State of Oklahoma

COR441

Budgeting by Operating Unit Manual

Office of Management & Enterprise Services

OKLAHOMA

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Document History

Document Revision	Date	Description
1.0	06/01/2010	Initial Document
2.0	11/25/2024	Upgrade Update

Commitment Control

Commitment Control is an optional feature that enables control of expenditures actively against predefined, authorized budgets. In particular, Commitment Control enables the business unit to:

- Create and maintain control budgets.
- Check actual transactions (such as actual expenditures and revenues) against control budgets.
- Check imminent future financial obligations (pre-encumbrances and encumbrances) against control budgets.

When a control budget is set up, it is associated with a particular General Ledger business unit and the kinds of transactions that are to check against the control budget.

Once the budget is established, the transactions are checked against the budget. Passing or failing of the transactions will depend on the degree of budgetary control set up for the budget and/or the remaining available budget amount.

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Key Terms

Detail Ledger: A ledger is used to store accounting transaction details for a business unit. Budget Definition

Budget Definition: A ledger group is a set of detail ledgers. A Commitment Control Expense ledger group typically contains a budget, pre-encumbrance, encumbrance, and expense detail ledgers.

Expense: An amount actually expended. Vouchers and general ledger journal entries are typical sources for expenses.

Encumbrance: Amount in which there is a legal obligation to spend in the future. A purchase order is a typical encumbrance transaction.

Pre-Encumbrance: Amount expected to be spent but are under no legal obligation to spend. A requisition is a typical pre-encumbrance transaction.

PeopleSoft Trees: A graphical hierarchy that displays the relationship between accounting units, e.g., account chartfield determines roll-up hierarchies.

Effective Dating: Information stored in critical tables is keyed by effective date. The effective date is the date on which the information will take effect.

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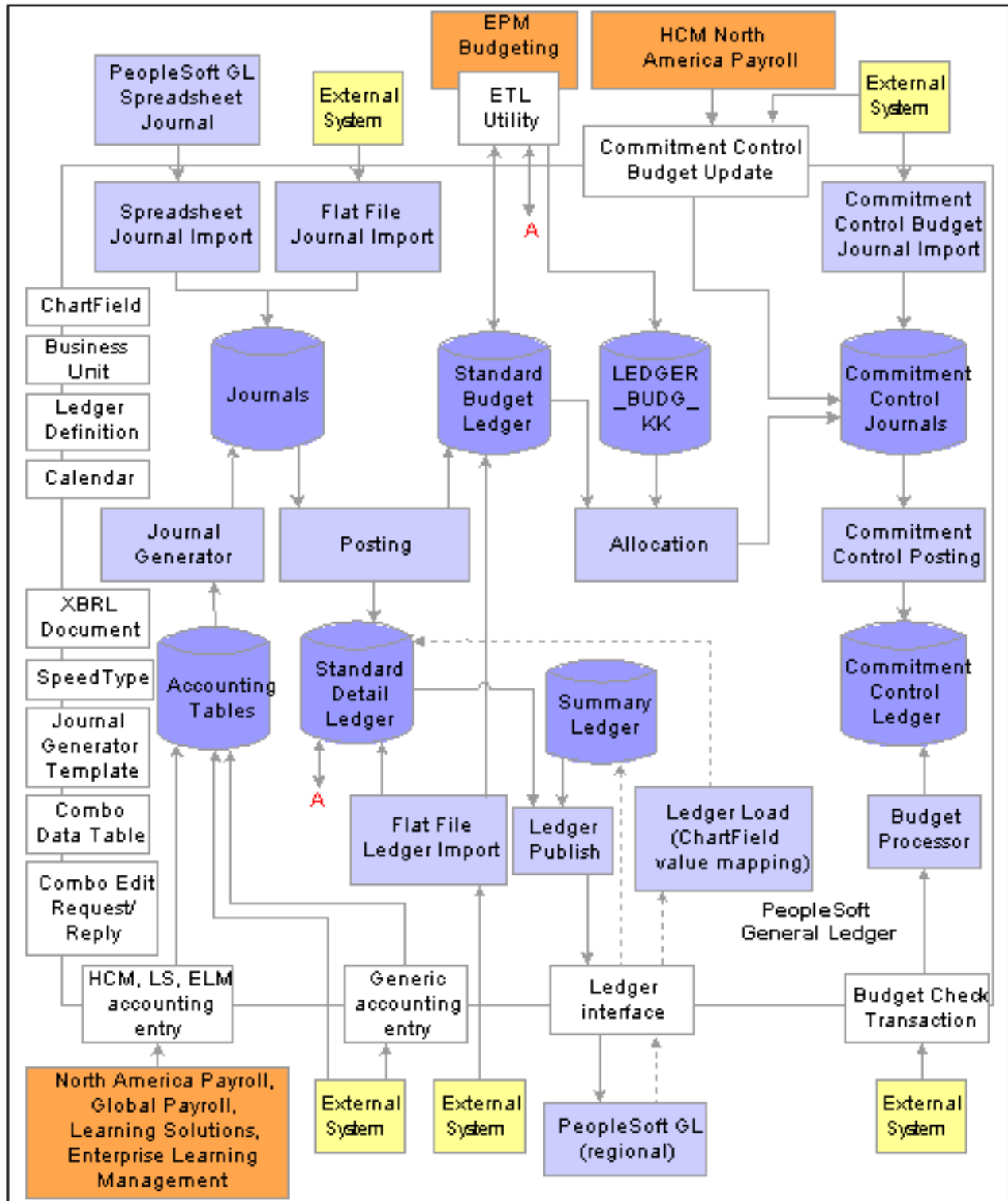Office of Management
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Process Flows

