

FIS Training – Understanding Earmarked Funds (Manual Reserves)

Learning Objectives

- Understand what are Earmarked Funds and how they can help you manage your budget
- Create Earmarked Funds
- Process transactions against funds reserved in Earmarked Funds
- Change and release Earmarked Funds
- Generate reports to track the status of Earmarked Funds



[Link to Workshop Material](#)

What is are Earmarked Funds?

Earmarked Funds are FIS documents that departments can create to **reserve** available budget dollars for future expenses.



Earmarked Funds are also known as **Manual Reserves, Funds Commitments** and **Encumbrances**.

They are a form of **Commitment** that you will encounter in FIS, similar to **Purchase Orders, Purchase Requisitions** and **Payroll Reserves**.

Why should I use Earmarked Funds?

Similar to a savings account, Earmarked Funds enable departments to put aside money for expenses that will occur in the future, particularly if your department is not sure how much the total cost will be.

For example: if your department is planning on replacing all of laptops for staff in the next 6 months, they may create an Earmarked Fund to set aside money based on an estimate of what the laptops may cost.



Earmarked Funds are deducted from the Funds Available in a Funds Center or Funds Center/Fund account.

Pros & Cons of Earmarked Funds

PROs	CONs
Opportunity to “protect” available budget dollars for future expenditures (e.g., building renovations, written agreements)	Need to have Earmarked Fund document number to “spend” as part of an A/P or journal entry posting
Will appear on Funds Management reports as a Commitment	Not available for use on some FIS transactions (e.g. ERDD on the Web, Mastercard)
Enables FIS users to “spend” the reserve amount through A/P or Journal Entry postings for values less than \$9,999.99	
Provides change history detail on activity posted to reserve	
Carried forward at end of fiscal year; stays in the system until changed by user	

Creating Earmarked Funds in FIS



Creating Earmarked Funds

SAP Easy Access University

- SAP Menu
 - Accounting
 - Funds Management
 - Earmarked Funds
 - FMZ1 - Create**
 - FMZ2 - Change
 - FMZ3 - Display

Funds commitment: Create InitScr

Document Type	11	Funds commitment standard
Document Date	09.01.2022	
Posting Date	09.01.2022	
Company Code	UOFT	University of Toronto
Currency/rate	CAD	
Translation date		
Reference Document		



[Link to Reference Guides/Simulation](#)

Creating Earmarked Funds

Document Text:
Enter reason for reserve

Funds commitment: Create Overview scrn

Document Number New Document Date 11.01.2022
 Document Type 11 Funds commitment standard Posting Date 11.01.2022
 Company Code UOET University of Toronto Currency/Rate CAD
 Document text
 Currency CAD
 Grand Total 16,500.00

Total Amount	Funds Center	Fund	G/L Account	Cost Center	Order	Vendor	Due On	Text	Bus... Acti...
8,000.00	109600		841010	29440				airfare	1000
5,000.00	109600		841020	29440				accomodations	1000
2,500.00	109600		841030	29440				meals	1000
1,000.00	109600		837800	29440				conference fees	1000



[Link to Reference Guides/Simulation](#)

For **all lines** complete the following fields:

- a) Overall amount
- b) Funds Center & Fund (if applicable)
- c) Text - specific reason for each line

AND *either a) or b):*

- a) G/L Account No. and Cost Center or Order
- b) **ONLY** Commitment Item

Vendor field is "Optional" since payment not restricted to a particular Vendor.

Creating Earmarked Funds

Funds commitment: Create Detail scr

Position: [] / 1

Line Item: [] 1

Text: Reserve for 5 desktop computers

Control data

Item Completed Item Blocked Item Block

Values

Currency	CAD	
Total Amount	[]	7,500.00
Open Amount	[]	7,500.00
Due On	[]	

Referenced document

Set to Done

More data

Vendor: []

Coding Block

Business Area	[]	1000
Cost Center	[]	11040
Order	[]	
Commitment item	[]	EQUIP-PUR
Fund	[]	
Funds Center	[]	100654

Funds commitment: Create Detail screen: Indicator

Acct.Asst.Changeable

Reduction in LC Only

Exceed Without Limit

Override Global Tol.



[Link to Reference Guides/Simulation](#)

Exercise # 1 & 2 – Create Earmarked Funds

Instructions (approx. 15 minutes)

Use the [reference guide](#) and complete exercise 1 & 2 in **SAP-QTI**.



