fiscal Year                               | 2014                 |  |              |              |                      | Report    | ZFTR111                      |
| Funds Center                              | 104128 FAST Training |  |              |              |                      | Instance  | TNG                          |
| Include FC Hierarchy                      | X                    |  |              |              |                      | User      | MACINSUZ                     |
| FC Hierarchy variant                      | 0000                 |  |              |              |                      | Date/Time | 13.11.2013 10:54:23          |
| Include PI FCs                            | X                    |  |              |              |                      |           |                              |
| Commitment Items                          | Original Budget      | Revised Budget                             | Commitments  | Actuals      | Commitments+ Actuals | Revenue   | Variance/<br>Funds Available |
| <b>Revenues</b>                           |                      |  |              |              |                      |           |                              |
| + REVENUE-S                               | 1,423,317.00-        | 400,000.00-                                | 0.00         | 990,847.42-  | 990,847.42-          |           | 590,847.42                   |
| Total Revenues                            | 1,423,317.00-        | 400,000.00-                                | 0.00         | 990,847.42-  | 990,847.42-          |           | 590,847.42                   |
| <b>Expenditures</b>                       |                      |  |              |              |                      |           |                              |
| EXP-UTFA                                  | 0.00                 | 18,778.29                                  | 0.00         | 1,716.68     | 1,716.68             |           | 17,061.61                    |
| + EXPENSE-S                               | 3,450,866.00         | 4,182,409.87                               | 1,504,250.10 | 1,719,389.66 | 3,223,639.76         |           | 958,770.11                   |
| Total Expenditures                        | 3,450,866.00         | 4,201,188.16                               | 1,504,250.10 | 1,721,106.34 | 3,225,356.44         |           | 975,831.72                   |
| Net                                       | 2,027,549.00         | 3,801,188.16                               | 1,504,250.10 | 730,258.92   | 2,234,509.02         |           | 1,566,679.14                 |

# Reporting Earmarked Funds – Funds Center Report



List Edit Goto Views Settings System Help

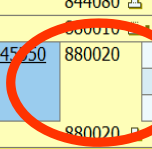
All Postings: Line Items by Document Number (w/ addnal flds)

All Postings: Line Items by Document Number (w/ addnal flds)