Diagram 1: Commitment Control Module Integration

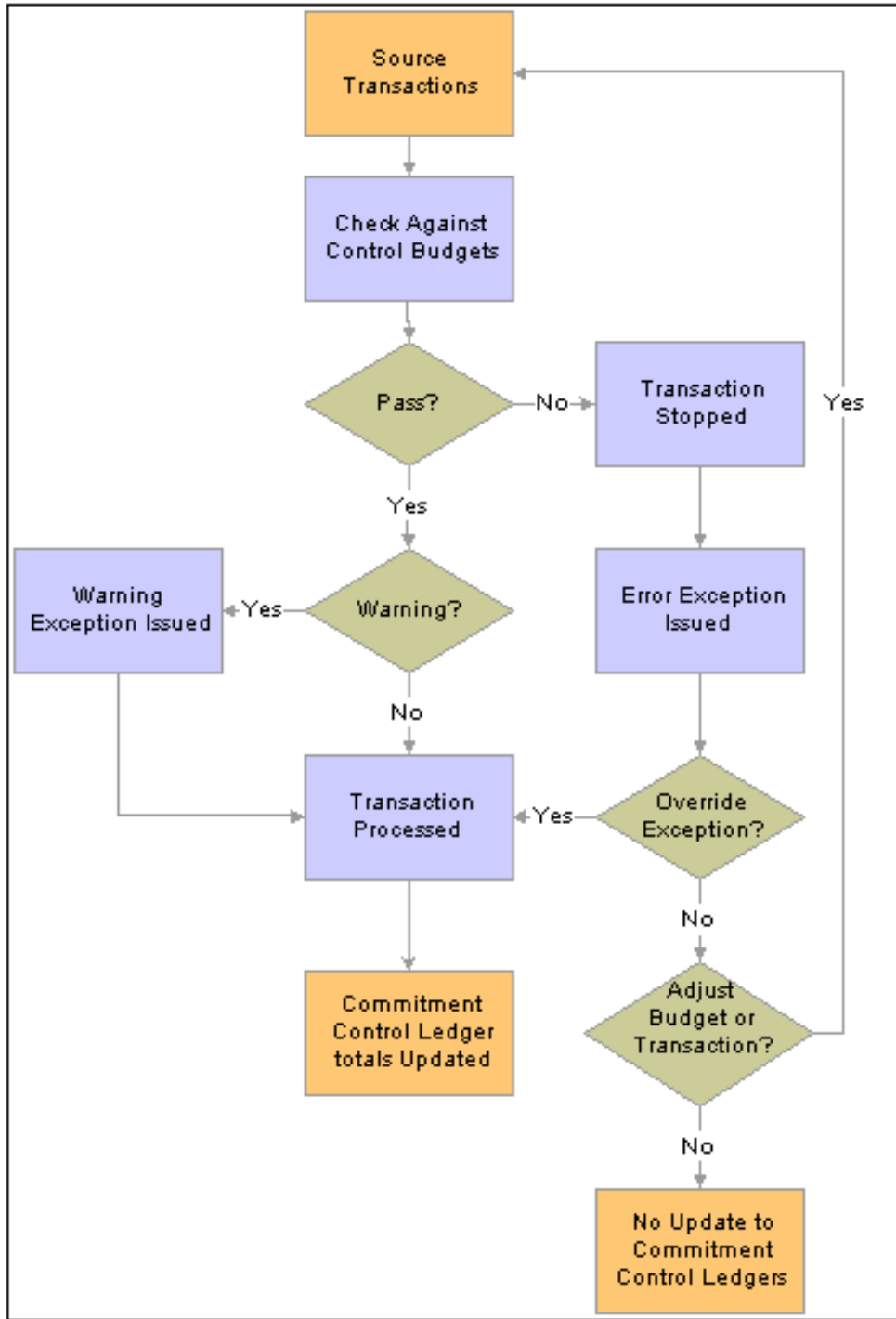OKLAHOMA
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Diagram 2: Commitment Control Budget Checking Process

