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## SUPPORT SERVICES JOB AID

### NAF Financial Management Monitor NAF & APF Budget Execution

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#### DO THIS TASK WHEN

- Nonappropriated funds (NAF) are being spent and revenue received.
- Budgeted Appropriated funds (APF) are being obligated according to the APF spending plan.
- Additional APF are received/reprogrammed.
- Local NAF and APF budget records and quarterly reports are received/reviewed.
- Accounting and Information Management System (AIMS) financial data is available.
- Preparing next year's NAF and APF budget projections/ input.
- Mid-year and end-of-fiscal-year reviews.

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#### REFERENCES

- DoD 7000.14-R, Department of Defense Financial Management Regulation
- CNICINST 1710.3 (series), Operation of Morale, Welfare and Recreation Programs

**REFERENCES  
(cont.)**

- DoD 5500.7 (series), Standards of Conduct Joint Ethics Regulation
  - AIMS training handout, Activity Managers' Reporting Manual
  - OPNAVINST 1700.9 (series), Child Development Programs.
  - NAVSO P-1000, DON Financial Management Policy Manual.
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**RESOURCES/  
SUPPLIES**

- Computer hardware and software specified for AIMS by CNIC FFR Headquarters (N946 and N948).
  - Access to and authorization to use AIMS.
  - Basic AIMS training for FFR/MWR managers. (Provided by N948.)
  - APF budget. (Operating Target [OPTAR].)
  - Approved NAF budget.
  - AIMS Chart of Accounts.
  - Applicable AIMS financial reports.
  - Applicable subsidiary records.
  - Using Your AIMS Plan & Financials (see Analyze AIMS Financial Statements).
  - Local NAF and APF budget forms.
  - Procurement documents.
  - Computer and spreadsheet software.
-

**THIS TASK  
IS DONE  
CORRECTLY  
WHEN**

- NAF budgets are monitored at least weekly. APF budgets are monitored monthly.
- NAF and APF are spent as planned (budgeted) and authorized.
- Subsidiary records are reviewed as applicable.
- Operational adjustments are based on budget variances.
- Budget changes are based on operational needs or new budget assumptions.
- Data corrections are based on the discovery of incorrect data entry or other procedural errors.

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**NOTES**

One critical purpose of a Plan (budget) is to serve as a control. A budget establishes standards against which actual financial performance is measured. Regular monitoring of the variance between Plan (budget) and actual is one such measure of control. The results of these comparisons tell us when and what changes need to be made to either the Program or the Plan (budget).

This task focuses on **monitoring** budget execution and taking appropriate actions to ensure budget compliance. It is closely related to analyzing monthly financial statements and duplicates some of the steps in Analyze AIMS Financial Statements.

The difference between this task and Analyze AIMS Financial Statements is that in this task you are using AIMS financial data that is very nearly in real time. In Analyze AIMS Financial Statements, you examine the financial results of the prior month. (i.e., historical data versus real-time data.) The real-time AIMS data gives you information on which you can take immediate action to positively influence the current month's financial results.

**NOTES**  
**cont.**

This task begins with you taking actions to monitor actual NAF income and expenses and/or available budgeted APF and expenses as compared to those predicted and planned for in the current year's NAF and APF budgets. The steps in this task should be accomplished at least weekly; at the end of each month and quarter; during mid-year review; and the end of the fiscal year.

Your business office may maintain a budget record that tracks your expenditures. However, you need to track your Plan (budget) execution in accordance with local policy. Of the many reports provided in AIMS, this task uses two reports that track NAF budget performance.

- Budget Performance Activity - New. This report identifies current month and year-to-date Plan and actual variance and variance percentage. (All references in this task to this report are relative to the report labeled, Budget Performance Activity - New.)
- P&L Current Month / Cumulative. This report shows the amount of available budget for the Fiscal Year in dollars and percents. (This report also contains budget variance data.)

Monitoring the APF budget is different than monitoring the NAF budget. However, as much as seventy percent of APF is executed using Uniform Funding Management (UFM) practices. These APF transactions are monitored and tracked in AIMS as if you used NAF.

APF transactions are monitored and tracked differently. You do not have access to APF data using the AIMS reports or financial statements. The FFR regional business office tracks APF online or uses printed reports from the Standard Accounting and Reporting System (STARS) or the Command Financial Management System (CFMS).

**NOTES  
(cont.)**

You can request copies of the APF reports or use a local budget record such as a spreadsheet computer program or a local written log. If you track your data on a spreadsheet or log, you will need to reconcile your APF expenses and execution with the actual execution reflected on the STARS or CFMS reports from the Business Office.

What and how you track will depend on the type of funds (NAF/APF) you are authorized to use, the focus of your Program, and the type, timeliness and volume of your transactions. Although not a requirement, emphasis should be placed on monitoring the budget at least weekly.

Review, as applicable, the APF or NAF budget **PRIOR** to authorizing or requesting expenditures, and ensure availability of funds. REMEMBER, **APF** cannot be obligated without authorization--you cannot spend what you do not have!

You determine; in concert with your immediate supervisor, FFR director/site manager, and perhaps a higher-level regional manager; what makes business sense to you.

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**NOTES**  
**(cont.)**

AIMS provides a hierarchy of financial statements and reports. See example in the enclosure, Using Your AIMS Plan & Financials at the end of the task, Analyze AIMS Financial Statements.

- That illustration will be similar to the AIMS screen that lists the Cost Center Reports.
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**PROCEDURE**

**Step 1** Use the following table to select the appropriate steps to track and monitor your NAF or APF budget execution.

IF YOU ARE TRACKING/MONITORING:	THEN:
NAF Budget Execution or Available Funds	Go to Step 2.
APF Budget Execution	Go to Step 16.

**TRACK/MONITOR NAF BUDGET EXECUTION**

**Step 2** Determine which AIMS reports to use.

IF YOU ARE TRACKING/MONITORING:	THEN:
NAF budget execution	<ol style="list-style-type: none"> <li>1. Use the <u>Budget Performance Activity - New</u> report.</li> <li>2. Complete Steps 3 through 12.</li> </ol>
Amount of NAF remaining in the budget	<ol style="list-style-type: none"> <li>1. Use the <u>P&amp;L Current Month / Cumulative</u> report.</li> <li>2. Complete Steps 13 through 15.</li> </ol>

**Step 3** Gather the following documents and information to monitor NAF Plan (budget) execution.

- Revenue supporting documentation.
  - Daily Activity Record (DAR)
  - Point of Sale Report
  - Sales Journal (locally generated records)
  - Cash sales receipts
  - Customer payments (deposits)
- KRONOS® or local payroll information. (This is your only source for payroll breakdown/employee details.)
- Bills, invoices, vouchers, delivery tickets, BPA reports, call sheets, usage records, inventory records, etc.
- Purchase orders, purchase requests, contracts, etc. List of open orders. (Open orders are obligations. Orders are not posted until services or items are received. Therefore, “open” orders are not reflected in the accounting data. This results in a larger than expected variance between plan and actual.)
- NAF purchase card records.
- Uniform Funding Management (UFM) documentation.

**NOTE:** The purpose of this step is to remind you to gather data and documentation that tells you what your Program has (or should have) earned and spent/obligated – your actual financial performance for the period you are monitoring.

You may find utility in creating and maintaining spreadsheet documents to keep track of your daily revenue and costs. Alternatively, you may choose to maintain copies of DARs, POS printouts, sales receipts, purchase request documents, invoices, BPA reports, call-in sheets, credit card log, etc. on clipboards or in file folders.

You may use this data/documentation to confirm/validate the data you will be examining in the various AIMS Reports.

**Step 4** Log on to AIMS and navigate to the Cost Center Reports menu.

**NOTE:** Logon and navigation procedures are explained in the AIMS Training Handout, Activity Managers' Reporting Manual. Contact your local Business Office or CNIC N948 for assistance.

