

Financial Process for Unit or Departmental Reorganizations

Overview

A unit or departmental reorganization could involve new cost centers, new department numbers, or new unit numbers.

The most common example of a reorganization strategy would be a new department with new cost center(s) created to report directly. Accounting Services, the Office of Budgets, Planning, and Analysis (BP&A), and the Office of Talent, Culture, and Engagement (TCE) must make system changes for a reorganization request.

Steps

Step 1 – New department, unit, or cost center numbers

A unit or department should initiate the request for new department, unit or cost center numbers through Accounting Services by completing the form [BF-AS-F-10 Request for New Cost Center](#).

If a new department is created, new cost centers will be created to report under the new department.

Step 2 – Tree Updates

The ALL DEPTS Tree (Accounting Services), Budget Tree (BP&A) and HCM Tree (TCE) will need to be updated.

Once the tree changes are made by Accounting Services, a speedtype is set up and a combo code will generate overnight in UT Share.

If a department submits a request to inactivate existing cost centers, the speedtype will be deleted by Accounting Services. The old combo codes associated with existing cost centers are deactivated via a separate process.

Step 3 – eForms

Once the new combo codes and chartfields are in place, any positions associated with a reorganizational move will need eForms created to *first* change the owning department. *Second* is to update the funding source.

An eForm to change only the funding should *never* be submitted prior to changing the owning department. The changes can be accomplished on a single eForm if the form processes through correctly.

Another item to look out for is many departments will create two separate forms but submit them at the same time. There is no way to control which one processes through first. We encourage areas to either submit one form or submit the owning department form first and *wait* for it to process to completion and then submit the funding change form.

BP&A advises all eForms relating to a reorganization be made effective for a future date and preferable on the first day of the month.

Step 4 – Budget process

If a reorg occurs prior to the EPM position pull including all eForms processed through to completion, the assigned budget resource will need to adjust the position budgetary funding tabs (BFT) for the new combo code/chartfields so they pull correctly into EPM to begin the next fiscal year budget planning. It is important to understand that the BFT must be on the same department number that owns the position according to the HR data. If there is a mismatch, it will not pull into the EPM load file.

If a reorg occurs during the department budget planning stage of EPM, departments need to let their budget resource know to request the new departments and/or cost centers are added to EPM. Only after the new dept/cost centers have been added to EPM can the department move the positions in EPM. eForms will still need to be completed for the updates to be in UTShare (reference Step 3).

If a reorg occurs after completion of the EPM budget planning process but before end of fiscal year, 2 eForms will need to be completed; one for the current fiscal year and one for the new fiscal year (reference Step 3).

Step 5 – Budget transfer

If a reorganization occurs mid-year, the department will need to process budget transfers to fund the new department/cost center(s) setup. These budget transfers must follow the same guidelines for any other budget transfer.

Problematic Situations

Failure to follow the outlined steps in order will net an unfavorable result that will be difficult to unravel.

Retroactive reorganizations are not advised. Results will again not be favorable because the retroactive payrolls will not pickup the changes. UTShare will not update records backwards. It is advised to plan well in advance the activity and steps that are necessary for a reorganization.

Please refer to Step 3. BP&A advises all eForms relating to a reorganization be made effective for a future date and preferable on the 1st day of the month.

Ex. Accounting Services has created and added a new department and cost center during the month of January. eForms relating to position moves should be effective dated February 1st and completed prior to the first payroll for February.

Suggestion for Success

When a reorganization is planned, BP&A requests open communication be established with the unit's assigned budget resource to provide continued guidance and avoid and undo confusion thereby attaining the desired result.

The department should notify the budget resource when new departments/cost centers have been created.

Action Items Checklist

1. The Department notifies Accounting Services of their intent to reorganize.
2. Accounting Services creates new department and cost centers.
3. Tree Updates:
 - a. Accounting Services updates the ALL DEPTS Tree.
 - b. BP&A updates the Budgets Tree.
 - c. TCE updates the HCM Tree.
4. The Department submits the eForms.
5. BP&A adds new cost centers to EPM.
6. BP&A updates the budgetary funding tab (BFT).
7. The Department moves their position in EPM after position pull date.
8. If mid-year, the Department transfers their budget to move funding.