## Various Department User e-docs Compared: Choosing the Correct e-doc

Some accounting transactions involve the movement of income, expense, assets and liabilities while others only pertain to planned or budgeted financial activity. **How do you know which electronic document (e-doc) to use?**

Below is a summary chart showing the uses and restrictions of five common e-docs whose purposes, although similar, are in fact specific and distinct. For further details and explanation on each e-doc details are on the pages that follow this chart. The page 2 shows were guides on each e-doc are located.

<table>
<thead>
<tr>
<th>e-doc Name</th>
<th>Pre-Encumbrance (PE)</th>
<th>Budget Adjustment (BA)</th>
<th>General Error Correction (GEC)</th>
<th>Distribution of Income and Expense (DI)</th>
<th>Transfer of Funds (TF)</th>
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<tbody>
<tr>
<td><strong>Information</strong></td>
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<tr>
<td>Who Can Use it</td>
<td>Department Users</td>
<td>Department Users</td>
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<td>Kuali Roles</td>
<td>Central Users</td>
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<tr>
<td><strong>When to Use it</strong></td>
<td>to set aside funds</td>
<td>to modify a base</td>
<td>to correct inappropriate</td>
<td>to distribute the income,</td>
<td>to transfer funds (cash)</td>
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<tr>
<td></td>
<td>for a future expense</td>
<td>budget, a current budget</td>
<td>or incorrect general</td>
<td>expense, assets and liabilities from</td>
<td>between accounts</td>
</tr>
<tr>
<td></td>
<td></td>
<td>or both</td>
<td>ledger entries</td>
<td>a holding account to one or more</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>appropriate account(s)</td>
<td></td>
</tr>
<tr>
<td>Example of when to use</td>
<td>To reserve budget for a future trip, honoraria, or other activity that either doesn’t require a purchase order, or you are waiting on the details to initiate a requisition and need to set aside the funds.</td>
<td>To move the budget from one account to another, or to add a budget to an account for both revenue and expense</td>
<td>To move the expense to the correct account when supplies have been charged to the wrong account</td>
<td>To move an event expense from a departmental main account to other accounts that also agree to share the expense</td>
<td>To cover an overdraft, reimburse an account for an expense, or to fulfill a funding commitment</td>
</tr>
<tr>
<td>Object Code and other Restrictions</td>
<td>Uses only expense object codes. No balance sheet codes are used.</td>
<td>Uses only revenue and expense object codes. No balance sheet codes are used.</td>
<td>None</td>
<td>Cannot be used to move salaries, wages or the associated employee benefits charges (Use ST, Salary Transfer)</td>
<td>A specific set of transfer object codes must be used.</td>
</tr>
</tbody>
</table>

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Visit the Guides section of the Kuali Portal available on Office of Finance Website http://www.stevens.edu/sit/finance/

Here you will find an alphabetic listing of the guides available.
From the Departmental Menu under Financial Processing you can find all of these e-docs!
Pre Encumbrance (PE)

The Pre-Encumbrance (PE) e-doc allows a department to internally record a commitment for a future planned expenditure called an encumbrance. This is independent of Purchase Orders, Disbursement Vouchers, etc. The PE earmarks the funds without any additional forms and without all the final details. The Pre-encumbrance is the way to set aside funds for a particular purpose without actually processing an order.

The Pre-Encumbrance (PE) document can also be used to disencumber (cancel, reduce) encumbrances that were created with the PE document.

An open encumbrance is one that is still on the account and has not been disencumbered (cancelled, reduced.)

Budget Adjustment (BA)

The Budget Adjustment (BA) e-doc is a financial planning tool that allows an organization to adjust the current and base budget figures for a given account as circumstances may change throughout the fiscal year. It may be used to create a budget for a new account established after the beginning of a new fiscal year. The BA e-doc allows for the establishment of monthly budgeted amounts for users that wish to maintain budget information at this level.

A BA e-doc can be used to modify a base budget, a current budget or both.

A base budget is established during the budget construction process, and designate an ongoing fiscal commitment that becomes the starting point for the budget process in the following year.

A current budgets reflects the allocation of resources for the current fiscal year.

A BA e-doc is normally used to:
- reallocate current budget as necessary throughout the fiscal year,
- establish budget lines in new accounts created after the fiscal year begins and
- make long-term adjustments to the base budget.
**General Error Correction (GEC)**

The General Error Correction (GEC) e-doc is used to correct inappropriate or incorrect general ledger entries. The GEC e-doc allows users to easily make corrections to documents previously submitted and approved.

**Example:** Supplies were charged to an incorrect account.

Use the **From** section to move the expense from the incorrect account.

Use the **To** section to charge expense to the correct account.

The correct expense is debited and the incorrect expense is credited.

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**Distribution of Income and Expense (DI)**

The Distribution of Income and Expense (DI) e-doc is used to distribute the income, expense, assets and liabilities from a holding account to one or more appropriate account(s). Please use the Salary Transfer (ST) to move salary and the associated benefits expenses.

Distribution is necessary when one account has incurred expenses or received income on behalf of one or more other accounts.

The DI can also be used to move income, expenses, assets and liabilities to other sub-accounts, object codes, or sub-object codes. Fiscal officers and support staff, department, and central administration staff are typical users of the DI documents.
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Transfer of Funds (TF)

The Transfer of Funds e-doc is used to move cash between accounts.

The TF could be used to cover an overdraft, reimburse an account for an expense, or to fulfill a funding commitment.

There are two kinds of transfer transactions, mandatory and non-mandatory. Mandatory transfers are required to meet contractual agreements. Specific object codes are used to identify these transactions. An example of this type of transfer is moving dedicated student fees to the retirement of indebtedness fund group for principal and interest payments on bonds.

Non-mandatory transfers are allocations of unrestricted cash between fund groups, which are not required by any external agreements. These transfers are most commonly used throughout the university.