- Following the AIMS procedures provided in the AIMS training manuals, enter the transaction code ZCO01 in the Command Field and press enter or click on the “enter button” (green circle with a check mark). This will take you to the hierarchy of the Cost Center Reports under the heading, “SAP Menu”.

**NOTE:** Clicking the right arrowhead symbol (>) in any of the folder icons will expand the reports in that folder. Clicking the down arrowhead symbol (v) in any of the folder icons will collapse the reports into that folder.

- Locate the Budget Performance Activity - New report located in the folder, “Standard Month-end Reports”.

**Step 5**

Select the Budget Performance Activity - New report from the AIMS Cost Center Reports hierarchy. (See a sample of this report in the “Using Your AIMS Plan & Financials” enclosure at the end of Analyze AIMS Financial Statements.)

**NOTE:** Because AIMS is dynamic, statements and reports are being added, deleted and changed regularly. Therefore, your hierarchy may look different.

- This report gives you Actual, Plan, Variance, and Variance Percentage data for the current month and current year-to-date for each account in your Cost Center.
- The report also gives you Prior Year Actuals for each account in your Cost Center.
- This data will indicate:
  - The results of all accounts in your Cost Centers compared to the budget and prior fiscal year for the current month and current year to date.
  - The need for further analysis, if applicable to the data.

**Step 6** On the Budget Performance Activity - New report, locate the major Revenue Elements that are outside an acceptable range of financial performance for the financial period you are examining. (1<sup>st</sup> week, 2<sup>nd</sup> week, etc. See table below.) **[Read all of Step 6 before starting the “drill-down” in AIMS.]**

- Major Revenue Elements are preceded by an asterisk [\*].
- Depending on the nature of your business, you will determine which Revenue Elements to examine, if any.

**NOTE:** AIMS does not include dollar signs or percent signs throughout its reports.

Line items preceded by an asterisk (\*) are an accumulation of related accounts. You may need to look into these contributing accounts later.

Line items preceded by two asterisks (\*\*) are an accumulation of the related single asterisk totals, etc.

This step deals with your revenue elements only. Step 8 repeats these processes for your cost elements.

Posting and closeout will cause your actual financial data to lag anywhere from a few to 10 days each month.

- Start with any of your Cost Centers.
- Under the column **CURRENT MONTH VAR %**, find any line item that has a variance percentage greater than 10% above target.

IF YOU ARE EXAMINING WEEK(S):	YOU WOULD EXPECT TO MAKE THIS AMOUNT OF REVENUE BUDGETED FOR THE MONTH:	YOUR TARGET VARIANCE FROM PLAN (BUDGET) SHOULD BE:	THEN EXAMINE VARIANCES WHICH ARE:
1	1/4	75%	85% or higher, Unfavorable →
1 & 2	HALF	50%	60% or higher, Unfavorable →
1, 2 & 3	3/4	25%	35% or higher, Unfavorable →
1, 2, 3 & 4	ALL	0 (on track)	10% or higher, Unfavorable →

**NOTE:** The target variance percentages and the ranges above are used because AIMS calculates month-to-date performance against the month's Plan (budget) figures.

**Step 6  
cont.**

**NOTE:** Examining the variance percentages is one way to monitor how you are doing week-to-week with regard to your Plan (budget). However, if you are more accustomed to monitoring your key indicators as dollar figures, then you should use the actual dollar figures found in the column, **CURRENT MONTH ACTUAL**. These are compared to what you “know” about your Program – daily awareness of revenue and costs. You have to decide which makes more sense to you and which is easier.

**Examples of variances and actual dollar figures that would require further examination:**

**% Example:** You are looking at your statement at the end of the 2<sup>nd</sup> week and you notice a 64% variance in Program Revenue. This is **above** the second week target of 50% and outside the acceptable 10% range (60%) indicating a possible problem in Program Revenue.

Your action would be to investigate further by “drilling down” into the AIMS data.

**\$ Example:** You are looking at your statement at the end of the 3<sup>rd</sup> week and notice that your Resale Revenue during league time (you are a bowling center) is \$2,500.00 through three weeks. This is well below your pro shop norm of \$6,000 for a typical three-week period. (Plan is \$8,000 for this month.) Remember, performance **below** plan in Revenue is **not** a good thing.

Your action would be to investigate further by “drilling down” into the AIMS data.

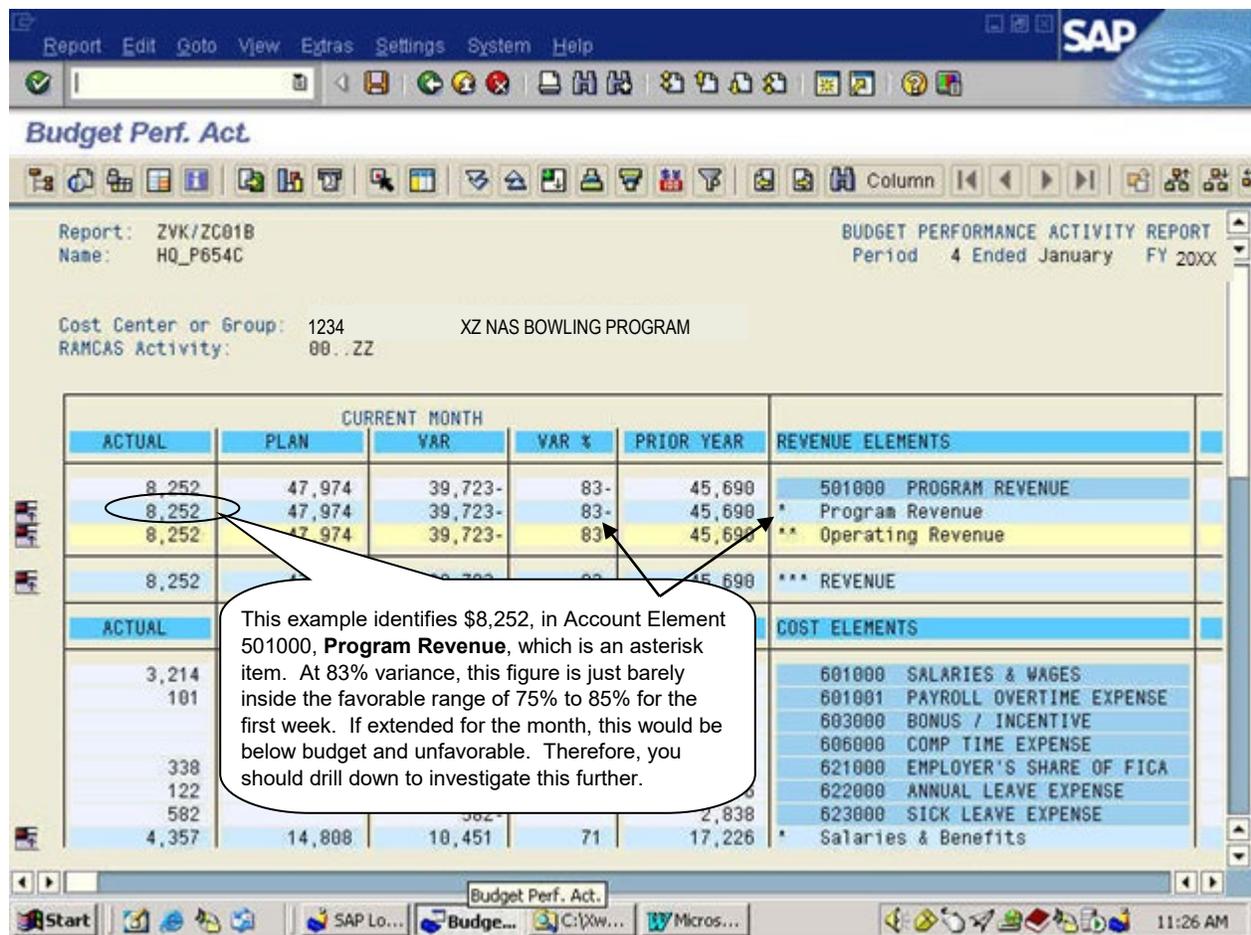
**SUPPORT SERVICES JOB AID**

**Step 6  
cont.**

**NOTE:** The screen capture from AIMS below shows an example of an actual revenue account that is nearly outside the target range of acceptable financial performance.