Commitment Control Overview

PeopleSoft Commitment Control enables tracking of expenditures and obligations against a predefined, authorized budget. Commitment Control is configured to:

- Create and maintain tracking budgets.
- Track actual expenditures against the budget.
- Track imminent future financial obligations (pre-encumbrances and encumbrances) against the budget.

Once budgets are established, all of these transactions are recorded against the budget.

Commitment Accounting

Commitment Accounting is an integral part of budgetary control. By establishing and tracking commitments to spend funds—and by tracking these against budgets—an organization can maintain a snapshot of future spending.

Three (3) expenditure commitment amount types are included in Commitment Accounting:

1. Expense
2. Encumbrance
3. Pre-Encumbrance

The following procedure from the procurement life cycle is a typical example of budget checking from commitment through actual transaction:

1. When a requisition is generated, Commitment Control records it against the appropriate budget and posts it as a **Pre-encumbrance** in the Commitment Control ledger.
2. When a requisition becomes a purchase order, Commitment Control liquidates the **Pre-encumbrance** and posts the purchase order amount as an **Encumbrance**.
3. When the purchased goods or services are delivered and the **Purchase order** becomes a **Voucher**, Commitment Control liquidates the **Encumbrance** and posts an **Expense**.

Underlying Date Structure of Commitment Control

Commitment Control uses Ledger and Ledger Group structure to store summarized transactions in the Commitment Control Ledger data table (LEDGER_KK).

An expenditure Commitment Control ledger group consists of a budget ledger, pre-encumbrance ledger, encumbrance ledger, and expenditure ledger; that is, a ledger for budget amounts and ledgers for each transaction amount type that will process against the budget:

Commitment Control Ledger Group	Budget Ledger	Pre-encumbrance Ledger	Encumbrance Ledger	Expenditure Ledger
OPUNIT	OPUNIT_BUD	OPUNIT_PRE	OPUNIT_ENC	OPUNIT_EXP

The way budget data is stored in the Commitment Control Ledger Data table and looks something like this:

Ledger	Fiscal Year	Acct Period	Account	Operating Unit	Budget Period	Posted Total Amt
OPUNIT_BUD	2010	11	510000	00011	2010	$100,000
OPUNIT_PRE	2010	11	510000	00011	2010	$3,000
OPUNIT_ENC	2010	12	510000	00011	2010	$50,000
OPUNIT_EXP	2010	12	510000	00011	2010	$25,000

Each time a budget-checked transaction updates the Commitment Control Ledger Data table, it updates the Posted Total Amount by Fiscal Year and Acct Period. Note that the remaining available budget balance is not a stored amount but is calculated each time the budget checking process is initiated.

