

Transfers Instructions

General Description: Transfers are accounting transactions between funds which are neither revenues nor expenditures, however; have a similar effect as revenues (transfer in) or expenses (transfer out). Therefore, transfers are in essence a movement of fund balance from one fund to another from one program to another or between campuses, after the original budget has been established. Transfers are prepared to 1) correct the department's originally submitted budget; 2) move funds to accommodate a change in a department's planned expenditures; or 3) perform University-wide budget reductions/increases due to income or State Subsidy changes, university wide salary increases, or emergencies.

Purpose: To provide detailed procedures on the processes necessary to request and post transfers in order to insure proper reporting.

Transfer Type

Mandatory transfers are those transfers required by external third parties or for contractual agreements. These types of transfers are only prepared by the Budget Office and use account code 890205 (Mandatory Transfer) for both the debit and credit. Examples are:

1. Agreements relating to the financing of educational and auxiliary plant (Debt service payments) or provisions for renewals and replacement of plant
2. Legally binding agreements

Non-Mandatory transfers are between funds and/or fund groups made at the discretion of the governing board or management. These transfers use account code 890105 (Non-Mandatory Transfer) or 890155 (Indirect Cost Transfer) for both the debit and credit

Availability of Funds

To prepare a transfer between Funds, Campuses and Programs (different fund groups) the Fund making the transfer must have a credit balance in "Current Fund Balance". This current fund balance can be accessed in the Banner page "Trial Balance Summary" (FGITBSR).

If the "Trial Balance Summary" has a debit balance, a transfer cannot be made unless the Budget office can determine that the department has either income or interdepartmental income that is tracking on schedule or there has been prior approval to override the debit balance.

Types of Funds

The following are the rules for transferring funds between departments in different fund groups:

1. I&G fund transfers to other I&G funds or Unrestricted Non-I&G are allowed only after they have been reviewed and approved by the Budget Chief Budget Officer. All transfers involving state I&G funds (**Figure 1**) will be processed by the Budget Office. A request should be submitted to budget@nmsu.edu

with the following information:

- Reason for the transfer
 - Approvals (From Business Manager and/or Dean)
 - Indices To and From
 - Amount of transfer
2. Unrestricted Non-I&G fund transfers to other unrestricted funds or programs are allowed with no prior approval from Budget office.
 3. Restricted fund transfers are allowed only within the same college with the same program code.
 4. Agency funds cannot be used to transfer against unrestricted or restricted, they can only transfer from Agency fund to Agency fund.
 5. Program Code 5000 cannot be used in a single item JE transfer unless it has another 5000 entry to zero it out. Code 5000 is only a clearing account and not a program.
 6. All transfers between programs must be budgeted for the fiscal year. Departments need to make sure that all transfer plans are completed and communicated to the Budget Office by March 1.

Capital Transfers

Capital non mandatory transfers are transfers from unrestricted funds into a plant fund for a capital project. The same process is used as mentioned above for a transfer:

- Capital projects are tracked using plant funds
- Typically the transfer request is initiated by Facilities Services or the college/department
- The actual JV preparation and processing is by SPA-Property Accounting department
- Please reference the Capital Asset Guide under “Capital Projects” for more information as to what constitutes a capital project, go to website <https://af.nmsu.edu/wp-content/uploads/sites/4/2017/12/Capital-Asset-Guide.pdf>.

State I&G Funds (Figure 1)

Las Cruces Campus State I&G funds	
110000	Admin Salaries
110001	Equipment Maintenance
110002	Faculty Research
110003	Faculty Salaries
110004	Graduate Assistant Salaries
110005	I&G Revenue Transfers
110006	Operating Accounts
110007	Summer Session
110008	Weekend College-we currently do not use
110968	I&G Special Projects
120000	Admin Salaries
120001	Operating Accounts
120002	Operating Accounts
120003	Faculty Salaries
120004	Operating Accounts
120005	Operating Accounts
120006	Operating Accounts
120007	Operating Accounts
120008	Operating Accounts
120009	Operating Accounts
130001	Budget Control Main