This begins a series of screen captures that show you how to follow a stream of information starting from the Budget Performance Activity - New report and working back toward the input documents so you can identify the potential source of difficulty.

- See example below. Because 83% borders on being unfavorable, you would double click on the actual figure 8,252. You must double click the 8,252 to drill down on that figure. (Double clicking on other figures in the account line, drills down on the selected number, percentage or element.)



To investigate further, go to Step 7.

**Step 7** Verify the accuracy of the **Revenue Elements** you identified as outside an acceptable range of financial performance for the financial period you are examining. (1<sup>st</sup> week, 2<sup>nd</sup> week, etc.)

- Drill down on each line item that has a variance percentage greater than 10% outside the applicable range.
  - Double click the left mouse button on the applicable figure in the **ACTUAL** column.
  - See example below. You would double click on the figure 8,252 because this revenue is on the edge of unfavorable.

Report: ZVK/ZC01B  
Name: HQ\_P654C  
BUDGET PERFORMANCE ACTIVITY REPORT  
Period 4 Ended January FY 20XX  
Cost Center or Group: 1234 XZ NAS BOWLING PROGRAM  
RAMCAS Activity: 00.ZZ

CURRENT MONTH					REVENUE ELEMENTS
ACTUAL	PLAN	VAR	VAR %	PRIOR YEAR	
8,252	47,974	39,723-	83-	45,690	501000 PROGRAM REVENUE
8,252	47,974	39,723-	83-	45,690	* Program Revenue
8,252	47,974	39,723-	83-	45,690	Operating Revenue
8,252					*** REVENUE
ACTUAL					EXPENSE ELEMENTS
3,214					601000 SALARIES & WAGES
101					601001 PAYROLL OVERTIME EXPENSE
					603000 BONUS / INCENTIVE
					606000 COMP TIME EXPENSE
338					621000 EMPLOYER'S SHARE OF FICA
122					622000 ANNUAL LEAVE EXPENSE
582		582-		2,838	623000 SICK LEAVE EXPENSE
4,357	14,808	10,451	71	17,226	* Salaries & Benefits

This example identifies \$8,252 in Account Element 501000, **Program Revenue**, which is an asterisk item. At 83% variance, this figure is just barely inside the favorable range of 75% to 85% for the first week. Extended for the month, this would be well below budget and unfavorable. Therefore, you should drill down to verify accuracy of this information.

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**Step 7  
cont.**

- You will see a box titled “Choose Report”.

Highlight the line “Cost Centers: Actual Line Items” and either click on the check mark icon or double click on the highlighted choice.

The screenshot shows the SAP interface for a Budget Performance Activity Report. A 'Choose Report' dialog box is open, with 'Cost Centers: Actual Line Items' selected. The background report displays data for 'CURRENT MONTH' and 'PRIOR YEAR' across various revenue and cost elements.

CURRENT MONTH					
ACTUAL	PLAN	VAR	VAR %	PRIOR YEAR	REVENUE ELEMENTS
8,252	47,974	39,723-	83-	45,690	501000 PROGRAM REVENUE
8,252	47,974	39,723-	83-	45,690	* Program Revenue
8,252	47,974	39,723-	83-	45,690	** Operating Revenue
8,252	47,974	39,723-	83-	45,690	*** REVENUE
ACTUAL	PLAN	VAR	% VAR	PRIOR YEAR	COST ELEMENTS
3,214	12,846	9,632	75	12,501	601000 SALARIES & WAGES
101		101-		190	601001 PAYROLL OVERTIME EXPENSE
					603000 BONUS / INCENTIVE
					606000 COMP TIME EXPENSE
338	1,285	947	74	1,221	621000 EMPLOYER'S SHARE OF FICA
122	677	555	82	476	622000 ANNUAL LEAVE EXPENSE
582		582-		2,838	623000 SICK LEAVE EXPENSE
4,357	14,808	10,451	71	17,226	* Salaries & Benefits

- This will take you to “Display Actual Cost Line Items for Cost Centers.”
- This AIMS view shows the actual line items for the accounting record. It is here that you can verify that the element/account and Cost Center are correct, and that the dollar amount is accurate (no numbers transposed) based upon your supporting documentation.

E.g., DARs, receipts, usage data, etc., that you gathered in Step 3.

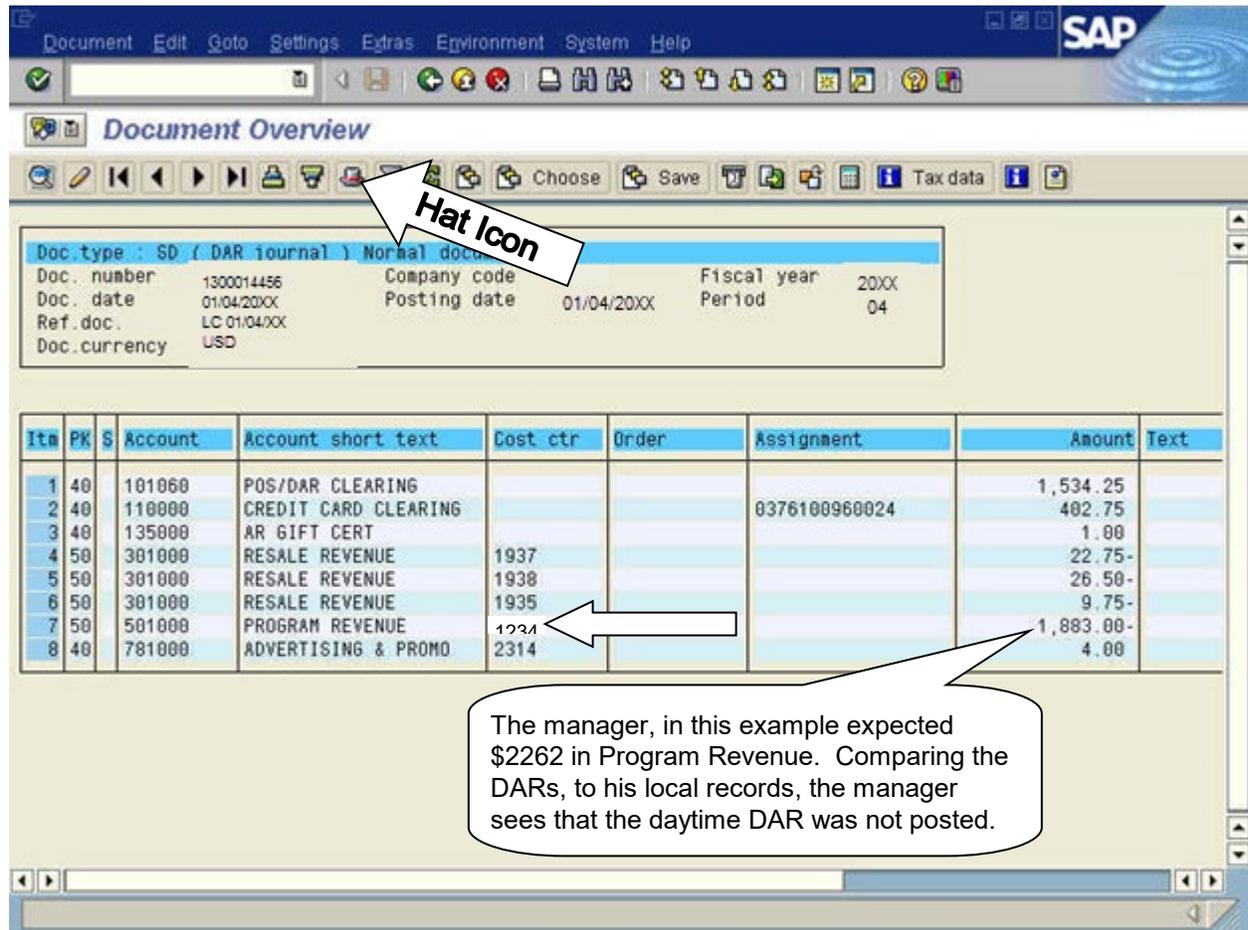
- When you question any of these, place the cursor pointer in the cell of information and double-click. The entire row will highlight. Double clicking takes you to “Document Overview” illustrated on the next page.

