



Departmental Sales & Services (DS&S)

What is a Departmental Sales & Services Account?

- ◆ There are two types of department sales and services that take place at the University.
- ◆ Fund 14100, account 449100, class 41100
 - “True Departmental Sales and Services”
 - Revenue comes in from a source **outside** the University for sales or services provided by the University
- ◆ Fund 10600, account 471100, class 41900
 - “Cost Transfers/Quasi”
 - Revenue comes in from a source **inside** the University (from one department to another)



What is a Departmental Sales & Services Account?

- ◆ Your department should contact your College Administrative Officer to establish a new account.
- ◆ They will contact the appropriate budget personnel in order to set up the appropriate type of account in accordance with Generally Accepted Accounting Principles.
- ◆ See the DSS determination form under “Forms”.





Departmental Sales & Services

- ❖ Departmental Sales and Services (DS&S) revenues are generated for programs in:
 - **public services**
 - **computer operations**
 - **departmental sales** when material in amount and considered a basic resource for program support.

- ❖ Examples of DS&S programs:
 - The GSU Police Department does security for the GSU Athletic Association.
 - Veterinarian Services are provided to start-up Businesses operating in the University's Collab tech.



Departmental Sales & Services

- ❖ DS&S programs are indicated by the chartfield:
 - Account – 449100
 - Fund - 14100
 - Class - 41100

- ❖ Revenues should be:
 - Used for an ongoing operation and
 - Considered a basic resource for this program's support.



Revenues for Program Support

- ❖ Collected on behalf of a specific program and can be used only by the program.
- ❖ Program should not spend more than the revenue collected:
 - There should be **no** deficit at the end of the year.
- ❖ If more expenses than revenue (a deficit) at year-end:
 - The college/administrative unit must cover the deficit from general operations.
- ❖ Excess revenue is carried forward as an increase to operating budget.
 - It is not booked in the following year as realized revenue again.



Revenues for Program Support

- ❖ Managers should maintain a log of any outstanding/uncollected invoices:
 - Periodically (by fiscal year end) record them as accounts receivable (1271xx) and revenue (449100) on the General Ledger, if significant (\$500.00 or greater).

- ❖ Debit account 1271xx (be sure to include the department).

- ❖ Credit account 449100.

- ❖ This entry should be reversed at the beginning of the next fiscal year.



Funds Carried Forward

- ❖ To calculate funds eligible to be carried forward (budgeted into the following year's operating budget):
 - Total revenue from all sources plus any prior year carryforward (a).
 - Total expenditures (b).
 - Subtract (b) from (a).



Funds Carried Forward DSS calculation example


| | |
|--|-----------------|
| Total realized revenue, all sources: | \$ 45,000 |
| <u>Plus Prior Year Carry Forward Budget:</u> | + <u>15,500</u> |
| Adjusted budget revenue: | 60,500 |
| | |
| Total expenditures: | \$ 39,900 |

CALCULATED FUNDS AVAILABLE TO BE CARRIED FORWARD:

$$\text{\$ } 60,500 - 39,900 = \text{\$ } 20,600$$

If total adjusted expenditures are **MORE** than total adjusted revenue, an operating budget for the department/unit/college must cover the deficit.

Budget Information

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- ❖ Dept Sales & Services budgets **do not** automatically carry forward in Spectrum from one fiscal year to the next fiscal year.
 - If a budget in the current fiscal year will be needed in the next fiscal year:
 - The department should work with its College/Administrative officer during the original budget preparation process to ensure that the appropriate budgets & revenue estimates are in Spectrum for use beginning July 1.

 - ❖ After July 1, if a DS&S revenue estimate & organization budget needs to be established, a request should be made to the department's College/Administrative officer.
 - The administrative officer will work with Budget & Planning to ensure that the appropriate budget & revenue estimate are established in Spectrum.

 - ❖ From the budget perspective, the amount of estimated revenue for a department must match the total of the organization budgets (expenses) for a department.
 - Both a revenue estimate and an organization budget must be set up.

 - ❖ In accordance with the GSU chart of accounts, the revenue estimates will typically fall into this category:
 - 14100-xxxxxxxx-41100-449100 Dept Sales & Services - External



Contacts

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[Budget and Planning Office Web page](#)

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