

# NUPlans Forecasting Options

## *Video Transcript*

There are five videos in this series. Objectives for each are below and transcripts follow.

### NUPlans Forecasting Options Overview

This presentation answers the question:

- What are your forecasting options?

### Level 1: Detailed Forecasting

- Tour the layout of the forecasting “Input” views.
- Modify a view and reset the view.
- Enter forecasts and see the results.
- Change the budget grouping and timeframe.

### Level 2: Chart String Forecasting

- Tour the view Chart String Totals by Management Level.
- Tour the Chart String Input view.
- Forecast revenue and expenses in aggregate.

### Level 3: Summary Forecasting

- Tour the Summary Fund Input views.
- Locate forecasts flowing into the view from a lower level of detail.
- Forecast revenue and expenses categorically.

### Level 4: All Funds Performance and Adjustments

- Tour the Adjustments and All Funds Performance views.
- Enter adjustments to be excluded from operating performance.
- See the effect of adjustments on the All Funds Performance views.
- Enter forecasts by fund that represent the net of revenues and expenses.

# NUPlans Forecasting Options Overview

## Introduction

### Context

NUPlans offers schools and units in the University several choices for forecasting.

### Objectives

This presentation answers the question:

- What are your forecasting options?

## Presentation

- It is important to recognize from the outset that schools and units in the University may prefer the option that best aligns with their internal practices. One unit prefer a different option than another.
- Definitions of process will come from your Area Finance Office, unit Budget Managers, or from the Office of Budget and Planning. Some principles, however, allow us to speak generally.
- First, forecasting aligns with budgeting. You always forecast within the same budget group that you budgeted, with reference to the same accounts and chart strings. Inside Forecasting, you see the budget group, or the portion of it, to which you have access.
- Second, your forecasted amount may default for you to the budgeted amount. That is a system default. Some Areas of the University may setup other different custom defaults. Find more on defaults in training and discuss default behavior with your Budget Manager if you have questions about defaults in your Area.
- A third principle is that NUPlans supports a bottom-up approach to forecasting. A first option is Detailed Forecasting with full chart strings at the account level. Second is base chart strings in Chart String Forecasting. Third, you may forecast at the Summary level with account categories, and finally, you may forecast at the fund level in All Funds Performance, which always works with Adjustments where you enter non-operating financial activity to be excluded from performance.

## Summary

- Forecast at a level that aligns with your school or unit's internal practices.

# Level 1: Detailed Forecasting

## Introduction

### Context

Many forecasters use the Detailed Forecasting application to ensure that forecasts flow to NUPlans Contributor for reference during budgeting for the next fiscal year.

### Objectives

- Tour the layout of the forecasting “Input” views.
- Modify a view and reset the view.
- Enter forecasts and see the results.
- Change the budget grouping and timeframe.

## Demonstration

Detailed Forecasting is available to anyone with the Forecast security access role. To find it, click Applications > Detailed Forecasting. Select the appropriate fund. In this example, Fund 110 Input. Collapse the menu. In the training environment, the forecasting period is January, so we are in the calendar month of February looking at January month end data. A forecasting period opens after the accounting period closes.

- Modify the view using the Rows dimensions.
  - Before we enter forecasts, I want to show you an optional trick to make things visually a little easier. The rows called Total Chart Strings occupy prime real estate at the top and middle portion of the screen, but you can hide them temporarily using the Rows dimension.
  - Show/hide rows and columns is available in NUPlans, just like Excel, but the method differs.
  - Click the black arrow in the Rows dimension to see the Subset Editor. Click into the Subset drop-down box. A “subset” is a predefined layout of rows. Some layouts were created in advance for your convenience. They occupy the top of the list. Their names are preceded by a dash so that they float to the top. Ignore the ones below. Explore the ones with a dash.
  - Currently you see the layout called “-Total Chart Strings” which makes the set of rows called Total Chart Strings appear in the view. If you select “-Detailed Chart Strings” and click OK, that set of rows disappears from the view.
- Enter a forecast.
  - Now let’s enter a forecast. We have two scenarios: (1) there is one unbudgeted account with spending that will continue, so the default is not working for us and (2) one account with spending is expected to exceed the budget.
  - Here is the unbudgeted Consulting Services account. Suppose they will continue through the year at the same rate of spending. There is a method for that. Select the method “Straight Line YTD.” The forecast is calculated automatically.
  - For Computers-Capital Equipment, spending is anticipated to exceed the budget by 10%. There is a method for that. Enter 10 in the %Change column and select “Adjust Budget with % Change.” The forecast is calculated automatically.
  - Suppose you are done! Let’s look at the results. The budget is XXX,XXX. The Non-Salary Exp Forecast is now XXX,XXX. The difference is shown at right.
  - The changes entered will flow upward through the application and to reports.
- Account-level forecasts flow to NUPlans Contributor.
  - Forecasts entered at in this view will flow into the Forecast column of budget preparation file in NUPlans for reference while you prepare the budget for the next fiscal year.