Display variant /AIMS01 Cost Center Line Item Display  
 Cost center 1234 XZ NAS Bowling Program  
 COarea currency USD US Dollar

CoCo...	Cst elemnt	Cost element name	DocT...	Posting date	z.ValueCOCur	Cost...	Line item text
13XX	501000	PROGRAM REVENUE	SD	01/04/20XX	323.50	1234	
13XX	501000	PROGRAM REVENUE	SD	01/04/20XX	496.50		
13XX	501000	PROGRAM REVENUE	SD	01/04/20XX	1,883.00		
13XX	501000	PROGRAM REVENUE	SD	01/04/20XX	548.50		
13XX	501000	PROGRAM REVENUE	SD	01/04/20XX	2,332.00		
13XX	501000	PROGRAM REVENUE	SD	01/04/20XX	511.75		
13XX	501000	PROGRAM REVENUE	SD	01/04/20XX	523.00		
13XX	501000	PROGRAM REVENUE	SD	01/05/20XX	543.75		
13XX	501000	PROGRAM REVENUE	SD	01/05/20XX	484.75		
13XX	501000	PROGRAM REVENUE	SD	01/06/20XX	727.75		
13XX	501000	PROGRAM REVENUE	SD	01/06/20XX	219.50		
13XX	501000	PROGRAM REVENUE	SD	01/07/20XX	789.00		
13XX	501000	PROGRAM REVENUE	SD	01/07/20XX	272.50		
13XX	501000	PROGRAM REVENUE	SD	01/08/20XX	326.00		
13XX	501000	PROGRAM REVENUE	SD	01/08/20XX	927.50		

**Step 7  
cont.**

- “Document Overview” shows the input documents that were included in the accounting Revenue Element 501000 (line item) that you questioned.



- Because there is an apparent discrepancy between the manager’s documents and what was posted, the manager clicks the “Hat” icon. (See illustration above.)
- If this information had been okay, you would stop here and back out of AIMS to the Budget Performance Activity - New report and check the next Revenue Element you might question. In this example, you need to drill down one more screen.
- Clicking the “Hat” Icon takes you to AIMS display, “Document Header”. (See illustration on next page.)
- “Document Header” shows Business Office reference data about the transaction including who posted it.

Document Header: Company Code 13

Document type	SD	DAR journal	
Doc. header text			
Reference	LC 01/04/20XX	Document date	01/04/20XX
		Posting date	01/04/20XX
Currency	USD	Posting period	04 / XX
Ref. procedure	BKPF	Accounting document	
Reference key	130001445613532004	Log. System	PR2_100
Entered by	NOR_TSCHMIDT	Transaction	FB01
Entry date	01/15/20XX	Time of entry	10:19:06
Changed on		Last update	
Parked by			

✓ ✗

- Use this screen to identify whom to call (double click the “Entered by” name to see contact information) about questions and concerns, and to ask them to correct errors.

**Reminder:** The accuracy you are confirming is **no** transposition errors, incomplete/incorrect data, data posted to wrong Cost Center, element/account, etc., as compared to your local records.

- Staying in the same Cost Center printout, repeat this procedure for each Revenue Element for which you have question or concern.

**Step 8** Verify the accuracy of the **Cost Elements** you identified as outside an acceptable range of financial performance for the financial period you are examining. (1<sup>st</sup> week, 2<sup>nd</sup> week, etc. See table below.) **[Read all of Step 8 before starting the “drill-down” in AIMS.]**

- Major Cost Elements are preceded by an asterisk [\*].
- Depending on the nature of your business, you will determine which Cost Elements to examine, if any.

**NOTE:** AIMS does not include dollar signs or percent signs throughout its reports.

Line items preceded by an asterisk (\*) are an accumulation of related accounts. You may need to look into these contributing accounts later.

Line items preceded by two asterisks (\*\*) are an accumulation of the related single asterisk totals, etc.

This Step deals with your cost elements only.

Posting and closeout will cause your actual financial data to lag anywhere from a few to 10 days each month.

- Start with any of your Cost Centers.
- Under the column **CURRENT MONTH VAR %**, find any line item that has a variance percentage greater than 10% below target.

IF YOU ARE EXAMINING WEEK(S):	YOU WOULD EXPECT TO SPEND THIS AMOUNT OF YOUR TOTAL BUDGET FOR THE MONTH:	YOUR TARGET VARIANCE FROM PLAN (BUDGET) SHOULD BE:	THEN EXAMINE VARIANCES WHICH ARE:
1	1/4	75%	65% or lower, Unfavorable →
1 & 2	HALF	50%	40% or lower, Unfavorable →
1, 2 & 3	3/4	25%	15% or lower, Unfavorable →
1, 2, 3 & 4	ALL	0 (on track)	0% or lower (negative), Unfavorable →

**NOTE:** Be careful... the range in this table for cost elements is the Reverse of the Table in Step 6 for revenue elements.

The target variance percentages and the ranges above are used because AIMS calculates month-to-date performance against the month's Plan (budget) figures.

**Step 8  
cont.**

**NOTE:** Examining the variance percentages is one way to monitor how you are doing week-to-week with regard to your Plan (budget). However, if you are more accustomed to monitoring your key indicators as dollar figures, then you should use the actual dollar figures found in the column, **CURRENT MONTH ACTUAL**. These are compared to what you “know” about your Program – daily awareness of revenue and costs. You have to decide which makes more sense to you and which is easier.

**Examples of variances and actual dollar figures that would require further examination:**

**% Example:** You are looking at your statement at the end of the 2<sup>nd</sup> week and you notice a 36% variance in a Cost Element. This is **below** the second week target of 50% and outside the acceptable 10% range (40%) indicating a possible problem in a Cost Element.

Your action would be to investigate further by “drilling down” into the AIMS data.

**\$ Example:** You are looking at your statement at the end of the 3<sup>rd</sup> week data and notice that your Supplies Account is \$3,000.00 for the week. This is well above your target of \$2,000 per week. (Plan is \$8,000 for this month.) Remember, spending **above** your plan is **not** a good thing.

Your action would be to investigate further by “drilling down” into the AIMS data.

**NOTE:** On the next page, you will find a screen capture from AIMS. It shows an example of an actual cost account that is outside the target range of acceptable financial performance.

This begins a series of screen captures that show you how to follow a stream of information starting from the Budget Performance Activity - New report and working back toward the input documents so you can identify the potential source of difficulty.

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### Step 8 cont.

- Drill down on each line item that has a variance percentage greater than 10% outside the applicable range. (See earlier Table above.)
- See example below. You would double click on the figure \$915 because this Cost Element is unfavorable because you are in **week one** expecting a target of 75%. The variance of this account is 23%.
- Double click the left mouse button on the applicable figure in the **ACTUAL** column.