| RefDocNo   | G/L Acc | Payment budget      | Cost C | Funds Ctr | Order | Fun | Commitment Item  | Line Item Text                            | Posting Date | Doc. Date  | Val.type text    | P | Cost center name     | Vendor Name         |
|------------|---------|---------------------|--------|-----------|-------|-----|------------------|---|--------------|------------|------------------|---|----------------------|---------------------|
| 101134042  |         | 100,000.00          |        | 104128    |       |     | SER-BLDG-REPAIRS | Renovations at Canadiana Gallery Building | 29.10.2010   | 29.10.2010 | Funds Commitment | 1 |                      |                     |
|            |         | <b>100,000.00</b>   |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
|            | 801010  | 361,708.92          |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
|            | 801015  | 8,500.02            |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
|            | 801030  | 67,006.50           |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
|            | 801050  | 172,295.02          |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
|            | 801140  | 22,500.00           |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
|            | 801160  | 36,800.00           |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
|            | 801165  | 7,996.76            |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
|            | 801270  | 21,765.24           |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
|            | 801910  | 152,103.83          |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
|            | 801920  | 8,835.71            |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
|            | 821420  | 4,162.48            |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
|            | 825000  |                     |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
|            | 825800  |                     |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
|            | 835000  | 416,975.62          |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
|            | 835200  | 19,600.00           |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
|            | 836410  |                     |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
|            | 837200  |                     |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
| 4500130691 | 837800  | 8,500.00            | 20447  | 105348    |       |     | SERVICES         | SP2013-002, TVO, Bill Davis               | 21.06.2013   |            | Purchase Orders  | 2 | A&S:SPPG:Mowat ON    | TV Ontario VIPS ... |
|            |         | 8,500.00            | 20447  | 105348    |       |     | SERVICES         | SP2013-002, TVO, Bill Davis               | 21.06.2013   |            | Purchase Orders  | 2 | A&S:SPPG:Mowat ON    | TV Ontario VIPS ... |
| 4500131588 |         | 16,737.15           | 20447  | 105348    |       |     | SERVICES         | 2013 CUSLI Conf Sponsorship               | 12.08.2013   |            | Purchase Orders  | 4 | A&S:SPPG:Mowat ON    | Canada-US Law I ... |
|            |         | 30.66               | 20447  | 105348    |       |     | SERVICES         | 2013 CUSLI Conf Sponsorship               | 12.08.2013   |            | Purchase Orders  | 4 | A&S:SPPG:Mowat ON    | Canada-US Law I ... |
|            |         | 16,767.81           | 20447  | 105348    |       |     | SERVICES         | 2013 CUSLI Conf Sponsorship               | 12.08.2013   |            | Purchase Orders  | 4 | A&S:SPPG:Mowat ON    | Canada-US Law I ... |
|            | 837800  |                     |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
| 4500132855 | 844010  | 875.18              | 21515  | 106170    |       |     | TRAVEL           | 2013-053, Toupin, Airfare                 | 30.09.2013   |            | Purchase Orders  | 5 | A&S:SPPG:Mowat HC... | Lynne Toupin        |
|            |         | 875.18              | 21515  | 106170    |       |     | TRAVEL           | 2013-053, Toupin, Airfare                 | 30.09.2013   |            | Purchase Orders  | 6 | A&S:SPPG:Mowat HC... | Lynne Toupin        |
|            | 844010  |                     |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
| 4500132992 | 844080  | 647.50              | 21822  | 106337    |       |     | TRAVEL           | Research Expenses                         | 28.08.2013   |            | Purchase Orders  | 4 | A&S:SPPG:Mowat:Op... | David McLaughlin... |
|            |         | 647.50              | 21822  | 106337    |       |     | TRAVEL           | Research Expenses                         | 28.08.2013   |            | Purchase Orders  | 6 | A&S:SPPG:Mowat:Op... | David McLaughlin... |
|            | 844080  |                     |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
|            |         | <b>54,000.00</b>    |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
| 100945550  | 880020  | 50,000.00           | 19134  | 104128    |       |     | SERVICES         | SPPG MPP Depart Fellowsh                  | 02.10.2008   | 02.10.2008 | Funds Commitment | 1 |                      |                     |
|            |         | 5,000.00            | 19134  | 104128    |       |     | SERVICES         | SPPG MPP Depart Fellowsh                  | 02.10.2008   | 02.10.2008 | Funds Commitment | 2 |                      |                     |
|            |         | 5,000.00            | 19134  | 104128    |       |     | SERVICES         | SPPG MPP Depart Fellowsh                  | 02.10.2008   | 02.10.2008 | Funds Commitment | 2 |                      |                     |
|            | 880020  | <b>50,000.00</b>    |        |           |       |     |                  |   |              |            |                  |   |                      |                     |
|            |         | <b>1,504,250.10</b> |        |           |       |     |                  |   |              |            |                  |   |                      |                     |

With CI

With G/L



# Reporting Earmarked Funds – All Postings Line Item



## Report

**Menu Path:** Accounting >> Funds Management >> Information System >> Funds Management Section (UofT Reports) >> Line Items >> All Postings: Line Items by Document Number (ZFIR079A)

Report on a single fiscal period or across a range of fiscal years

Fund Acct: defaults with “=” (to restrict output to a single fund, enter a Fund acct).

To change symbol:

- select “=”
- left click on mouse
- select “Options”
- Choose alternate symbol (e.g., greater than, less than)

