SUB-ACCOUNTING POLICY

Business Office
Last Updated: May 11, 2017

The primary purpose for sub-accounting is to obtain granularity of expenditures by fiscal year. If additional measurement is desired, the financial representative in the VP area is able to distribute, monitor and maintain budgets per sub-account.

I. Creating New Sub-Accounts

A. Sub-accounts can be created any time of the year. However, it is strongly encouraged to set them up only as needed. Contact Scott Hatch (shatch@binghamton.edu) in the Accounting Office if you have questions on whether to set one up or not.

B. To request a sub-account send an email to Scott Hatch in Accounting (shatch@binghamton.edu) stating the desired account and sub-account. You must copy Vicki Metritikas in Human Resources (vmetriti@binghamton.edu) and the financial representative in your VP area.

- Be sure to include in the email a list of employees that should be charged to the new sub-account.
- It is the requestor’s responsibility to ensure student time sheets and commitments are changed to the appropriate sub-account once notified by Accounting that the sub-account is available.

C. For newly sub-accounted accounts Accounting will notify and coordinate with the following departments and reply to the requestor when the sub-account is activated:
   - Revenue Accounting
   - Budget
   - Purchasing
   - Accounts Payable
   - Human Resources

D. -99 should not be used for Purchase Requisitions, Pcards, labor assignments or any other transactions. It is charged by the system as a default when transactions are erroneously coded to -00 when a user is not aware that the account is sub-accounted. -99 is also used for revenue and allocation if an account is sub-accounted.

E. Unique Accounts

- Due to their unique nature, the following accounts can’t be sub-accounted.

   - Accounts that do not have a BU cost center (i.e., university-wide program accounts, lump sum accounts, and labor management accounts).

II. Purchasing Implications
• When creating the initial sub-account for an account, existing PO’s may have already been coded to the master account (-00). If so, they will automatically default to the default sub-account (-99).

• After a sub-account has been created for an account, then all new PO’s will have to be coded to an existing sub-account. (the master account -00 can no longer be used.)

• Sub-account numbers on existing PO’s cannot be changed.

• When inputting a Requisition using a sub-account that lacks sufficient allocation, the requisition will not be rejected. The user will get a warning message that there are not enough funds available and asked if they want to override the message. Hitting save a second time will allow the error message to be overridden and for the Requisition to proceed.

**III. Budget Implications**

• The Budget Office loads budget to the default sub-account (-99) if an account has been sub-accounted.

• The financial representative for each VP area (or their designee) will be responsible for moving budget, if desired, from the default sub-account (-99) to each sub-account (-01 through -98) using the SUBS function in SUNY Legacy.

• Additional information can be obtained by reviewing the Budget Office Management Procedure 100 at the below link


**IV. Revenue Implications**

• Revenue will be posted to the default sub-account (-99) if an account has been sub-accounted.

• Only in very limited cases required by state or other mandated reporting circumstances will revenue and balance transfers be made from the default sub-account (-99) to a sub-account.


**V. Expenditure & Labor Implications**
• When the first sub-account for an account is created, all prior expenditures for the year will automatically be shown only in the 6 digit summary account in BI. Those expenditures prior to beginning sub-accounting will not be transferred to the new sub-accounts. Instead, the sub-accounting granularity will be accumulated from that point on. This is an item to consider when deciding to sub-account during the year.

• Labor posting as a result of the automated bi-weekly process will go through to a sub-account even if there is not a budget and/or there is negative cash. This is built into the functionality of the SUNY system to avoid clearing large volumes of transactions every pay period.

• If labor expenditures default to the default sub-account (-99), or are charged incorrectly, then transfers to a specific sub-account will not be completed until the employee has been successfully coded and charged directly to the specific sub-account. Only at that time the cumulative employee charges to the default (-99) will be moved to the specific sub-account.