Fantastic Funds and Rockin’ Reports: Fine Tuning Your Acquisitions Systems

Innovative Users Group
2007 Annual Conference
San Jose, California

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Program Overview
• You and Your Funds
• You and Your Reports
• Making Changes!
• Resources
• Pulling it together (Fiscal Close)

Assessing and Reassessing

• Presentation Goals:
  – Show an overview of Acquisition Codes and records
  – Expanding and improving initial implementation.
  – Some ‘Case Studies’
• Assessment Questions:
  – Does your system give you the reports you need?
  – Does your system give you the reports you want?
  – Do you have to implement workarounds?
  – Do you have manual processes with the system

Assessing and Reassessing

• Starting with Millennium Acquisitions:
  – Overview: Users Manual# 100622
  – Flow Charts: Manual # 102729
• Acquisitions System General Concepts
  – At its core, it is for tracking, not payment
  – Can be tied to local accounting system
• Allows library to:
  – Fine-tune the materials budget
  – Add Granular Information that the governing body does not want.
  – Show status of ordered items in the library catalog
  – Track orders as it relates to current subscription titles

If funds are Legos…is this your system?
If funds are Legos…or is this your system?

So if these are your expenses…?

You and Your Funds

• User Manual 100706 & 103038
• # of Funds in the system 750/750
• Function of a Fund
• Relationship between Innovative and Organizational Systems
  – External Funds
    • Innovative Funds
    – SubFunds

The Way You See Your Budget

• Books
  – History -- Approval/SO/Firm
  – Econ -- Approval/SO/Firm
  – Business-- Approval/SO/Firm
• Periodicals
  – History -- Single/Pkg/Consortia
  – Econ -- Single/Pkg/Consortia
  – Business -- Single/Pkg/Consortia
• Databases
  – History -- Single/Consortia
  – Econ -- Single/Consortia
  – Business -- Single/Consortia

The Way Your Director Sees Your Budget

• Books
• Periodicals
• Databases
  • One-time spends
  • Every year spends

NOT ENOUGH MONEY!!!!!
Distinguishing by Type of Purchase

- **Using Individual Funds**
  - Have greater control
  - Need more fund codes
  - Technically more to setup
- **Relying on Subfunds**
  - System maintains breakdown based on ORD TYPE
  - Can still find purchased (Create Lists)
  - Need fewer fund codes

**You and Your Funds**

<table>
<thead>
<tr>
<th>Books</th>
<th>Serials</th>
<th>Electronic Res.</th>
</tr>
</thead>
<tbody>
<tr>
<td>History - bks</td>
<td>History - ser</td>
<td>History - ero</td>
</tr>
<tr>
<td>Finance - bks</td>
<td>Finance - ser</td>
<td>Finance - ero</td>
</tr>
<tr>
<td>Economics - bks</td>
<td>Economics - ser</td>
<td>Economics - ero</td>
</tr>
<tr>
<td>Management - bks</td>
<td>Management - ser</td>
<td>Management- ero</td>
</tr>
<tr>
<td>Company Info. - bks</td>
<td>Company Info. - ser</td>
<td>Company Info.-ero</td>
</tr>
<tr>
<td>Marketing - bks</td>
<td>Marketing - ser</td>
<td>Marketing - ero</td>
</tr>
</tbody>
</table>

**You and Your Funds - SUBFUNDS**

- History Books
  - Firm Order
  - Stand. Order
  - Approval
  - Subscription
- Econ Books
  - Firm Order
  - Stand. Order
  - Approval
  - Subscription
- Mgt Books
  - Firm Order
  - Stand. Order
  - Approval
  - Subscription

SubFunds (system - ORD TYPE or manual)

**You and Your Reports**

- **General Thoughts on SubFunds**
- Do you need to keep this information?
- Firm vs. Approval?
- Grocery Shopping:
  - Grocery List / Impulse Purchase / Stock-up / Sale
  - Dinner / Lunch / Breakfast / Snack
  - Pam / Corey / Jeremy / Christopher
- Do we really need this broken down??

**Users Manual Page 105788**

- Lack of Default or Canned Reports
- Using Reports
- Be careful of missing funds in the reports
- Reconciling Innovative Reports with other financial reports
- Create at least one report that matches external needs
- USE ALL CAPS FOR GROUPINGS
No canned reports*

Totals Here Mean NOTHING!!

Now what? Some Case Studies

- Case 1 - Too much money in one fund
- Case 2 - When to change funds?
- Case 3 - Want to setup year by year funds, but they have use or lose finances
- Case 4 - What about things that I spend outside the current funds?

Case 1 - Too much money in one fund
- Kresge Library
- Edb (Electronic Databases)
- $700,000 of our $1,000,000 budget
- 70% does not give us the real control over what is being spent
- No real rule of thumb - what do you want
- Goal: Break it up into separate funds

Case 1 - Too much money in one fund
Steps
- Add funds (do not need to mirror all the existing funds for monographs and serials)
  - Fin/b - Finance/books
  - Fin/o - Finance/other
  - Fin/p - Finance/serials
- Keep a “general” fund for things that cannot be compartmentalized.
Case 1 - Too much money in one fund

- Change only current orders (no need or benefit to change older or cancelled records)
- Rebuilt the reports to include the new funds. If breaking them down, keep the same basic structure.
- Best to do it when you need to get the information - Fiscal Close might make sense.