In the example above, the OPUNIT available budget is $22,000 ($100,000 - $3,000 - $50,000 - $25,000)

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Budget Definition

Navigation: Commitment Control > Define Control Budgets > Budget Definitions

Budget Definitions

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

| Find an Existing Value | Add a New Value |

▼ Search Criteria

*SetID Value [= ▾] [83000 🔍]

Ledger Group [begins with ▾] [OPUNIT 🔍]

Description [begins with ▾] [ ]

☐ Include History   ☐ Correct History   ☐ Case Sensitive

[Search] [Clear]   Basic Search   Save Search Criteria

Search Results

| View All | | ◁ ◀ 1-2 of 2 ▾ ▶ ▷| |

SetID Value	Ledger Group	Description
83000	OPUNIT_EXP	DHS Location Budget Definition
83000	OPUNIT_REV	Operating Unit Rev Budget Defn

SetID Value – **Select** or **enter** the agency business unit

Ledger Group – **Select** or **enter** OPUNIT ledger group.

Click Search to view the Operating Unit Ledger groups.

Select the Ledger Group from the Search results.

Control Budget Options Page

This is a Display only page. Values on this page cannot be changed without additional security.

Ruleset and Control ChartFields – The budget definition is defined by a single control ChartField, in this case, Operating Unit. This is the ChartField that the budget processor considers when determining if a given transaction line is subject to the rules associated with the budget definition.

Control Option - 'Track without Budget' is selected when transactions are tracked even if there is no budget setup. If a budget row does exist, warnings will be logged when transactions exceed the budgeted amount. If no budget row exists, no warning is issued. No warnings are issued for commitment control detail tracking ledger groups with the control option set to "track without budget".

Budget Status – Is set to 'Open'. This means the budget can accept transactions.

Click the **Ruleset Chartfield** tab.

Ruleset Chartfield Page

This is a Display only page. Values on this page cannot be changed without additional security.

The **Ruleset** is set at 'DEFAULT'. No rules have been defined for this budget definition.

Click the **Keys and Translations** tab.

Keys and Translations Page

This is a Display only page. Values on this page cannot be changed without additional security.

Ruleset – The **Calendar ID** is set to 'EA'. This is the primary budget period calendar to specify the budget periods valid for the Ruleset. If a Calendar ID is not specified for the Ruleset, the entire budget is viewed as a single period.

Keys and Translations – Defines the key chartfields and translation trees for the budget definition.

Account – An account value is a required chartfield on all transactions for successful budget checking.

Tree Name/Level Name – PeopleSoft can use Trees to translate detail chartfield values to a value level.

Operating Unit is a key chartfield. The Operating Unit will record at the detail value on the commitment control ledgers. This is a required chartfield in this example.

Click the **Control Chartfield** hyperlink at the bottom of the page, or **click** the arrow to the right of the tabs to view additional tabs and **click** the **Control Chartfield** tab.

Control Chartfield Page

The fields on this page are active. Values on this page can be changed by the user.

All Control Values - Selecting this option enables all ChartField values for the control ChartField at or above the tree level entered on the Keys and Translations page for budgeting. Since a tree level was not selected on the Keys and Translations page for the 'Operating Unit' chartfield, this option was left blank.

SetID – Business unit for the agency.

Chartfield Values:
Range From / Range To - Enter a range of chartfield values that share the same control option for budget checking. To enter one value, repeat it in both fields.

Control Option - Defaults as the control option value from the Control Budget Options page. Individual or a range of chartfield values may be controlled here. Available Control Options are:

- **Control** – This option is used to strictly control transactions against budgeted amounts. Error exceptions are logged when transactions exceed the budgeted amount. No additional processing can be executed for the transaction.
- **Tracking with Budget** - Tracks transaction amounts against a budget but does not issue error exceptions unless there is no corresponding budget row. A transaction will pass if a budget row exists, even for a zero amount, but will issue a warning when transactions exceed the budgeted amount.
- **Track without Budget (aka Track)** - Tracks transactions even if there is no budget set up. No warning is issued for the track without budget control option with commitment control detail tracking ledger groups.

NOTE: This value may be changed. The user needs a thorough understanding of Control Options before changes are made.

Status - Default value selected from the Control Budget Options page. The status should have a value of Open. This means the budget can still accept transactions.

NOTE: Do not change the status.

Dflt Tol. (default tolerance), **Begin Date, End Date, Derive Dates, Cumulative Cal** (cumulative calendar), **FS Required** (Funding Source Required) are not applicable to this budget definition configuration.

Click the **Offsets tab.**

Budget Offsets Page

This is a Display only page. No offsets were defined for this budget definition.