Changing Earmarked Funds in FIS



Making Changes to Earmarked Funds

Once an Earmarked Funds is created, users can:

- **increase/decrease the value** of the Earmarked Fund (if there is sufficient funds available)
- **Modify the account assignments** (i.e. Funds Center, Fund, Cost Center, Internal Order, G/L Account)
- **Change the text** within the Earmarked Fund
- **Release all/some of the remaining reserve** if it is no longer required



[Link to Reference Guides/Simulation](#)

Changing Earmarked Funds – Overview Screen

If there have been **no postings** against Earmarked Fund, you can change:

- Total/Line item Amount
- Account Assignment
- Text (Reference, Document)

Once there have been charges/postings against an Earmarked Fund, **you cannot change account assignments.**

Funds commitment: Change Overview scrn

Entry Consumption

Document Number: 102034269 Posted Document Date: 11.01.2022

Document Type: 11 Funds commitment standard Posting Date: 11.01.2022

Company Code: UOET University of Toronto Currency/Rate: CAD

Document Text: Reserve for 5 desktop computers

Currency: CAD

Grand Total: 10,000.00

Total Amount	Document Item	Commitment item	Funds Center	Fund	G/L Account	Cost Center	Order	Vendor	Due On	Text
10,000.00	1	EQUIP-PUR	109600		821110	29440				Reserve



Any field that is white can be changed.



[Link to Reference Guides/Simulation](#)

Changing Earmarked Funds – Line Items

Funds commitment: Change Detail scr

Line Item: 102034269 / 1

Text: Reserve for 5 desktop computers

Control data

Item Completed Item Blocked Item Block

Values

Currency	CAD
Total Amount	10,000.00
Open Amount	5,881.91
Due On	

Referenced document

Set to Done

More data

Vendor

Coding Block

Business Area	1000	Order	
Cost Center	29440	Fund	
Commitment item	EQUIP - PUR		
Funds Center	109600		

Funds commitment: Change Detail screen: Indicator

Acct.Asst.Changeable Reduction in LC Only

Exceed Without Limit Override Global Tol.

To release all remaining reserves in a line item, click the **Item Completed** checkbox.

The **Total Amount** can be reduced UPTO the level of consumption (i.e. reduced by Open Amount).

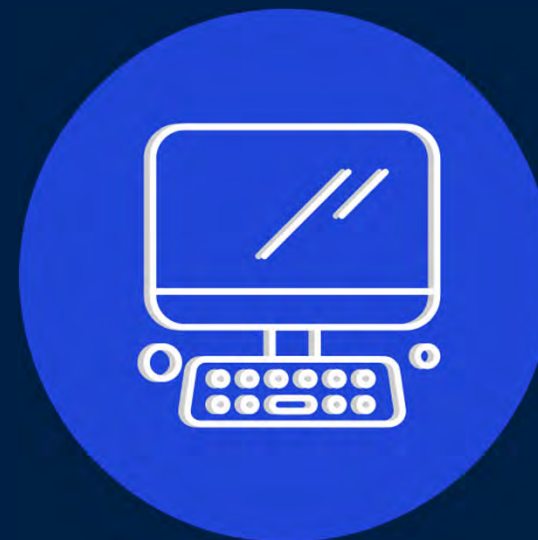
Consumption = Total amount – Open Amount (i.e. remainder)

Example: \$10,000 – \$5,881.91 = \$4,118.09

Exercise # 3 – Change Earmarked Funds

Instructions (approx. 10 minutes)

Use the [reference guide](#) and complete exercise 3 (i.e. increase Earmarked Fund from exercise 1) in **SAP-QTI**.



Posting against Earmarked Funds in FIS Transactions



Processing Against Earmarked Funds in FIS Transactions

One of the benefits of creating Earmarked Funds to reserve money for future expenses is that the reserve can be accessed directly when processing some FIS transactions, such as:

- **A/P Invoices**
- **Expense Reimbursements**
- **Journal Entries**



REMINDER: Certain transactions such as ERDD – Web application and automated postings such as PCard (i.e. MasterCard) cannot draw from an Earmarked Fund.

Using Earmarked Funds in FIS Transactions

Example:

Invoice processed against a single & multi-line Earmarked Fund

Enter Vendor Invoice: Company Code UOFT

Tree On Company Code Hold Simulate Park

Transactn Invoice Bal. 500.00-

Basic data Payment Details Tax Notes

Vendor 100333
 Invoice date 10.01.2022 Reference 876886
 Posting Date 12.01.2022 Period 9
 Document Type KN:AP Vendor invoic
 Cross-CC Number
 Amount 1,500.00 CAD Calculate Tax
 Text 876886
 Paymt terms 35 Days net

Vendor Address
 Dell Canada Inc.
 Station A
 PO Box 8440
 TORONTO ON M5W 3P1
 416-758-2242

1 Items (Screen Variant : Line Item Entry - FB60 + FB65)

Status	G/L acct	Short Text	D/C	Amount in doc.curr.	Earmarked funds	Earmarked funds: Document item
✓	821110	Equip:Comput.P...	Debit	1,000.00	102034269	
	825000		Debit	500.00	102190386	3