- Reset the view.
  - Because you modified the view, making Total Chart Strings disappear, it's a good practice to reset the view. Click the Actions Menu, Reset View. The default layout reappears.
  - Here's a tip! Use Reset View if the layout ever looks distorted or incomplete.
- Change Context – timeframe or budget grouping.
  - Before we leave, let's talk about the Context dimensions.
  - G\_BudgetGrouping allows you to change the budget grouping, if you have access to more than one. If so, you can scale up and down the budget hierarchy.
    - If you preselected a budget grouping on the Home page, it appears here.
    - To select a different budget grouping, click the black arrow, other budget groupings appear to which you have access. Select one.
    - In this example, you see a hierarchy of one child budget grouping that rolls up to a parent, which rolls up to the highest level, which equates to an area finance office.
    - If you select a parent, you see a summary view, but you cannot enter data there.
  - G\_Month allows you to change the timeframe, to go forward and backward in time.
    - When you open a view, NUPlans automatically displays the current open period. In this example, January. To go backward in time, for example to see December, click the black arrow, and in the list that appears, click December.
    - In December, November month end actuals are shown. There are no white fields for data entry. Forecasting is always from the current period looking forward, the only reason to go backward in time is to see comments you have entered in the past. If you think they still apply, you can copy them and paste them into the current period. A form in the Administrative folder lets you copy all comments per application at once.
  - Check the context to ensure the current period is on display to continue working.

## Summary

To forecast at the account level, (1) enter an amount or a percent change as appropriate and (2) select a method.

Detailed forecasts flow throughout the forecasting applications and reports and to NUPlans Contributor for aid during budget preparation for the next fiscal year.

## Level 2: Chart String Forecasting

### Introduction

#### Context

Chart String Forecasting offers summaries of revenues and expenses per chart string and management level. It is useful for reference and to enter forecasts as a lump sum.

#### Objectives

- Tour the view Chart String Totals by Management Level.
- Tour the Chart String Input view.
- Forecast revenue and expenses in aggregate.

### Demonstration

Chart String Forecasting is available to anyone with the Forecast security access role. Find Chart String Forecasting in the Applications menu > Chart String Forecasting. Inside there are two views, Chart String Input and Chart String Totals by Management Level. Let's open them both.

- Let's tour Chart String Totals by Management Level.
  - The purpose of this view is to list all chart strings in your budget grouping and then group the chart strings by management level, if you assigned management levels to them.
  - Each Management Level has its own totals. There is no data entry in this view. It is summary only.
- Let's tour Chart String Input.
  - The Chart String Input view also provides a summary but also offers the option for lump sum forecasting of revenues and expenses.
  - Vertically, you see all funds and chart strings in the budget group to which you have access.
  - The highest-level summary is Total Funds. It appears only if you have access to the entire budget group. You see Net, followed by Total Revenue, broken out by Revenue and Revenue-Transfers, followed by Total Expenses, broken out by Salary, Non-Salary, and Transfers.
  - Below Total Funds, a summary row appears for each fund number. Here you see Fund 110. Each base chart string in that fund appears below.
  - In this view, no account codes appear. Next to the base chart string, there are rows for revenue and expense totals only.
  - Forecasts made at the detail level flow to this view in the Detail Forecast column. The XXX,XXX in Non-Salary Exp Forecast is here.
  - The same columns for forecast data entry appear in this view: % Change, Amount, and Method.
  - In the typical bottom-up approach, entering a forecast at this level may defeat the purpose, so that leads to the question, why do forecast entry at the base chart string level?
- Forecast revenues and expenses in aggregate.
  - Some units may prefer to forecast here instead of the detailed level.
    - Some units may forecast here early in the year and then forecast at the detailed level later in the year.
    - And finally, there may be times when you intend to add to detailed forecast. Or you may anticipate financial activity that you cannot yet associate with an account code.
    - Add 2500 and select the method Add Amount to Detail.
    - Enter a comment to explain and click Recalculate.