**Note:** If field is left blank, funds will **NOT** be included in the report output.

To include Funds Center hierarchy

Restrict report output

**QRG:** All Postings Report  
<http://finance.utoronto.ca/wp-content/uploads/2015/10/allpostings.pdf>

Enter Funds Center




# Reporting Earmarked Funds – Earmarked Funds Display

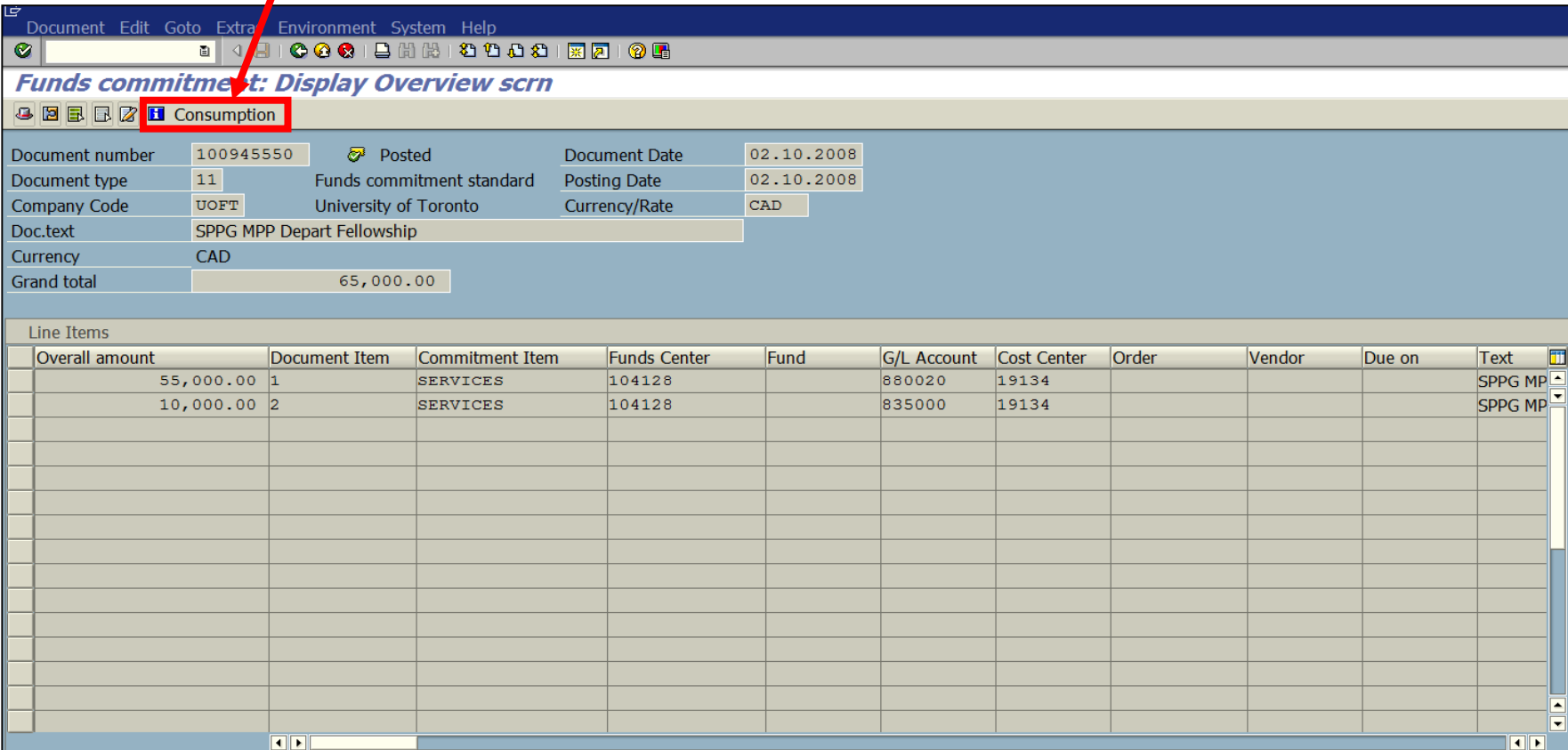


**SAP Menu Path:** Accounting >> Funds management >> Posting >> Earmarked Funds>>Funds commitment >> Display

**Transaction Code:** FMZ3

The “**usage**” of the Earmarked Fund can be viewed by displaying the Earmarked Fund or performing drill down in report.

Select  Consumption



| Overall amount | Document Item | Commitment Item | Funds Center | Fund | G/L Account | Cost Center | Order | Vendor | Due on | Text    |
|----------------|---------------|-----------------|--------------|------|-------------|-------------|-------|--------|--------|---------|
| 55,000.00      | 1             | SERVICES        | 104128       |      | 880020      | 19134       |       |        |        | SPPG MP |
| 10,000.00      | 2             | SERVICES        | 104128       |      | 835000      | 19134       |       |        |        | SPPG MP |