Current total – $472,000* - all edb
New totals –
- Acc/e - $26,610.00
- Car/e - $24,892.00
- Cin/e - $88,915.90
- Ejo/e - $65,160.00
- Fin/e - $149,046.80
- Mar/e - $75,680.00

Case 1 - Too much money in one fund

- Do not get bogged down by assigning a code – Call Number vs. Access
- Can split between funds (Marketline evenly covers both company (cin/e) and marketing (mar/e). “Set and forget”
- Might be more problem than it is worth
- Gives you good sense of what is being spent…too much or too little in an area.
- Appropriate to general fund (they will all work out).

Case 2 – When to Change Funds?

- When they no longer do what is needed!

Case 2 – When to Change Funds?

- When should a library change funds?
- When should a library change loan rules?
- When should a library change call numbers?
- When should a library change fixed fields?
- Should a library change SCAT tables if it will invalidate Call Number Circ Stats?

Case 2 – When to Change Funds?

- With fiscal changes – Fiscal Close is a nice time to change
- If you do this at fiscal close:
  - have all the funds setup before hand
  - have the reports setup before
- Remember that when your funds are not in Financial Reports - They virtually do not exist!
- Follow rules for deleting funds (see the manual)
Case 2 – When to Change Funds?
• You can really do this at any time
• You can use the fiscal close Method Two to move outstanding funds to a different set.
• If you do not clear the values (appropriations and encumbrances), then you can do it ANY TIME.
• If the change is important, do not wait.
• For items already paid, you can use adjust fund balances to move them to the new codes. Changing the fund if paid will not work.

Case 3 - Year by Year Funds
• What is the goal?
  – What is being attempted - there might be other ways to manage this.
• If it is to have more years of data, pull the data from the system into Excel
• Innovative system for Methods 1 and 2 have two years of data (current year and last year)
• Lots of extra work just for more years on the system.

Case 3 - Year by Year Funds
• Can you setup a fund system that has year by year funds, but is Method One (use or lose)?
• Yes
• Every year, you have to create new funds and reports
• Every year, you will clear appropriations and expenditures at Fiscal Close
• Existing Reports will not be as useful.

Case 4 – Other Expenses (non-system)
• I have separate accounts that I can pay for resources – how do I get it into our library system…or should I?
• Resources purchased with gift accounts or other funds
• Purchases should be in the library system to provide a real total of expenses

Case 4 – Other Expenses (non-system)
• Finance reports should accurately depict the accounts.
• Problems with paying outside the system.

Reconciliation* with accounting system
  – Appropriations should be the same
  – System accounts reflect credits accurately.
Case 4 – Other Expenses (non-system)
• Can use same funds or special fund codes for those endowments
• Special funds might be useful because they will not change the appropriation value
• You can appropriate monies right to that fund code

Case 4 – Other Expenses (non-system)
• Cin/n – Company Information – endow.
• Add to Reports
• Appropriate right to that fund code
• Use groupings to distinguish between general operating and endowment funds
• Sub-totals will show total appropriations and expenses for each category
• Grand totals will show total spend for the library.

Case 4a – Other Expenses (non-system)
• OhioLINK / Consortium Expenses
• Large sums for a variety of resources - not always broken down or itemized
• Create a new fund code for those payments
• Will allow totals to be accurate
• Will not break down for different funds - but its OK.
• At Kresge - MAP Reports

Materials Budget & Finance
• Dealing with Credits
  – Use a negative expenditure
  – With Innovative, payments are typically made with current year’s funds.
  – This will reduce money spent from system, without changing appropriation.

Resources
• Users Manual
• CSDirect
• Innovative List
• IUG Clearinghouse
  – http://www.innovativeusers.org/clearinghouse
• IUG Program Archives

Putting it all together
• Funds
  – How you pay for items
• Reports
  – Plans for construction
  – Comparison/Connection to the Big Picture
  – Need reports to match organizations financial controls
• Fiscal Management
  – Building and Starting Over
Putting it all together

- Introduction to fiscal close
  - How they all fit
  - 3 basic models
  - Many variations
  - Always defer to your governing body

Pulling it together (Fiscal Close)

See: User Manual #102936 “use or lose” finances.

**Method One** – Library keeps only one set of funds (i.e., books).
  - Most Common Method
  - If you keep money you do not spend during the fiscal year, choose one of these two methods:

**Method Two** – Library keeps two sets of funds: Current Year and Previous Years.

**Method Three** – Library keeps a separate set of funds for every fiscal year in the system. System minimally supports 750

Fiscal Close Method One

<table>
<thead>
<tr>
<th>Acquisition Records &amp; Funds</th>
<th>FY04 Reports</th>
<th>FY05 Reports</th>
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<tbody>
<tr>
<td>Funds</td>
<td>Funds</td>
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<tr>
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<td>Financial Activity 05-06</td>
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<td>Appropriations</td>
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<td>TY Reports (new)</td>
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<td>LY Reports</td>
<td>LY Reports</td>
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</tr>
</tbody>
</table>

Things not to Sweat for Method One

- “Circle of Life”
  - Orders placed in late May and June rarely get paid in that fiscal year. Encumbrances can carry forward.
  - Will be OK at most places where it is tagged to the year when it is paid.
  - You start the year with some extra encumbrances, but you will have that cushion at the end.

Fiscal Close Method Two

<table>
<thead>
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Questions?

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