- It is possible to forecast here and unintentionally override a forecast flowing her from Detailed Forecasting. If you do, and if you select a method other than Add to Detail, you receive a flag notification.
- If in fact the edit was unintentional, there are two ways to undo it. Click the Undo icon if you catch it right way. At any time now or later, you can change the method again to Use Detail Forecast.

## Summary

To forecast lump sums of revenues or expenses, (1) enter an amount or a percent change as appropriate and (2) select a method.

Refer to the Detailed Forecast column and system messages to ensure you do not overwrite a forecast entered at that lower level of detail.

Forecasts at this level do **not** flow to NUPlans Contributor for aid during budget preparation.

## Level 3: Summary Forecasting

### Introduction

#### Context

Summary Forecasting offers a view of revenues and expenses per account category in the style of an income statement. It is useful for reference and to enter forecasts categorically.

#### Objectives

- Tour the Summary Fund Input views.
- Locate forecasts flowing into the view from a lower level of detail.
- Forecast revenue and expenses categorically.

### Demonstration

Summary Forecasting is available only to users with the Prep File security access role. To find it, click Applications > Summary Forecasting. Select the appropriate fund. In this example, Fund 110 Input. Collapse the menu. In the training environment, the forecasting period is January, so we are in the calendar month of February looking at January month end data. A forecasting period opens after the accounting period closes.

- Let's tour the Summary Forecasting views.
  - Summary Forecasting enables Area Finance and Prep File users to forecast and monitor by account categories.
  - Some Prep File users, who do not use a bottom-up approach, may use this level exclusively.
  - Importantly, for those that do use a bottom-up approach, the forecasts completed at a detailed and chart string level flow into this view where they are distributed into the categories.
- Locate detailed forecasts in the Summary Input views.
  - One obvious example of a detailed forecast is this for Capital Equipment and the 10% change entered previously, visible here. Note the Default Source, again, is Detail Forecast, which ensures that this view captures forecasting done at a more detailed level.
- Verify Context before forecasting.
  - Before forecasting, it's a good practice to verify two things.
    - First verify the forecasting period in the G\_Month dimension. White cells are available only in the current open forecasting period.
    - Then verify the budget grouping. White cells for data entry are available only at the child level.
  - To adjust either Context, click the black arrow to open the dimension and select a value.
    - Use G\_BudgetGrouping to navigate from budget grouping to budget grouping, or
    - Use G\_Month in the case of timeframe, to go forward or backward in time.
- Forecast in aggregate by category.
  - If you prefer to forecast at this level, the white cells make it possible.
  - As an example, many Prep File users also forecast salary, so imagine a scenario where a surge in enrollment gets approval for a 5% increase in salary expenses. Let's increase all three categories at once. Enter 5% in each field. Enter the method "Adjust PY Actuals with % Change" in all three fields. NUPlans automatically saves and recalculates.

- Finally, it's possible to adjust downward with a negative percentage. For example, in Capital Equipment, enter -10 and select "Adjust PY Actuals with % Change."
- Forecasts made in this view flow to reports and to the All Funds Performance view.
- Forecasts here do not flow to the budget preparation file.
- Find a category decoder in the Reference folder.
  - Finally, if you want to know which account codes flow into each category, you can find a decoder spreadsheet in the Reference folder. Use this form to have a spreadsheet emailed to you with the code/category assignments.
  - This same account hierarchy is used in the Cognos BI Income Statement Report, number GL077.

### **Summary**

To forecast by account category, (1) enter an amount or a percent change as appropriate and (2) select a method.

Refer to the Detailed Forecast column and system messages to ensure you do not overwrite a forecast entered at a lower level of detail.

Find the same account hierarchy on the Cognos BI GL077 Income Statement Report.

## Level 4: Adjustments and All Funds Performance

### Introduction

#### Context

The Adjustments and All Funds Performance applications enable select users to identify non-operating financial activity and forecast at the fund level.

#### Objectives

- Tour the Adjustments and All Funds Performance views.
- Enter adjustments to be excluded from operating performance.
- See the effect of adjustments on the All Funds Performance views.
- Enter forecasts by fund that represent the net of revenues and expenses.

### Demonstration

Adjustments and All Funds Performance views are available to users with the Prep File security access role.