Report: ZVK/ZC01B  
Name: HQ\_P654C

BUDGET PERFORMANCE ACTIVITY REPORT  
Period 4 Ended January FY 20XX

Cost Center or Group: 1934 LC NAB LANES PROGRAM  
RAMCAS Activity: 00.ZZ

CURRENT MONTH				PRIOR YEAR	COST ELEMENTS
ACTUAL	PLAN	VAR	VAR%		
3,214	12,846	9,632	75	12,501	601000 SALARIES & WAGES
101		101-			601001 PAYROLL OVERTIME EXPENSE
					603000 BONUS / INCENTIVE
338	1,285	947	74		
122	677	555	82		
582		582-			
4,357	14,808	10,451	71		
68	4,861	4,793	99		
68	4,861	4,793	99		
	1,000	1,000	100	971	683000 REPAIRS & MAINT-FF&E
	1,000	1,000	100	971	685000 REPAIRS & MAINT-BLDG
915	1,190	275	23	2,351	* Maintenance
915	1,190	275	23	2,351	* 783000 CONTRACTUAL EXPENSE
					* Contractual

This header information is shown here for the purpose of clarification, only. This information does **not** scroll in AIMS when you scroll down the reports. It remains at the top of the report.

- You will see a box titled “Choose Report”.

Highlight the line “Cost Centers: Actual Line Items” and either click on the check mark icon or double click on the highlighted choice.

The screenshot shows the SAP interface for a Budget Performance Activity Report. A 'Choose Report' dialog box is open, allowing selection between 'Cost Centers: Actual Line Items' and 'Cost Centers: Plan Line Items'. The 'Actual Line Items' option is selected. Below the dialog, the main report area displays a table with columns for 'CURRENT MONTH' and various expense categories. The table data is as follows:

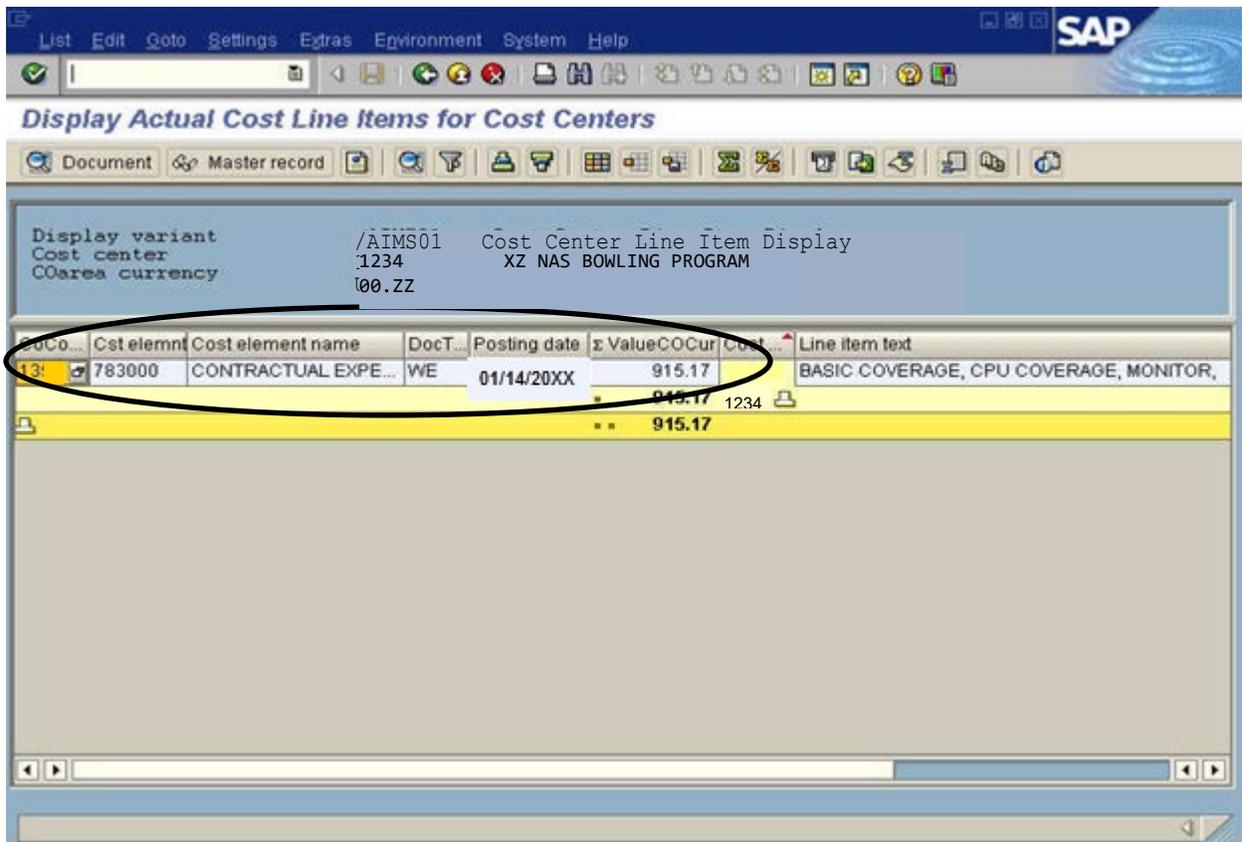
CURRENT MONTH					
3,214	12,846	9,632	75	12,501	601000 SALARIES & WAGES
101		101-		190	601001 PAYROLL OVERTIME EXPENSE
					603000 BONUS / INCENTIVE
					606000 COMP TIME EXPENSE
338	1,285	947	74	1,221	621000 EMPLOYER'S SHARE OF FICA
122	677	555	82	476	622000 ANNUAL LEAVE EXPENSE
582		582-		2,838	623000 SICK LEAVE EXPENSE
4,357	14,808	10,451	71	17,226	* Salaries & Benefits
					686000 MINOR PROPERTY
68	4,861	4,793	99	550	701000 SUPPLIES
68	4,861	4,793	99	550	* Supplies
	1,000	1,000	100	971	681000 REPAIRS & MAINT-VEH
					683000 REPAIRS & MAINT-FF&E
	1,000	1,000	100	971	685000 REPAIRS & MAINT-BLDG
					* Maintenance
915	1,190	275	23	2,351	783000 CONTRACTUAL EXPENSE
915	1,190	275	23	2,351	* Contractual

