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.
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
Plus Prior Year Carry Forward Budget: + 15,500
Adjusted budget revenue: 60,500

Total expenditures: $ 39,900

CALCULATED FUNDS AVAILABLE TO BE CARRIED FORWARD:
$ 60,500 – 39,900 = $ 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

❖ 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:
  o 14100-xxxxxxxxx-41100-449100      Dept Sales & Services - External
Contacts

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Budget and Planning Office Web page

Financial & Accounting Services Web page