Excluded Account Types

	Prior Year Adj ChartField	Budget Period Status	Control ChartField	Offsets	**Excluded Account Types**

SetID 83000   Ledger Group   OPUNIT_EXP

Effective Date   🔍 | |◀ ◀ 1 of 1 ▾ ▶ ▶| | View All

*Effective Date 01/01/1951 📅   *Status Active ▾   ➕ ➖

  *Description DHS Location Budget Definition   Definition Status Valid   ⓘ

▾ **SetIDs for Excluded Account Types**   🔍 | |◀ ◀ 1 of 1 ▾ ▶ ▶| | View All

  *SetID 00000 🔍   ➕ ➖

Excluded Account Types

  [📝] [🔍] |◀ ◀ 1-4 of 4 ▾ ▶ ▶| | View All

*Account Type	Description	Exceptions		
A 🔍	Asset	Exceptions	➕	➖
L 🔍	Liability	Exceptions	➕	➖
Q 🔍	Equity	Exceptions	➕	➖
R 🔍	Revenue	Exceptions	➕	➖

▾ **SetIDs for Excluded Accounts**   🔍 | |◀ ◀ 1 of 1 ▾ ▶ ▶| | View All

  *SetID 00000 🔍   ➕ ➖

Excluded Accounts

  [📝] [🔍] |◀ ◀ 1-6 of 6 ▾ ▶ ▶| | View All

Accounts | Status | ‖▶

*From Account	Description	*To Account	Description		
600000 🔍	OTHER USES	600000 🔍	OTHER USES	➕	➖
601000 🔍	AFP Encumbrances	601000 🔍	AFP Encumbrances	➕	➖
601100 🔍	AFP Encumbrances	601100 🔍	AFP Encumbrances	➕	➖
620000 🔍	Transfers Out	620000 🔍	Transfers Out	➕	➖
621000 🔍	Appropriated Transfers Out	621000 🔍	Appropriated Transfers Out	➕	➖
TBD 🔍	Req Only	TBD 🔍	Req Only	➕	➖

Save	Return to Search	Previous in List	Next in List	Notify		Add	Update/Display	Include History	Correct History

This is a Display only page. Values cannot be changed without additional security.

Excluded Account Types - Excludes all Asset, Liability, Equity and Revenue accounts from the budget checking process.

Excluded Accounts - Excludes individual expense accounts from the budget checking process.

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Budget Journal Entry

Overview

Budget journals may be entered manually to establish or change the budgeted amount for a control budget. Budget journals post to budget ledgers. The way budget journal entries are processed depends on the rules set up for the budget definition.

Successful budget journal entry and posting follows the major steps below:

1. **Enter** budget journal header information on the Budget Header page.
2. **Enter** budget journal lines on the Budget Lines page.
3. Edit and post the budget journal.
4. If entries fail edits, check the applicable errors page, correct the errors, and process the journal again.

Step 1: Enter the Budget Journal Header
Navigation: Commitment Control > Budget Journals > Enter Budget Journals

Enter Budget Journals

| Find an Existing Value | Add a New Value |

*Business Unit 83000 🔍

*Journal ID NEXT

*Journal Date 11/25/2024 📅

Add

Business Unit – **select** the agency's General Ledger business unit.

Journal ID – leave as 'NEXT' to allow the system to assign the Journal ID. Alternatively, key the Journal ID value. Journal IDs are unique by business unit.

Journal Date – defaults to the system date or date may be entered.

Click the **Add** button to enter the Budget Journal Entry pages.

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Ledger Group - **Select** value 'OPUNIT_EXP' from the lookup. Ledger groups PRJ_CH_KK and PROJECT_KK may also be listed in the lookup search results.

NOTE: Budgets for PRJ_CH_KK and PROJECT_KK ledger groups are entered through the Grants and Project Costing modules. Do not enter budgets for Grants or Projects here.

Budget Entry Type - Original indicates an original budget journal entry. This is used to record adopted or approved budgets. Adjustment is a change to an original budget. The selection has no processing functionality. However, budget entry types enable the proper segregation of budget amounts for reporting.

Currency – Leave as default value **USD**.

Rate Type – This is used for foreign current translation. Leave value as **CRRNT**.

Exchange Rate – This is used for foreign current translation. Leave value as **1.0**.