- Open the Adjustments forms and views.
  - To find Adjustments, click Applications > Adjustments.
    - Inside, Adjustment Input is a view for entering adjustments as a lump sum.
    - The other forms and views are for designating chart strings that you may have reserved for non-operating financial activity.
- Tour the Adjustments Input view.
  - Vertically, you see each fund from 110 to Endowments and Cost Share.
  - Within each fund are categories of adjustments: Capital Fund Transfers, Endowment Principal Transfers, Carry Forward Activity, and Other.
  - The idea behind such financial activity is that it should be excluded from fiscal year operating performance.
    - Investments in capital are not operational expenses as they normally result in the creation of new assets.
    - Building up an endowment is an investment unrelated to operational expenses; likewise, using part of an endowment may not be considered operational revenue.
    - Similarly, using Carry Forward to cover a current deficit may not be normal operational revenue. Excluding it from forecasts avoids clouding the picture.
  - The transfer to/from column enables to you record transfers in either direction.
    - For transfers to other entities, enter negative amounts. These amounts are a use of fund balance.
    - For transfers from other entities, use positive amounts. These amounts are additions to your fund balance.
    - Negatives decrease fund balance. Positives increase fund balance.
- Enter an adjustment.
  - As an example, suppose that you will use Gift funds to finance a construction project. If you plan to transfer 75K to the project, enter -75000 in the “Transfer (to) from” column. Enter a comment to explain, and click Recalculate.
  - The New Line? column enables you to add additional lines per category, if you need.

- Tour the chart string adjustments forms and view.
  - The Change Chart String Status form enables you to specify base chart strings from your budget grouping that you have reserved for special types of financial activity.
    - For example, you may have decided that any endowment surplus will be used to finance construction. If so, click into the Change Status field, and select Adjustment – Capital.
  - Likewise, the Change Chart String & Account Status form enables you to identify full chart strings reserved for special types of financial activities.
    - For example, you may have decided that a tuition surplus will be used to build up an endowment. Click into Change Status and select Adjustment – Endowment Principle.
    - Or, you may have decided that a deficit in Lab Supplies in a Staffed Research Project (171-xxxxxxx-xxxxxxx-73475) will be excluded from this fiscal year’s operating performance and covered by reserves set aside for this purpose last year.
  - The View Chart String Adjustments view displays the sum of net from all chart strings that you set aside with an Adjustment Type. In this example, a 100000 surplus associated with the Endowment Fund is set aside for Capital Fund Transfers.
- Open the All Funds Performance forms and views.
  - To find All Funds Performance, click Applications > All Funds Performance. Inside there are two views, Budget Grouping Input and an identical form Prep File Input.
- Tour the All Funds Performance views.
  - First let’s work in Budget Grouping Input. As an opening routine in this form, confirm the period and Budget Grouping, then Recalculate to populate the form with the results of your most recent data entries.
  - This view summarizes performance at the budget grouping level with each fund in the budget grouping listed at bottom left.
  - Performance is the net of revenue and expenses. That’s why separate revenue and expense rows do not exist here.
  - Forecasts of a surplus are positive; forecasts of a deficit are expressed in parentheses.
  - A dash represents net zero, which is a balanced fund, or no data.
  - Notice the Performance Input column makes it possible to forecast at the fund level. Some units may prefer to forecast at the fund level early in the year and work at a more detailed level later in the year.
- Enter forecasts by fund that represent the net of revenues and expenses.
  - If using the Performance Input column, remember that the number is net. For example, if receipts in a recharge center were lower than expected, you may adjust this performance number. Enter the net, for example -12000, enter a comment, and recalculate.
  - Notice again that the dash in Final Performance means zero or no data. For example there are no chart strings in Fund 151 in this budget grouping, so the dash appears.
- Locate adjustments on the All Funds Performance views.
  - If a Performance Adjustment were made, it appears here in the column of the same name, and is factored into the Ending Balance.
  - Here is the 75K entered as a lump sum. Notice that it reduces Carry Forward from just over 76K to just over one thousand.
  - Here is the 100K populated by the system after I changed the status of the Endowment chart string. A final column shows the projected change in carry forward. Notice also that the

surplus is not shown in the performance column as an operating surplus. Operationally speaking, this fund is still net zero.

- Export the view to Excel or PDF.
  - This view can be exported to PDF or Excel. Click the blue arrow, select Snapshot to Excel, make no changes in the dialog box that appears, and click OK.
- Find the report named All Funds Performance.
  - For your colleagues without access to the All Funds Performance view, a report of the same name exists with the same layout.

### **Summary**

- Enter adjustments to exclude financial activity from operating performance.
- Enter forecasts of net at the fund level in All Funds Performance.