PART 1: Multiple Choice

Circle the correct response(s) for each question.

1. The budget system:
   a. helps budget unit directors plan for and manage all aspects of the financial activity of the University.
   b. is set up to check the availability of funds, before transactions are processed.
   c. helps in the planning, monitoring and execution of the financial activity that the Office of Finance processes against your budget.
   d. b and c only

2. Revenue includes:
   a. State appropriations.
   b. Student tuition and fees.
   c. Transfers from foundations.
   d. All of the above.
   e. None of the above

3. Which items are part of the Budget Documentation Phase at ODU?
   a. Recording the state-approved budget
   b. The Budget Guidance Memorandum
   c. Documentation of Executive Budget Decisions
   d. Alignment of Base Budgets
   e. All of the above

4. The following statements are true about capital budgets:
   a. Capital budgets are normally associated with major expenditures on durable items.
   b. The fund sources can be from major gifts from private sources.
   c. The funds expire at the end of each fiscal year.
   d. All of the above.
   e. None of the above

5. Pool budgeting is used for:
   a. non personal services
   b. travel
   c. transfers
   d. employee benefits
   e. expense recoveries
   f. equipment
6. If you have insufficient funds available in your budget because an expenditure was posted to the incorrect sub-account, what action should you take?
   a. Process a budget adjustment to increase the budget in the sub-account affected.
   b. Request error correction from the Office of Finance by sending an IDT form and supporting documentation.
   c. Request that Accounts Payable override the insufficient funds message.
   d. Do nothing and hope the problem will resolve itself.

PART 2: True or False
Indicate whether the following statements are true (T) or false (F).

  1. Budget Unit Directors are required to monitor budgets to ensure there are no unexplained variances.  
   T

  2. There is no way for departments to research invoices without the assistance of Accounts Payable.  
   F

  3. The accrual period is referred to as the 13th month.  
   T

  4. It is important for E&G funded organizations to make sure they hold adequate reserves.  
   T

  5. The budget adjustment form is used to request changes to the current operating budget, the base budget, or both, within existing policies and procedures.  
   T

  6. Equipment budgets do not need to be monitored because any shortage of funds will be reimbursed by the Equipment Trust Fund.  
   F

  7. Indirect costs are charged to Auxiliary Enterprises units for services that are provided by E&G services.  
   T

  8. Before recruiting for a vacant faculty, faculty administrator or faculty professional position outside of Academic Affairs, the request must be reviewed by Human Resources and approved by the President.  
   F

ANSWERS:

PART 1:
1. A, B, C
2. D
3. E
4. A, B
5. A, B, D, F
6. B

PART 2:
1. T
2. F
3. T
4. F
5. T
6. F
7. T
8. F