Current Effdt - This is used for foreign current translation. This date will default as the journal date.

Long Description – Enter a description of the entry.

Click Budget Lines Tab.

Step 2: Enter the Budget Journal Lines

The following elements may be manipulated to enter journal lines:

Enter the number of lines to add in the "**Lines to add**" field and **click** the **Plus (+)** button to add additional journal lines to the scroll.

All fields from the previous line are copied to the new line or lines. The fields that are copied can be limited by clicking the **Journal Line Copy Down** link to access the Journal Entry Copy Down Option page. **Select** the desired fields for copying.

Select the Delete check box for the lines and **click** the **Minus (-)** button to delete specific lines from the journal.

The **Refresh** button updates the Journal Totals and other data elements on the screen.

The **Save** button will save the budget entry and assign a Journal ID. The entry is still eligible for editing.

The **Generate Budget Period Lines** button is not applicable for the budget configuration. The **Generate Budget Period Lines** button is used for budget definitions that use Cumulative Budgeting, i.e., crosses over Budget Periods. This button creates future Budget Period rows.

Chartfields and Amounts:

Budget Period – The budget period is based on the State Fiscal Year which begins July 1 and ends June 30. Populate this field with the appropriate budget period.

Account – **Enter** an Expense account at the appropriate level. Refer to the budget definition Keys and Translations page of this manual. For example, enter account '510000' to budget for all payroll and professional consulting expenses, i.e., transaction detail accounts that begin with '51xxxx'.

Oper Unit – Enter the appropriate Operating Unit chartfield.

Amount – Enter the budget dollar amount.

Speed Type – Not applicable for this budget journal entry.

Set Options – Not applicable for this budget journal entry.

Base Currency Details - Not applicable for this budget journal entry.

Step 3: Post the Budget Journal

Post the budget journals by selecting Post Journal in the Process field and **click** the **Process** button.

NOTE: A message will appear, "Are you sure you want to post this journal?". Respond with 'Yes'.

Commitment Control posting performs a series of edits. If the entries pass the edits, the process posts the entries to the budget ledger.

If the posting process is successful, the Budget Header Status is set to **Posted**.

Step 4: Processing Budget Journal Errors

If the budget journal entry posting process is not successful, the **Budget Header Status** is set to **Error**.

Click the **Budget Errors Tab**.

Budget Journal Errors Page

Click the **Go To Header** link in the Header Errors scroll area to open the Budget Header page. Budget header journal errors may be corrected.

Click the **Go To Line** link in the Line Errors scroll area to open the Budget Lines page and correct errors.

Budget Journal Exceptions and Corrections

If the budget journal entry fails edits or receives warnings, use the budget journal exceptions pages to view the exceptions and derive more detailed information about the budget journals, journal lines and the associated exceptions.

Navigation: Commitment Control > Review Budget Check Exceptions > General Ledger > Review Budget Journals

Budget Journal

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

Find an Existing Value

▼ Search Criteria

Commitment Control Tran ID	begins with ⌄	
Commitment Control Tran Date	= ⌄	📅
*Business Unit	= ⌄	83000 🔍
Journal ID	begins with ⌄	🔍
Journal Date	= ⌄	📅
Process Instance	= ⌄	
Process Status	= ⌄	⌄

Search   Clear   Basic Search 🖳 Save Search Criteria

Enter additional criteria or **click** the **Search** button to return budget journals with an Error status.

Search Results

View All |◄ ◄ 1-1 of 1 ⌄ ► ►|

Commitment Control Tran ID	Commitment Control Tran Date	Business Unit	Journal ID	Journal Date	UnPost Sequence	Process Instance	Process Status
0037532846	11/25/2024	83000	0004824920	11/25/2024	0	29701491	Error

Click a link in the Search Results to open the Budget Journal Exception pages.

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Budget Journal Exceptions Page

Review the **Exception** message in the **Budget with Exceptions** section.

For additional information, **click** the **More Detail** link.

Click the **Return** button to return to the previous page.

Click the **Budget Journal Line Exceptions Tab**.

Budget Journal Line Exceptions Page

This page displays exceptions associated with a particular journal line.

Click the **View Other Links** icon located next to the Journal ID, outlined above, to access the original budget journal.

Budget Journal Correction

Make corrections as needed to either the **Budget Header** or **Budget Lines** page.