**Step 8  
cont.**

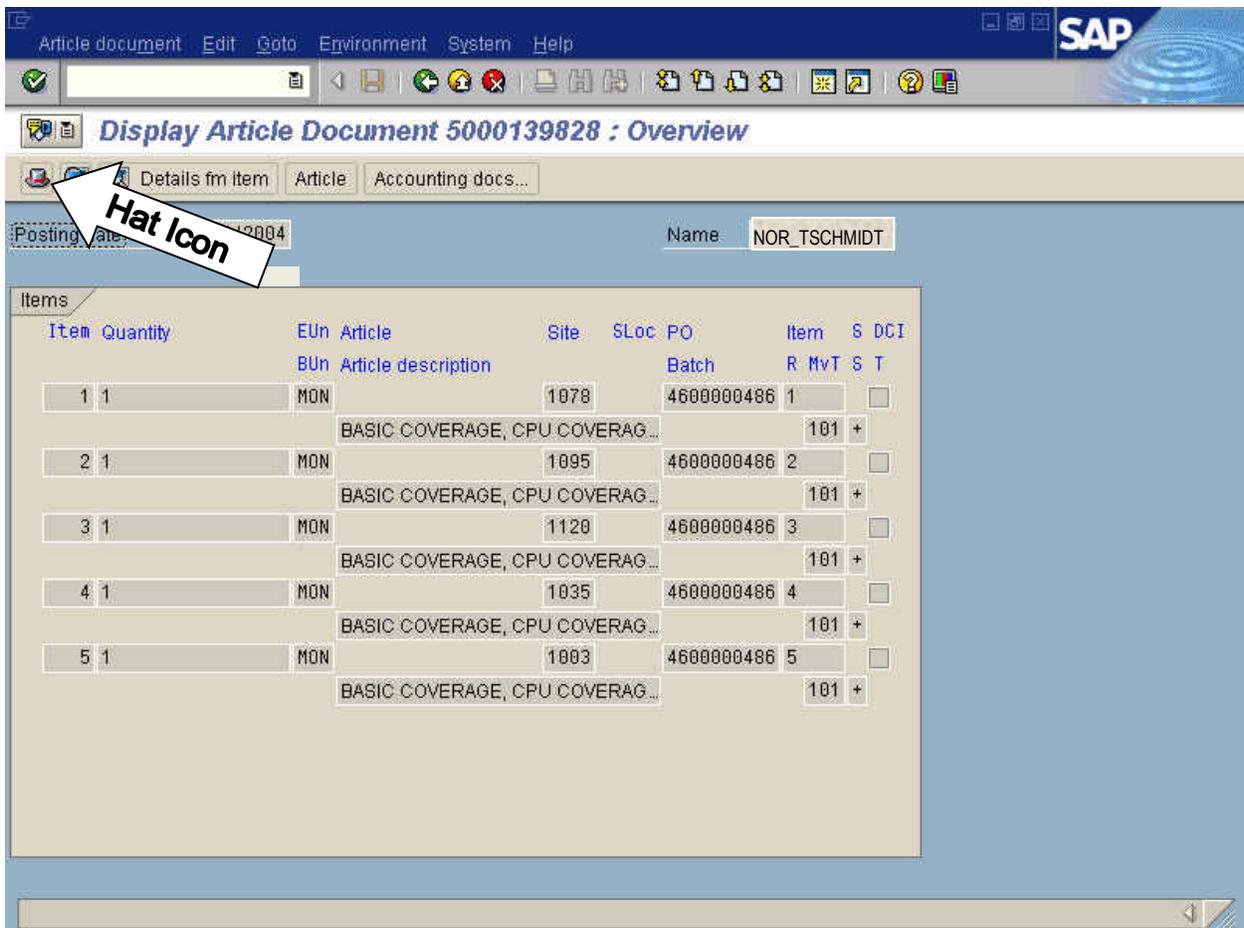
- This will take you to “Display Actual Cost Line Items for Cost Centers.”
- This AIMS view shows the actual line items for the accounting record. It is here that you can verify that the element/account and Cost Center are correct, and that the dollar amount is accurate (no numbers transposed) based upon your supporting documentation.

E.g., delivery tickets, invoices, credit card slips, contracts, purchase documents, KRONOS® reports, etc., that you gathered in Step 3.

- When you question any of these, place the cursor pointer in the cell of information and double-click. The entire row will highlight. Double clicking takes you to “Display Article Document: Overview” illustrated on the next page.

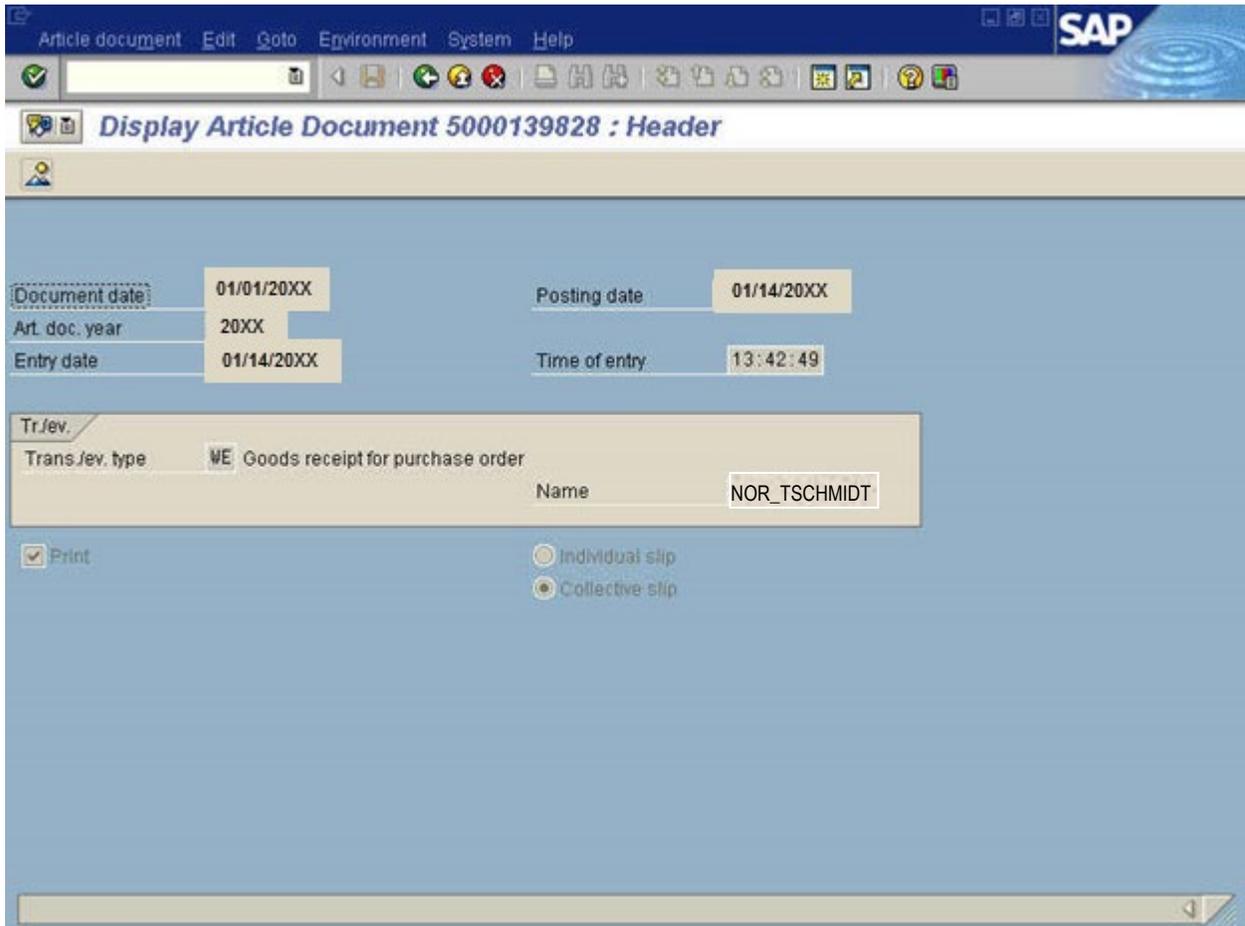


- “Display Article Document” shows the input documents that were included in the accounting Cost Element 783000 (line item). Review this screen to ensure the data agrees with your supporting documentation. (E.g., correct article/product applied to your site, Cost Center, quantity, etc.)
- If this information had been okay, you would stop here and back out of AIMS to the Budget Performance Activity - New report and check any other Cost Element you might question. In this example, you need to drill down one more screen to identify whom to contact in the Business Office.
- Click on the Hat Icon to see the “Display Article Document: Header”



**Step 8  
cont.**

- “Display Article Document: Header” shows Business Office reference data about the transaction including who posted it.



- Use this screen to identify who to call (double click the “Name” cell to see contact information) about questions and concerns and to ask them to correct errors.

- Staying in the same Cost Center printout, repeat this procedure for each Cost Element for which you have question or concern.

**NOTE:** Completion of Steps 6 through 8 determined if the figures you examined were correct. You determined that the data was posted correctly, transcribed correctly, matched supporting documents, etc.

So we see the numbers are right, but the performance is not. The next steps show you how to deal with unfavorable financial performance.

