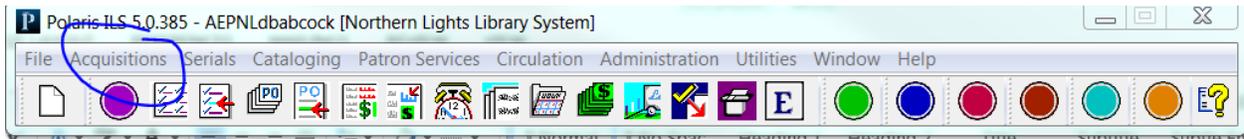


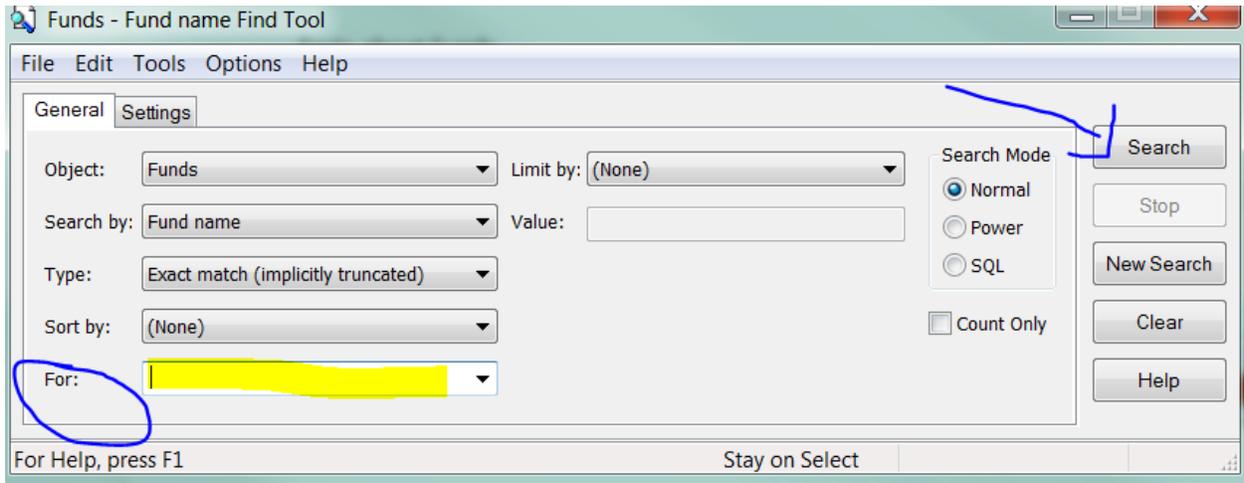
# Fun Facts about Funds!!

## Checking your Funds Account or How Much Money is in the Piggy Bank?:

Log into Polaris and on the main menu click Acquisitions



Choose Funds – and then Find Fund. The Search Tool Box will open up.



In the "For:" box (highlighted area), type in your library code and press Search. If you are unsure of your library code, please let me know. I am going to pick on Lafond Public Library and their library code is ALAF.

You should get a screen that looks like this:

Name	Alternativ...	Fund ...	Status	Total Allocated	Encumbered	Expended	Free Balance	Fiscal Year
ALAF 35% Outside Purchas...	6073-1	Regul...	All activity closed	\$0.00	\$0.00	\$0.00	\$0.00	2014 AEPN...
ALAF Book Allotment 6073	6073	Regul...	All activity closed	\$0.00	\$0.00	\$0.00	\$0.00	2014 AEPN...
ALAF 40% Outside Purchas...	6073-1	Regul...	Open	\$0.00	\$0.00	\$0.00	\$0.00	2015 AEPN...
ALAF Book Allotment 6073	6073	Regul...	Open	\$0.00	\$0.00	\$0.00	\$0.00	2015 AEPN...

The most recent accounts are at the bottom. In this example it is 2015 Fiscal Year. Your Account numbers will start with a 6000. In this example the account is 6073 for the Book Allotment and the 40% Outside Purchases Account is 6073-1. Some of you may have a third account starting with a 2000 series number. If you do and would like more info on these accounts, please give me a call or an email and will do some further explanation.

Your account funds are split into 4 columns – Total Allocated, Encumbered, Expended and Free Balance. Here’s what each of those mean:

**Total Allocated:** The number in here shows what the balance is as of January 1 of that year. This figure will be any funds rolled over from the previous fiscal year(s) and the new money added for that fiscal year.

**Encumbered:** This balance shows the total funds “tied up” for your on-order items. They are items that are on-order but have not been received and/or invoiced and paid for yet. The reason items get entered into Polaris before they are physically in hand is so that the funds can be encumbered and patrons can begin to place holds.

**Expended:** This balance shows the actual amount that received items cost. This is the amount that was invoiced for. This amount should not exceed the total in the Total Allocated Funds as that would show more money was paid out than was originally allocated.

**Free Balance:** This amount shows any monies that are free and clear and unspoken for. These funds can totally be spent on any items to be added to the TRAC catalogue. Any funds left in here at the end of 2015 will roll over into 2016. For example, if at the end of the 2015 year you have \$100.00 left in the free balance and for 2016 you get \$500.00, your 2016 Fiscal Year Total Allocated Amount will be \$600.00.

A quick math test:

Total Allocated \$ - Encumbered \$ - Expended \$ = Free Balance \$

## **Some More Fun Facts or It Looks Like I Am Outta Money!:**

When an item gets “Encumbered” it is usually done at List Price\Retail Price. Most items are bought on account and not cash up front (like Amazon or Chapters) so I do not know the exact final discounted price until it actually gets here with its invoice. The reason I encumber the entire list price and tie up those funds is that it is better to overestimate the price and get a refund than underestimate and owe more. Who doesn’t like a refund, right? It’s always nicer to find out you have MORE money than you thought you did!

So,

A book retails for \$29.99. We will probably get a 30% discount on it may be 40% or it may be 20%. Instead of guessing, I encumber the entire \$29.99. That means that your Free Balance will go DOWN by \$29.99 and your Encumbered will go UP by \$29.99. When the book comes in and the invoice is here, it costs \$17.49. That’s a \$12.50 savings! Here’s the good news: your Encumbered will go DOWN by the original \$29.99. \$17.49 of that (the actual price of the book) will move to Expended and the remainder (the \$12.50) moves back into your Free Balance. You now have an extra \$12.50 to spend on future items! Hooray!!

A good rule of thumb is that 20% of your Encumbered funds will come back to your Free Balance when they actually are received.

If your Encumbered balance is \$500.00 and your Free Balance is -\$7500 (yes that's a negative 75 bucks) do not dismay! 20% of \$500.00 is \$100.00 so this 100 bucks plus the negative 75 in your Free Balance equals to a positive 25 smackaroos! You still have some money!!

It is totally okay for your Free Balance to be a bit in the negative if you have some Encumbered items! The important thing is that during the fiscal year, your Total Expended is more than your Total Allocated.

If you ever have any questions about funds, please give me a call!

Happy shopping!

Diane Babcock

Acquisitions - NLLS