

## FISCAL YEAR 2009 AND FEDERAL ECONOMIC STABILIZATION FUNDING

Fiscal 2009 close in Advantage was delayed until July 31 due to the need to appropriately account for the use of federal stimulus funding in fiscal 2009. Many departmental accounts were involved in the processing of these stimulus funded entries, and/or the related local entries.

ASU received guidance from the Governor's Office in mid-July 2009 on the application for and receipt of Federal Stimulus Stabilization Funds, under the American Recovery and Reinvestment Act. The first installment of funds was applicable to fiscal 2009. This required the University to record the use of those funds in the Advantage financial system as fiscal 2009 activity.

Financial Services, in conjunction with the Office of Strategic Planning & Budget Analysis, moved instructional salaries via journal entries from selected State accounts to newly established Stimulus accounts that mirror the State accounts from which the expenses were moved. The initial org manager on the Stimulus accounts is Financial Services. All departmental Stimulus accounts use the same agency code as the department's State accounts.

Stimulus accounts can be identified by their distinct fund group code of 'S', by their unique campus fund code: 1340 Downtown Phoenix, 1350 Tempe, 1360 Polytechnic, and 1380 West; and by their distinct organizational codes. Organizational codes for Stimulus accounts have "A" in the second digit. Examples of Stimulus org codes by campus are 4A01, 1A01, 7A01, and 5A01, for Phoenix, Tempe, Polytechnic and West campuses, respectively.

**Although Stimulus accounts exist in fiscal 2010 Advantage, departments are not authorized to use these accounts at this time.** Further instructions regarding the use of fiscal 2010 Stimulus accounts will be announced later.

In conjunction with the entries processed to move instructional expenses from State accounts to Stimulus accounts, budget adjustments were also processed to reduce departmental State budgets and increase departmental Stimulus budgets by amounts equal to the expenses moved by journal entry. A department's overall budget status was neither harmed nor improved by these entries

Additionally, qualifying local expenses, primarily instruction related, were moved to State accounts as a result of the state funds that were freed up. These entries utilized some, but not all of the State accounts used in the Stimulus entries mentioned above. In some cases departments which did not participate in the Stimulus fund entries were impacted by the local to state expense transfers.

Any departmental local funds freed up as a part of this process were moved to a central university account. Departmental State budgets were increased by the amount of local expenses moved to the department's State account.

The local expenses were moved to a similar State account as determined by Financial Services, primarily based on agency code and state program code. In a few cases, new State accounts were established.

These changes were necessary to support the receipt of significant stimulus funding meant to maintain university activities.

In most cases, the documents processed related to these actions have a document number beginning with "STIM" and are easily identifiable. The Stimulus fund related entries were processed the week of July 20<sup>th</sup>. The local to state expense reallocation and related funding entries were processed the week of July 27<sup>th</sup>. This also helps to isolate the entries processed as part of this exercise

Every effort was made by Financial Services to appropriately process the required entries to ensure there would be no overall change in net funding available to support activities within an area for fiscal 2009, although the funding sources available to an area may have changed. If you have questions regarding the entries processed on your accounts please contact your Financial Services accountant.

Budget planning called for the use of stimulus funding beginning in fiscal 2010. The acceleration of the use of the stimulus funds does not change budget planning or the amounts of central funds allocated for each department's use. However, there will be the need to revisit fiscal 2010 budgeting and determine the changes that will need to be made to current year budget files. More direction will be provided later.