**Step 9** Use the following checklist to identify possible cause(s) of figures that you identified as unfavorable in either revenue or Cost Elements.

- Have you encountered unanticipated base loading changes, environmental requirements, change in APF/UFM etc.?
- Are changes due to inflation greater than anticipated?
- Have you added, changed or dropped activities, events, products, or services?
- Have you added, changed or cut staff or staff schedules?
- Have you incurred unplanned expenses? (E.g., equipment or structural failures, losses, new requirements, change to standards, policy changes, etc.)
- Have unanticipated revenue shortfalls occurred?
- Impact of weather?
- Have you accelerated or delayed planned obligations?
- Are you obligating arbitrarily without having/using a purchasing/budget plan?

**NOTE:** If you are under obligating, ensure your Program is operating effectively and that you are providing (or exceeding) what your customers expect.

**Step 10** Determine what action will correct financial performance you identified unfavorable, based on the following causes.

IF CAUSE IS:	THEN:
Unanticipated base loading changes, environmental requirements, changes in APF/UFM, etc.	<ol style="list-style-type: none"> <li>1. Ensure you can justify additional expenditures/obligations.</li> <li>2. Work with your immediate supervisor and FFR Business Office to determine if money can be moved from one (or more) of your accounts, within your Cost Center, or from another Cost Center.</li> </ol> <p style="text-align: center;"><b>AND/OR</b></p> <ol style="list-style-type: none"> <li>3. Seek budget adjustment within the region or higher. (Also, see the enclosure in <u>Prepare NAF Budget Projections</u> for alternative resource sources.)</li> </ol>
Unanticipated change in Inflation.	
Unplanned expenses. (E.g., equipment, structural, failures, losses, new requirements, changes to standards, policy changes, etc.)	
Added, changed or dropped activities, events, products or services.	
Unanticipated revenue shortfalls.	
Accelerated/delayed planned obligations.	
Weather.	
Added, changed, cut staff or staff schedules.	
Whether by action or inaction, you have obligated above your purchasing/budget plan.	<ol style="list-style-type: none"> <li>1. This is your problem!</li> <li>2. Develop/adjust a spending plan to get back on budget. (E.g., make adjustments to Program. See Analyze AIMS Financial Statements).</li> <li>3. Advise your immediate supervisor.</li> </ol>

**Step 11** Determine what to do next.

IF YOU:	AND:	THEN:
Justified additional funds	This action corrected your budget variance	<ol style="list-style-type: none"> <li>1. Great! <b>Stop here.</b></li> <li>2. Continue monitoring actual to budget.</li> </ol>
	This action was <u>insufficient</u> to correct the budget variance	<ol style="list-style-type: none"> <li>1. See <u>Prepare NAF Budget Projections</u> to examine how budgets are justified or decisions disputed.</li> <li>2. See <u>Analyze AIMS Financial Statements</u> to isolate and correct operational problems.</li> </ol>
Made minor adjustments to your spending plan	This action corrected your budget variance	<ol style="list-style-type: none"> <li>1. Great! <b>Stop here.</b></li> <li>2. Continue monitoring actual to budget.</li> </ol>
	This action did <b>NOT</b> correct your budget variance	<ol style="list-style-type: none"> <li>1. See <u>Prepare NAF Budget Projections</u> to examine how budgets are justified or decisions disputed.</li> <li>2. See <u>Analyze AIMS Financial Statements</u> to analyze financials to isolate and correct operational problems.</li> </ol>

<p><b>NOTE:</b> Many budget variances will require no more complicated management action than minor line item reassignments, changes to schedules, delaying purchases, co-share costs with another Cost Center, etc.</p>
--

**Step 12** Brief your immediate supervisor, key staff members, FFR director/site manager and regional Program Manager about your NAF budget status and financial performance. (See Analyze AIMS Financial Statements for briefing bullets.)

**Things to consider for your brief:**

- Comparison of budget to actual for each account.
- Explanation of significant variances.
- Budget adjustment results.
- Decisions based on recommendations for Program changes to achieve/maintain budget goals. (See Analyze AIMS Financial Statements for a model planning process to implement any proposed changes.)

<p><b>NOTE:</b> The frequency or necessity of this brief will be based on local policy and practice and the significance of “what” needs to be briefed.</p>
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**Stop here! You have completed the steps for tracking NAF budget using AIMS and applicable supporting budget records/documents.**

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## TRACK/MONITOR NAF REMAINING IN THE BUDGET

**Step 13** Log on to AIMS and navigate to the Cost Center Reporting menu.

**NOTE:** Logon and navigation procedures are explained in the [SAP AIMS Managers' Reporting Manual](#). Contact your local Business Office for assistance.

- Following the AIMS procedures provided in the AIMS training manuals, enter the transaction code ZCO01 in the Command Field and press enter or click on the “enter button” (green circle with a check mark).

This will take you to the hierarchy of the Cost Center Reports under the heading, “SAP Menu”. The layout is similar to the one shown in “Using Your AIMS Plan and Financials” found at the end of [Analyze AIMS Financial Statements](#).

**NOTE:** Clicking the right arrowhead symbol (>) in any of the folder icons will expand the reports in that folder. Clicking the down arrowhead symbol (v) in any of the folder icons will collapse the reports into that folder.

You will use the reports in the Plan/Actual comparisons.

**Step 14** Select the P&L Current Month / Cumulative report from the AIMS Cost Center Reports hierarchy. (See a sample of this report in “Using Your AIMS Plan & Financials”.)

- This report gives you Actual, Plan, and Dollar Variance data for the period you select. (E.g., Period 2 = Nov; Period 5 = February, etc.) It also provides “cumulative” data for year-to-date.
- The report also gives you Plan for the year and remaining funds in both a dollar amount and percent of Plan (budget).
- This data will indicate:
  - The results of all accounts in your Cost Centers compared to the budget for the current period (the one you select) and cumulative year-to-date.
  - Available funds as both dollar amount and percentage of the Plan (budget) for the Fiscal Year.
  - The Plan total for the year.
  - The need to adjust the spending plan – either up or down – with regard to the Plan (budget).
  - The need for further analysis, if applicable to the data.

**NOTE:** Regular attention to your financial performance gives you the information you need to responsibly manage your available funds with regard to the needs of your customers/patrons and the overall needs locally, regionally, and FFR-wide. This report provides data about your available funds.

The Budget Performance Activity - New report provides detailed data about your financial performance. (See Steps 3-12.)

**Step 15** Use the P&L Current Month / Cumulative report to identify how much your Plan (budget) said you would earn in the selected period and total year and, how much it said you would have available to obligate in the selected period and the total year.

- You can do this by Cost Center or Cost Center Group.
- You can do this by individual account or total revenue/total expenses.
- You can see, at a glance, total funds available going into the next period and the remainder of the fiscal year.

**NOTE:**

Remember open orders/pending obligations reduce the total available funds going into the next period. Use your local records or contact the Business/Procurement Office for a list of open orders.

AIMS does not include dollar signs or percent signs throughout its reports.

In this report “Act.” means “Actual”. “Per.” means “Period” (chunk of time selected).

Column spacing may cut off some of the title data. (E.g., “Variance per. 1 is actually the Variance data for period 1 through whichever period you select for the report.)

Posting and closeout will cause your actual financial data to lag anywhere from a few to 10 days each month.