# Reporting Earmarked Funds – Earmarked Funds Display



**Receipt Amt:**  
Total value of Earmarked Fund by item #

**Consumption:**  
Total value of expenditures by item #

**Open amount:**  
Remainder of Earmarked Fund by item #

List Edit Goto Views Settings System Help

*Earmarked Funds: Display Consumption History*

| Doc. No.  | It | Business Transaction        | Trigger document           | Consumptn | Crcy | Text for reservation reduction            |
|-----------|----|-----------------------------|----------------------------|-----------|------|---|
| 100945550 | 1  | Receipt amt                 |                            | 55,000.00 | CAD  |   |
|           |    | Invoice/Credit Memo         | <u>1001021816</u> UOFT2013 | 5,000.00  | CAD  | MPP awards Kirkpatrick Petersen +W/13 TBA |
|           |    | Total Invoices/credit memos |                            | 5,000.00  | CAD  |   |
|           |    | Consumpt.                   |                            | 5,000.00  | CAD  |   |
|           |    | Open amount                 |                            | 50,000.00 | CAD  |   |
|           | 2  | Receipt amt                 |                            | 10,000.00 | CAD  |   |
|           |    | Invoice/Credit Memo         | <u>1903424988</u> UOFT2014 | 5,000.00  | CAD  | Fellowship Guidelines                     |
|           |    | Total Invoices/credit memos |                            | 5,000.00  | CAD  |   |
|           |    | Consumpt.                   |                            | 5,000.00  | CAD  |   |
|           |    | Open amount                 |                            | 5,000.00  | CAD  |   |

**Trigger document column:** List of documents posted against Earmarked Fund by item #.

**Note:** Double-click on the document number to go to Document Overview.

# Course Objectives

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## Review:

- Understand the purpose of Earmarked Funds
- Create Earmarked Funds using Single and Multiple lines
- Post transactions using funds committed within Earmarked Funds
- Change and release Earmarked Funds
- Run reports to view the current balance of a Earmarked Fund



# WEB Documentation

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- **Training Material & Course Summaries**
  - <http://finance.utoronto.ca/fast/fis-training/>
- **Documentation & Support**
  - <http://finance.utoronto.ca/fast/support-documentation/>
  - **QRG: Earmarked Funds**  
<http://finance.utoronto.ca/fast/support-documentation/funds-management/manual-reserves/>
- **Financial Forms**
  - <http://finance.utoronto.ca/forms/processing/>
- **Policy & Documentation**
  - <http://finance.utoronto.ca/policies/gtfm/>
- **Glossary of Terms**
  - <http://finance.utoronto.ca/fast/fis-glossary/>

# NEED HELP?

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<https://easi.its.utoronto.ca/ams-help-form/>

Help is a facility for all AMS subsystems:

- Use the WEB form found at the above address
- Select the appropriate AMS module  
(e.g., FIS: FAST Team)
- Complete all the information required on the form
- Click on the **Send it!** button

**Mail box is monitored Monday to Friday  
9:00 a.m. - 5:00 p.m.**

# FAST Team Contacts

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|  |   |          |
|--|---|----------|
| Manager                                    | Lorena Gaudio<br><a href="mailto:lorena.gaudio@utoronto.ca">lorena.gaudio@utoronto.ca</a>             | 978-2802 |
| Assistant Manager                          | Chris Dimitriadis<br><a href="mailto:chris.dimitriadis@utoronto.ca">chris.dimitriadis@utoronto.ca</a> | 946-3153 |
| Business Analyst                           | Cheryl Rhind<br><a href="mailto:cheryl.rhind@utoronto.ca">cheryl.rhind@utoronto.ca</a>                | 946-3373 |
| Business Analyst                           | Maryanne McCormick<br><a href="mailto:m.mccormick@utoronto.ca">m.mccormick@utoronto.ca</a>            | 946-3291 |
| Business Analyst                           | Nusrath Mohiuddin<br><a href="mailto:nusrath.mohiuddin@utoronto.ca">nusrath.mohiuddin@utoronto.ca</a> | 978-4042 |
| Business Analyst<br>(Training Coordinator) | Rames Paramsothy<br><a href="mailto:rames.paramsothy@utoronto.ca">rames.paramsothy@utoronto.ca</a>    | 978-4675 |

**FIS Standard Curriculum Evaluation:**

<http://finance.utoronto.ca/fast/fis-training/course-evaluation-fis-training/>

**FAST website:**

<http://finance.utoronto.ca/fast/>