Single Line Earmarked Fund

Multi-Line Earmarked Fund

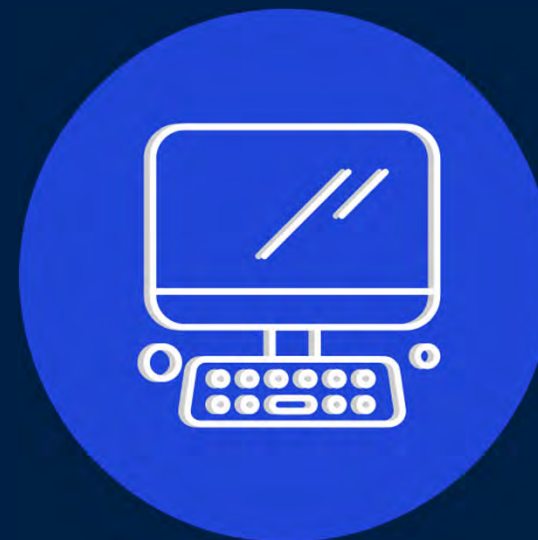


You can locate a list of all your Earmarked Funds by running the ZFIR079A – All Postings Line Item report OR maintain an spreadsheet with a list of Earmarked Funds.

Exercise # 4 – Process Payment against Earmarked Fund

Instructions (approx. 10 - 15 minutes)

Use the [reference guide](#) and complete exercise 4 (i.e. process invoice against Earmarked Fund from exercise 1).



Reporting on Earmarked Funds



Reporting on Earmarked Funds

There are three common reports used to track Earmarked Funds:

- ZFM1 – Funding: Funds Center or Fund Report
- ZFIR079A – All Postings Line Item Report
- **FMZ3** - Display Earmarked Funds

Report 1 – ZFM1 – Funding: Funds Center or Fund Report

The **Commitments** column in the ZFM1 report will indicate all reserves, including:

- Earmarked Funds
- Purchase Orders
- Payroll Reserves

Funds Center Report

Show all Commitment Items with hierarchy Switch to spreadsheet view Show all Commitment Items w/o hierarchy Open next level

Funds Center Report

Fiscal Year: 2022 Report Instance: ZFTR111 QT1
 Funds Center: 109601 FAST: Self-Funding User: PARAMRAM
 Include FC Hierarchy: Date/Time: 12.01.2022 17:03:36
 FC Hierarchy variant: 0000
 Include PI FCs: X

Commitment Items	Original Budget	Revised Budget	Commitments	Actuals	Commitments+ Actuals	Revenue Variance/ Funds Available
Expenditures						
- EXPENSE-S	0.00	11,275,000.00	8,627.30	59,042.37	67,669.67	11,207,330.33
^ EXPENSE-S	0.00	11,275,000.00	0.00	0.00	0.00	11,275,000.00
+ EQUIP-S	0.00	0.00	4,542.44	457.56	5,000.00	5,000.00-
+ FURNIT-S	0.00	0.00	0.00	500.00	500.00	500.00-
+ SUPPL-S	0.00	0.00	4,084.86	57,597.71	61,682.57	61,682.57-
+ TRAVEL-S	0.00	0.00	0.00	487.10	487.10	487.10-
Total Expenditures	0.00	11,275,000.00	8,627.30	59,042.37	67,669.67	11,207,330.33
Net	0.00	11,275,000.00	8,627.30	59,042.37	67,669.67	11,207,330.33



[Link to Reference Guide](#)



To view a list all Earmarked Funds, double click on the Commitment Item amount (e.g., EXPENSE-S, SUPPL-S).

Report 2 – ZFIR079A: All Postings Line Item Report

The All Postings Line Item report provides a list of all Earmarked Fund created against a Funds Center or Funds Center/Fund combination.



[Link to Reference Guide](#)

All Postings: Line Items by Document Number (w/ addnal flds)
12.01.2022 16:48:14

RefDocNo	G/L Account	Payment budget	G/L Acct Long Text	Cost ...	Ord...	Funds Ctr	Fund	Line It
102034270		5,000.00				109601		equipm
102034270		5,000.00				109601		softwa
		10,000.00						
102034269	821110	10,000.00	Equipment:Computing:Purchase 29440	29440		109600		Reser
102034269		4,118.09	Equipment:Computing:Purchase 29440	29440		109600		Reser
	821110	5,881.91						
		15,881.91						
		15,881.91						





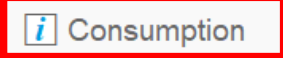
If the Earmarked Fund was created using the Commitment Item and NOT the G/L Account, the G/L Account will be blank.


It also details the line item reserve amount and consumption.

Report 3 – FMZ3 – Display Earmarked Fund

To display all postings against an Earmarked Fund, as well as remaining reserves, click the **Consumption** button.