- Start with any of your Cost Centers.
  - To determine the funds available for a specific account, locate the Cost Element and applicable amount in the column titled, “Available x or xx” (where x or xx equals the period you are examining). See Example 1 on next page.
  - To determine the **total** funds available, locate the applicable amount at the bottom of the column titled, “Available x or xx” (where x or xx equals the period you are examining). See Example 2 on next page.
-

**SUPPORT SERVICES JOB AID**

**Step15 cont.**

Elements	Act., per. 1- 4	Plan per. 1- 4	Variance per. 1	Plan total year	Available 4
Revenue	264.00	414.00	150.00-	1,514.00	1,250.00
601000 SALARIES & WAGES	4,032.53	15,154.00	11,121.47-	46,734.00	42,701.47
621000 EMPRS SHARE OF FICA	306.10	1,160.00	853.90-	3,460.00	3,153.90
622000 ANNUAL LEAVE		631.00	631.00-	1,999.00	1,999.00
633000 WORKERS COMP	118.47	366.00	247.53-	1,127.00	1,008.53
634000 UNEMPLOY COMP	41.01	123.00	81.99-	379.00	337.99
662000 CABLE/SATELLITE SER	115.25		115.25		115.25-
683000 REPAIRS & MAINT-FF&		152.00	152.00-	456.00	456.00
685000 REPAIRS & MAINT-BLD	141.20		141.20		141.20-
701000 SUPPLIES	353.65	380.00	26.35-	1,400.00	1,046.35
751000 USA APT LABOR COST	2,911.12-	16,945.00-	14,033.88	52,193.00-	49,281.88-
787000 ENTERTAINMENT/TICKE	10.00	90.00	80.00-	317.00	307.00
799000 MISC EXPENSE		20.00	20.00-	60.00	60.00
Expenses	2,207.09	1,131.00	1,076.09	3,739.00	1,531.91
Profit & Loss	1,943.09-	717.00-	1,226.09-	2,225.00-	281.09-

**Example 1:** You came to this report to determine how much money you have available for 701000, "supplies".

Your FY Plan (budget) was 1,400.00 as shown in the column titled, "Plan total year".

As indicated in the column titled, "Available 4", you determine you have 1,046.35 available in or at the end of period 4. If there are NO open orders, then the 1,046.35 is available to meet your procurement needs in this cost element, 701000, "supplies" for remainder of Fiscal Year.

**Example 2:** This figure, 1,531.91 shows the **total** Plan (budget) available to apply to any of the cost elements to meet your procurement needs for remainder of Fiscal Year.

This process ensures you obligate, or authorize obligations responsibly – you actually have some money! ☺



**Stop here! You have completed the steps for tracking NAF budget using AIMS and applicable supporting budget records/documents.**

## TRACK/MONITOR APF BUDGET EXECUTION

### Step 16

**NOTE:** **APF data is not available in the SAP/AIMS system.** APF data is managed by different automated management information systems. Systems currently in use are Standard Accounting and Reporting System (STARS) and the Command Financial Management System (CFMS). Other locally developed systems may be in use, also.

You probably will not have access to the APF data online. However, your local or regional FFR Business probably will. If not, they will be able to get copies of your APF reports.

Example reports that you would find applicable and useful to you are:

- Spend Plan
- Region and Installation Easter Egg Report
- Status of Funds Report

If you use these, you will not need to create your own data management system/methods.

Examine your APF budget record from CFMS, STARS, or your local system.

If using a local system, ensure your budget log/records/spreadsheet contain:

- Obligation/Allocation reference number.
- Item description, dates, quantity ordered and received.
- Commitment obligation amount.
- Amount disbursed to-date.
- The budget figures for the period referred to as a control figure/total or Operating Target (OPTAR).
- A running total of all allocations.
- All obligated (committed, but not yet paid) expenses versus budgeted expenses.
- A running balance of budgeted funds available.
- Current percent of control or OPTAR obligated.

Accomplish the APF review monthly, quarterly, during mid-year, and just before the end of the year (fourth quarter).

**Step 17** Compare your current allocations to your current APF budget balance to identify whether you are on target, under-spending, or over-spending.

IF:	THEN YOU ARE:
5% or more above Budget	Over-spending/allocating. <b>(SEE NOTE BELOW!)</b>
Between 5% above and 5% below Budget	On target. STOP HERE. Congratulations 😊
5% or more below Budget	Under-spending/allocating.

**NOTE:** We used 5% as the variance percentage "Red Light" for this example. You will need to use local guidance for your permitted % of APF budget variance. Variance percent is calculated by subtracting actual from budget and dividing that figure by the budget and multiplying by 100.

**Example:**  $\$500 - \$365.50 = \$134.50 \div \$500 = .269 \times 100 = 26.9\%$   
 Budget - Actual = \$ xx.xx ÷ Budget = .xxx x 100 = xx.x VAR %

**APF CANNOT BE OBLIGATED IN EXCESS OF YOUR APF BUDGET!**

Checkpoints in the APF purchasing system should prevent allocation above budget. Check current balance before submitting APF purchase requests.

**Step 18** Using the following prompts, decide what action you will take relative to your APF budget allocations/performance.

- Are you under-spending/allocating?
  - Confirm the accuracy of all the figures/calculations.
  - Confirm your records with the regional FFR Business Office.
  - Confirm your records with Purchasing. (E.g., open allocations, billings, records, lost paperwork, etc.)
  - Check your spending/purchasing plan.
  - Determine if under-spending is affecting Program effectiveness.
  - Notify your immediate supervisor, FFR director/site manager and regional business manager that you have excess APF available for other FFR application.
  
- Are you overspending? (**APF CANNOT be allocated in excess of your approved APF budget!**)
  - Confirm the accuracy of all the figures/calculations.
  - Confirm your records with the regional business office.
  - Confirm your records with Purchasing. (E.g., allocations, billings, records, lost paperwork, etc.)
  - Check your spending/purchasing plan.
  - Confer with your immediate supervisor, FFR director/site manager or regional FFR Business Office to determine if additional APF can be transferred to your Cost Center from another.
  - Confer with your immediate supervisor or FFR director/site manager to determine if your APF budget can be increased with new money.

**NOTE:** It is advisable to execute your APF spending in the first three quarters of each Fiscal Year per Uniform Funding Management (UFM) Practice guidance. Spend evenly; do not dump all APF allocations into the fourth quarter.

Ensure you have your APF control figures for your Program. The Comptroller provides these to the FFR director/site manager or regional Business Office.

Ensure you develop an annual APF spending plan, which will be reviewed by your immediate supervisor and reviewed and approved by the FFR director/site manager, regional Business Office, then sent to the Comptroller.

The approved Department-wide spending totals will determine the amount of OPTAR your Program is allocated quarterly.

**Step 19** Take action ASAP when over-spending/allocating for Labor costs.

- Recruit at the entry level.
- Use “time off” awards vice cash awards or Quality Step Increases (QSI).
- Use temporary help.
- Minimize use of deputies and assistants.
- Justify (reduce) size of support staff.
- Use hiring freezes and gap positions when vacated.
- Use LWOP when applied for by employees.
- Monitor work schedules/reduce overtime pay.
- Conduct Reduction in Force (RIF).
- Cancel career promotions (ladder positions).

**Step 20** Take action ASAP when over-allocating Non-Labor costs.

- Maximize use of Uniform Funding Management (UFM) practice.
- Review Spend Plan.
- Defer unnecessary expenses.

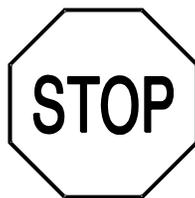
**Step 21** Brief your immediate supervisor, key staff members, FFR director/site manager and regional Program Manager about your APF budget status and financial performance. (See Analyze AIMS Financial Statements for briefing bullets.)

**Things to consider for your brief:**

- Comparison of budget to actual for each account.
- Explanation of significant variances.
- Budget adjustment results.
- Recommendations for Program changes to achieve/maintain budget goals.

<p><b>NOTE:</b> The frequency or necessity of this brief will be based on local policy and practice and the significance of “what” needs to be briefed.</p>
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**Step 22** Continue to monitor APF budget execution on a regular basis. (At least monthly, quarterly, mid-year review and end-of-year.)



***Congratulations! You've completed this task.***

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