Post the budget journal by running the **Post Journal** process. Refer to **Step 3: Post the Budget Journal** for additional help.

Repeat **Step 3: Post the Budget Journal** and **Step 4: Processing Budget Journal Errors** as required until all budget journals are successfully posted.

Copy a Budget Journal Entry

Overview

Open an existing budget journal using the Budget Journal Entry page to copy it to a new budget journal entry. This includes posted, unposted, edited, and edit required budget journals. Journals having an error status can also be copied.

When the copy process finishes successfully, the Budget Journal Entry page is refreshed and is loaded with the newly copied journal and unique Journal ID.

Most of the data for the new journal comes from the source journal. For example, those lines having a budget period, the budget date is populated with values from the original journal but for lines without budget period, the budget date takes the value from the new journal date.
With the exception of these changes, an exact copy of the source journal is created.

Step 1: Open a Source Journal

Navigation: Commitment Control > Budget Journals > Enter Budget Journals > Find an Existing Value

Enter Budget Journals

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

| Find an Existing Value | Add a New Value |

▼ Search Criteria

Field	Operator	Value
*Business Unit	=	83000
Journal ID	begins with	0004824920
Journal Date	=	
UnPost Sequence	=	
Ledger Group	begins with	
Budget Header Status	=	
Description	begins with	

☐ Case Sensitive

Search   Clear   Basic Search 🖾 Save Search Criteria

Enter additional criteria as needed and **click** the **Search** button to locate and open a source journal.

Source Journal Header Page

Budget Header	Budget Lines	Budget Errors

Unit 83000	Journal ID 0004824920	Date 11/25/2024

Ledger Group OPUNIT_EXP   **Fiscal Year** 2025   **Period** 5

Control ChartField Operating Unit   **Currency** USD

Budget Header Status Posted   **Rate Type** CRRNT

Budget Entry Type Original   **Exchange Rate** 1.00000000

Cur Effdt 11/25/2024

Budget Type Expense

Parent Budget Options

☐ Generate Parent Budget(s)
☐ Use Default Entry Event

Parent Budget Entry Type

Attachments (0)

Long Description

254 characters remaining

Alternate Description

150 characters remaining

Save	Return to Search	Notify	Refresh		Add	Update/Display

Click the **Budget Lines Tab**.

Source Journal Lines Page

Open the Budget Journal Copy page by selecting **Copy Journal** in the **Process** field and **click** the **Process** button.

Step 2: Process Budget Journal Copy

New Journal ID – the system automatically assigns the next available value.

New Journal Date - enter the date for the new journal. The system uses Business Unit, New Journal ID, and New Journal Date to check for the creation of duplicate journals and prevents duplicates by issuing an error message. Copied budget journal lines with an existing budget period are populated with values from the original journal.

Currency Effective Date – the system uses the new journal date when it copies the journal.

Budget Entry Type - select the budget entry type for the copied journal, which can be either Original or Adjustment. The value defaults from the budget entry type of the source journal but can be changed for the newly copied journal here.

Click the **OK** button to initiate the Budget Journal Copy process.

The new budget journal will automatically open and appear on the page.

Step 3: Edit and Post New Budget Journal

Edit, add, or delete budget lines as required.

Post the budget journal by running the Post Journal process.

Refer to **Step 2: Enter Budget Journal Lines** or **Step 3: Post the Budget Journal** for additional help if needed.

Delete a Budget Journal Entry

Overview

There may be various reasons why a budget journal entry may need to be deleted such as a duplication or an entry created in error.

If the **Budget Header Status** is **NOT** *Posted* or *Unposted*, a budget journal entry may be deleted. Commitment Control budgets are not affected by deleting a budget journal entry.

Step 1: Select the Budget Journal

The criteria was added to help identify budget journals eligible for deletion. **Click** the **Search** button.

All budget journals returned in the Search Results are eligible to be deleted based on the **Budget Header Status**.

Click the desired budget journal link to access the Budget Journal Entry pages.

Click the **Budget Lines Tab**.

Step 2: Process Delete Budget Journal

Change the **Process** field from **Post Journal** to **Delete Journal**.

Click the **Process** button to run the Delete Journal process.

Click the **Yes** button.

Return to the Search page to verify the budget journal is deleted.