Funds commitment: Display Overview scrn

Document Number	102190388	 Posted	Document Date	13.01.2022
Document Type	11	Funds commitment standard	Posting Date	13.01.2022
Company Code	UOFT	University of Toronto	Currency/Rate	CAD
Document Text	Reserve for 5 desktop computers			
Currency	CAD			
Grand Total	17,000.00			

Line Items									
Total Amount	Document Item	Commitment item	Funds Center	Fund	G/L Account	Cost Center	Order	Vendor	
10,000.00	1	EQUIP-PUR	100654		821110	11040			
5,000.00	2	SUP-OFFICE	100654		825820	11040			
2,000.00	3	SUP-OFFICE	100654		825200	11040			



[Link to Reference Guide](#)

Report 2 – ZFIR079A: All Postings Line Item Report

Reserve/Receipt amount by line item

Document Numbers of transactions posted against Earmarked Funds (drilldown)

Earmarked Funds: Display Consumption History

Earm. Fnds	Item	Activity	Trigger Document	Conspn in Doc.	Cncy	Consumption in LC	LCurr	Non-Relevant (FC)	Non-Relevant (LC)	Delete Date	Doc. Date	Reduction Text	R
10240388	1	Receipt amt		10,000.00	CAD	10,000.00	CAD	0.00	0.00				
		Invoice/Credit Memo	1904977326 UOFT2022	4,575.67	CAD	4,575.67	CAD	0.00	0.00	13.01.2022	11.01.2022	remaining laptops	
		Invoice/Credit Memo	1904977325 UOFT2022	4,575.66	CAD	4,575.66	CAD	0.00	0.00	13.01.2022	10.01.2022	partial laptops	
		Total Invoices/credit memos		9,151.33	CAD	9,151.33	CAD	0.00	0.00				
		Consumpt.		9,151.33	CAD	9,151.33	CAD	0.00	0.00				
		Open amount		848.67	CAD	848.67	CAD	0.00	0.00				
	2	Receipt amt		5,000.00	CAD	5,000.00	CAD	0.00	0.00				
		Invoice/Credit Memo	1904977326 UOFT2022	1,830.26	CAD	1,830.26	CAD	0.00	0.00	13.01.2022	11.01.2022	supplies	
		Total Invoices/credit memos		1,830.26	CAD	1,830.26	CAD	0.00	0.00				
		Consumpt.		1,830.26	CAD	1,830.26	CAD	0.00	0.00				
		Open amount		3,169.74	CAD	3,169.74	CAD	0.00	0.00				
	3	Receipt amt		2,000.00	CAD	2,000.00	CAD	0.00	0.00				
		Invoice/Credit Memo	1904977327 UOFT2022	915.13	CAD	915.13	CAD	0.00	0.00	13.01.2022	11.01.2022	software - partial	
		Total Invoices/credit memos		915.13	CAD	915.13	CAD	0.00	0.00				
		Consumpt.		915.13	CAD	915.13	CAD	0.00	0.00				
		Open amount		1,084.87	CAD	1,084.87	CAD	0.00	0.00				



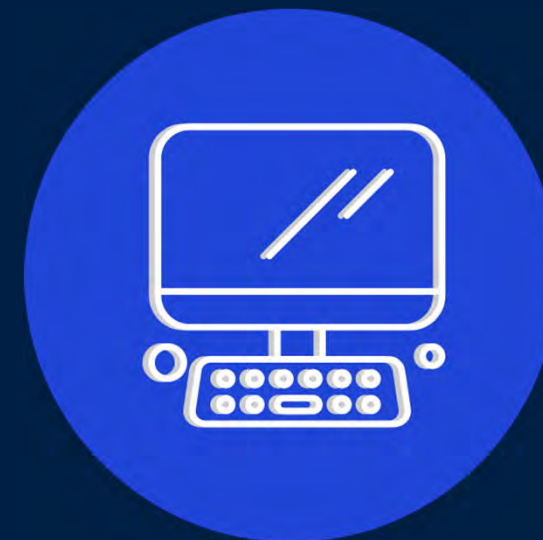
[Link to Reference Guide](#)

Consumption & Open Amount (i.e. remainder)

Exercise # 5 – Determine Usage against Earmarked Fund

Instructions (approx. 5minutes)

Use the [reference guide](#) and complete exercise 5 (Display Earmarked Fund Usage).



Learning Objectives

- Understand what are Earmarked Funds and how they can help you manage your budget
- Create Earmarked Funds
- Process transactions against funds reserved in Earmarked Funds
- Change and release Earmarked Funds
- Generate reports to track the status of Earmarked Funds



Contact Information & Additional Resources



- **FAST General Mailbox** – fast.help@utoronto.ca
- [Faculty FAST Team Representatives List](#)

- [GTFM Policy – Deposits with the Cashier](#)
- [Knowledge Centre](#)
- [Documentation & Support](#)



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